



SOUTH FLORIDA WATER MANAGEMENT DISTRICT

October 3, 2018

The Honorable Rick Scott
The Capitol
Tallahassee, Florida 32399-0001

The Honorable Joe Negron
President of the Senate
409 The Capitol
Tallahassee, FL 32399-1100

The Honorable Richard Corcoran
Speaker of the House of Representatives
420 The Capitol
Tallahassee, FL 32399-1300

Subject: South Florida Water Management District Final Adopted Budget for Fiscal Year 2018-2019

Dear Governor Scott, President Negron and Speaker Corcoran:

On behalf of the Governing Board of the South Florida Water Management District, I am pleased to submit the District's adopted budget for Fiscal Year 2018-2019 pursuant to Section 373.536(6)(a)1, Florida Statutes. The adopted budget totaling \$813.9 million supports ongoing progress in environmental restoration and water resource projects throughout South Florida.

Without raising taxes on our citizens for the eighth consecutive year, this 2018-2019 budget supports the agency's mission-critical functions and statutory obligations, including:

- Providing flood control and hurricane response (including sufficient emergency reserves);
- Implementing large capital projects to improve water quality and restore the Everglades;
- Meeting ongoing water supply and water resource development needs;
- Administering streamlined regulatory programs; and
- Meeting debt service payments, without any proposed additional debt.

Budget Highlights

- By prudent oversight and limiting operating costs, administrative overhead and non-mission related projects, the District is ensuring that fiscal resources support mission-critical functions.
- Approximately 86 percent of the 2018-2019 budget is dedicated to support flood control, operations and maintenance of lands and advancing ecosystem restoration goals which includes a significant infusion of state sources, in the amount of **\$337 million** to accelerate the pace of restoration projects.
- The 2018-2019 budget dedicates more than **\$36 million** to implementing the next phases of the Governor's \$880 million Restoration Strategies plan to improve Everglades water quality, project highlights including:
 - **\$10 million** for Bolles Canal conveyance improvements construction;
 - **\$10 million** to continue STA 5 Earthwork Improvements;
 - **\$7 million** to design and start construction on Stormwater Treatment Area (STA) 1 West Expansion 2;
 - **\$6 million** for C-139 Flow Equalization Basins (FEB) to start design; and
 - **\$3 million** to continue implementation of the Science Plan to monitor and improve the water-cleansing performance of the STA's.
- Priority projects will provide significant benefits to South Florida's extensive flood control system and protect coastal estuaries, including:
 - **Over \$250 million** to continue the Comprehensive Everglades Restoration Plan (CERP) for projects such as C-43 Reservoir, Old Tamiami Trail Removal, Increase S-333 capacity, planning of future CERP projects and Everglades Agricultural Area Storage Reservoir Project;
 - **Over \$100 million** for ongoing operations and maintenance and exotic control of the Central and Southern Florida Project (C&SF), Big Cypress Basin and Storm Water Treatment Areas;
 - **Over \$80 million** for Northern Everglades & Estuaries including such projects as Dispersed Water Management, Lakeside Ranch and Interim Estuary Protection Measures; and
 - **\$62 million** for continued refurbishment of South Florida's flood control system.

Revenue Sources & Adopted Millage Rates

The Governing Board continued its commitment to maintain lower taxes for an eighth consecutive year, helping reduce the tax burden on South Florida property owners by adopting "rolled-back" millage rates while maintaining critical services.

- The annual budget is funded by a combination of ad valorem (*property*) taxes and other revenues such as state appropriations, federal and local sources, fees, investment earnings and agricultural privilege taxes.
- For the 2018-2019 Fiscal Year, **\$277.3 million** is provided by property taxes and **\$127.8 million** is from dedicated reserves. The Governing Board has provided for sufficient restricted reserves of \$61 million to address hurricane or unanticipated flood control infrastructure emergencies.
- The millage rates for Fiscal Year 2018-2019 represent \$29.36 per \$100,000 of taxable value in 15 of the District's 16 counties (*the Okeechobee Basin*). In Collier County and mainland Monroe County (*the Big Cypress Basin*), the tax rates represent \$24.40 per \$100,000 of taxable value.

The final budget in detail is available on the District's website at www.sfwmd.gov.

The Governing Board and its staff are committed to fiscal discipline while maintaining the necessary public services to protect and improve the quality of life for South Florida's families and their water resources.

Sincerely,



Ernie Marks,
Executive Director

Enclosure

South Florida Water Management District Fiscal Year 2018-2019 Adopted Budget

PROGRAMS AND ACTIVITIES	FISCAL YEAR 2018 - 2019 Adopted Budget
1.0 Water Resources Planning and Monitoring	\$53,144,571
1.1 - District Water Management Planning	25,032,011
1.1.1 Water Supply Planning	17,025,186
1.1.2 Minimum Flows and Levels	303,691
1.1.3 Other Water Resources Planning	7,703,134
1.2 - Research, Data Collection, Analysis and Monitoring	24,873,808
1.3 - Technical Assistance	210,833
1.4 - Other Water Resources Planning and Monitoring Activities	-
1.5 - Technology & Information Services	3,027,919
2.0 Acquisition, Restoration and Public Works	\$417,023,428
2.1 - Land Acquisition	-
2.2 - Water Source Development	279,211
2.2.1 Water Resource Development Projects	228,152
2.2.2 Water Supply Development Assistance	51,059
2.2.3 Other Water Source Development Activities	-
2.3 - Surface Water Projects	414,804,111
2.4 - Other Cooperative Projects	277,514
2.5 - Facilities Construction and Major Renovations	-
2.6 - Other Acquisition and Restoration Activities	-
2.7 - Technology & Information Service	1,662,592
3.0 Operation and Maintenance of Lands and Works	\$283,437,024
3.1 - Land Management	17,377,516
3.2 - Works	209,179,908.00
3.3 - Facilities	3,933,824
3.4 - Invasive Plant Control	29,864,510
3.5 - Other Operation and Maintenance Activities	5,099,740
3.6 - Fleet Services ⁽²⁾	7,945,076
3.7 - Technology & Information Services	10,036,450
4.0 Regulation	\$22,067,874
4.1 - Consumptive Use Permitting	5,222,979
4.2 - Water Well Construction Permitting and Contractor Licensing	-
4.3 - Environmental Resource and Surface Water Permitting	8,936,028
4.4 - Other Regulatory and Enforcement Activities	4,783,558
4.5 - Technology & Information Service	3,125,309
5.0 Outreach	\$1,125,455
5.1 - Water Resource Education	-
5.2 - Public Information	1,093,955
5.3 - Public Relations	-
5.4 - Washington D.C. Representation	31,500
5.5 - Other Outreach Activities	-
5.6 - Technology & Information Service	-
<i>SUBTOTAL - Major Programs (excluding Management and Administration)</i>	
6.0 District Management and Administration	\$37,098,701
6.1 - Administrative and Operations Support	30,348,589
6.1.1 - Executive Direction	593,241
6.1.2 - General Counsel / Legal	2,709,532
6.1.3 - Inspector General	820,586
6.1.4 - Administrative Support	12,001,999
6.1.5 - Fleet Services	-
6.1.6 - Procurement / Contract Administration	2,040,942
6.1.7 - Human Resources	1,727,646
6.1.8 - Communications	428,740
6.1.9 - Technology & Information Services	10,025,903
6.3 - Reserves	-
6.4 - Other - (Tax Collector / Property Appraiser Fees)	6,750,112
TOTAL	\$813,897,053

PROGRAMS WITH EXPENDITURE CATEGORY	Work Force	FISCAL YEAR 2018 - 2019 Adopted Budget
1.0 Water Resources Planning and Monitoring		\$53,144,571
Salaries and Benefits	244	25,539,352
Other Personal Services	1	108,614
Contracted Services		3,291,433
Operating Expenses		15,272,227
Operating Capital Outlay		499,300
Fixed Capital Outlay		1,668,163
Interagency Expenditures		6,765,482
Debt		-
Reserves		-
2.0 Acquisition, Restoration and Public Works		\$417,023,428
Salaries and Benefits	144	16,013,652
Other Personal Services	-	-
Contracted Services		79,343,744
Operating Expenses		4,656,405
Operating Capital Outlay		12,132,800
Fixed Capital Outlay		273,556,981
Interagency Expenditures		926,221
Debt		30,393,625
Reserves		-
3.0 Operation and Maintenance of Lands and Works		\$283,437,024
Salaries and Benefits	750	70,551,347
Other Personal Services	1	104,036
Contracted Services		9,087,088
Operating Expenses		85,879,539
Operating Capital Outlay		12,466,028
Fixed Capital Outlay		43,456,860
Interagency Expenditures		636,789
Debt		-
Reserves		61,255,337
4.0 Regulation		\$22,067,874
Salaries and Benefits	164	16,172,802
Other Personal Services	2	63,125
Contracted Services		585,670
Operating Expenses		5,246,277
Operating Capital Outlay		-
Fixed Capital Outlay		-
Interagency Expenditures		-
Debt		-
Reserves		-
5.0 Outreach		\$1,125,455
Salaries and Benefits	9	1,052,735
Other Personal Services	-	-
Contracted Services		43,730
Operating Expenses		28,990
Operating Capital Outlay		-
Fixed Capital Outlay		-
Interagency Expenditures		-
Debt		-
Reserves		-
6.0 District Management and Administration		\$37,098,701
Salaries and Benefits	164	17,968,893
Other Personal Services	-	-
Contracted Services		2,665,542
Operating Expenses		14,466,676
Operating Capital Outlay		1,997,590
Fixed Capital Outlay		-
Interagency Expenditures		-
Debt		-
Reserves		-
ALL PROGRAMS	1,479	\$813,897,053
Salaries and Benefits	1,475	147,298,781
Other Personal Services	4	275,775
Contracted Services		95,017,207
Operating Expenses		125,550,114
Operating Capital Outlay		27,095,718
Fixed Capital Outlay		318,682,004
Interagency Expenditures		8,328,492
Debt		30,393,625
Reserves		61,255,337

SOUTH FLORIDA WATER MANAGEMENT DISTRICT
SOURCE AND USE OF FUNDS, RESERVES AND WORKFORCE

ADOPTED BUDGET - Fiscal Year 2018-2019

	Fiscal Year 2018-2019 (Tentative Budget)	Fiscal Year 2018-2019 (Adopted Budget)
SOURCE OF FUNDS		
Beginning Cash Balance	\$332,239,309	\$332,384,708
District Revenues	338,825,614	338,950,614
Local Revenues	229,200	379,200
State Revenues	336,920,253	337,113,253
Federal Revenues	9,610,300	9,622,745
SOURCE OF FUND TOTAL	\$1,017,824,676	\$1,018,450,520
USE OF FUNDS		
Salaries and Benefits	\$147,298,781	\$147,298,781
Other Personal Services	275,775	275,775
Contracted Services	90,147,187	95,017,207
Operating Expenses	125,369,669	125,550,114
Operating Capital Outlay	27,095,718	27,095,718
Fixed Capital Outlay	318,682,004	318,682,004
Interagency Expenditures (Cooperative Funding)	8,298,512	8,328,492
Debt	30,393,625	30,393,625
Reserves - Emergency Response	61,255,337	61,255,337
USE OF FUNDS TOTAL	\$808,816,608	\$813,897,053
RESERVES (ESTIMATED)		
Nonspendable	\$19,891,145	\$20,036,544
Restricted	163,621,018	163,621,018
Committed	25,495,905	20,895,905
Assigned	-	-
Unassigned	-	-
TOTAL RESERVES	\$209,008,068	\$204,553,467
WORKFORCE		
Authorized Position (Full-Time Equivalents/FTE)	1,475	1,475
Contingent Worker (Independent Contractors)	-	-
Other Personal Services (OPS)	4	4
Intern	-	-
Volunteer	-	-
TOTAL WORKFORCE	1,479	1,479

Reserves:

- Nonspendable - amounts required to be maintained intact as principal or an endowment
- Restricted - amounts that can be spent only for specific purposes like grants or through enabling legislation
- Committed - amounts that can be used only for specific purposes determined and set by the District Governing Board
- Assigned - amounts intended to be used for specific contracts or purchase orders
- Unassigned - available balances that may be used for a yet to be determined purpose in the general fund only