



*Ensuring Water Supply:
Pompano Beach Reclaimed Water
Supply Facility*



*Providing Flood Control:
Emergency Operations at S-357
Pump Station*



*Improving Water Quality:
Flamingos at Stormwater
Treatment Area 2*



*Restoring Natural Systems:
Loxahatchee River Restoration at
Lainhart and Masten Dam*

SFWMD Fiscal Year 2018-19 DRAFT Preliminary Budget Update Presentation

Ernie Marks
Executive Director
December 14, 2017

Today's Discussion

- Fiscal Year 2018-19 DRAFT Preliminary Budget Status
 - Calendar of Upcoming Process Milestones
 - Governor Scott's Recommended Funding for 2018 session
 - Comparison of Revenues to Fiscal Year 2017-18 Adopted
 - Comparison of Expenditures to Fiscal Year 2017-18 Adopted
 - Preliminary Key Expenditures
 - Governing Board Discussion & Guidance
 - Next Steps

Budget Calendar Timeline

- **December 14 & 18** - Fiscal Year 2018-19 DRAFT Preliminary Budget submit to DEP.
- **January 11** - Governing Board meeting – Fiscal Year 2018-19 Preliminary Budget presentation.
- **January 15** - each water management district shall submit a preliminary budget for the next fiscal year for legislative review.
 - Distribution includes President of the Senate, Speaker of the House of Representatives, Chairs of legislative committees and subcommittees with substantive or fiscal jurisdiction over water management districts.
- **January 25** - Basin board meeting to review the final preliminary budget.
- **March 1** - Legislative comments on preliminary budget to the districts.
- **March 15** - Districts shall respond in writing to Legislative comments.

Budget Calendar Timeline

➤ **March – July**

- Governing Board presentation on priority proposals for use of reserves and any additional recurring funding from new construction and savings.

➤ **April 26** - Basin Board meeting to discuss budget updates and priorities prior to July meeting.

➤ **July 1** - Taxable Values received resulting in final Ad Valorem amounts vs. current estimates.

➤ **July 9** - Basin board meeting to establish Tentative Millage Rates and Budget.

➤ **July 12** - Governing Board meeting - Fiscal Year 2018-19 Tentative Budget update and Millage Rates approval.

- Request Governing Board approval of proposed millage rates for certification to property appraisers.

➤ **Mid July** - submission of the District's Fiscal Year 2018-19 Draft Tentative Budget to FDEP.

➤ **August 1** - submission of the District's Fiscal Year 2018-19 Tentative Budget for Governor and Legislative review.

Budget Calendar Timeline

- **August 30** - Basin board meeting to approve the Final Millage Rate and Fiscal Year 2018-19 budget.
- **September 5** - Consideration of Legislative comments on Tentative Budget.
- **September 13** - Public hearing to adopt Fiscal Year 2018-19 Tentative Millage Rates, Agricultural Privilege Tax Roll, and Budget.
- **September 18** - Governor & Legislative Budget Commission comments due 5 days before final Budget Hearing.
- **September 25** - Public hearing to adopt Fiscal Year 2018-19 Final Millage Rates and Budget.

Governor's Recommended Funding for 2018 Session

➤ \$305.8 million Restoration

- Everglades Restoration \$205.8 million
 - \$32 million Restoration Strategies
 - \$173.8 million CERP (such as C-43, CERP Planning, Old Tamiami Trail Removal, Increase S-333....)
- EAA Reservoir \$64 million
- Northern Everglades & Estuaries Protection \$31 million
- Dispersed Water Management (existing operations) \$5 million

➤ \$3.55 million Other

- Land Management \$2.35 million
- Alligator Alley Tolls \$1.2 million (Year 3 of 3 year agreement with DOT)

Comparison of Revenues

Fiscal Year 2017-18 to Fiscal Year 2018-19

Revenue Category	Fiscal Year 2017-18 Adopted	Fiscal Year 2018-19 Preliminary	\$ Variance	% Variance
Ad Valorem Taxes	\$274,002,537	\$277,300,000	\$3,297,463	1.2%
State Sources	\$309,012,971	\$388,933,443	\$79,920,472	25.9%
Agricultural Privilege Taxes	\$11,056,325	\$11,056,325	\$0	0.0%
Federal Sources	\$7,192,465	\$9,753,554	\$2,561,089	35.6%
Local Sources	\$229,200	\$229,200	\$0	0.0%
Investment Earnings	\$6,100,000	\$6,100,000	\$0	0.0%
District Revenues	\$42,121,483	\$42,097,224	(\$24,259)	-0.1%
Reserves Without Restriction	\$29,298,382	\$4,615,098	(\$24,683,284)	-84.2%
Reserves With Restriction	\$79,333,512	\$80,105,910	\$772,398	1.0%
Total	\$758,346,875	\$820,190,754	\$61,843,879	8.2%

Comparison of Expenditures Fiscal Year 2017-18 to Fiscal Year 2018-19

State Program	Fiscal Year 2017-18 Adopted	Fiscal Year 2018-19 Preliminary	\$ Variance	% Variance
Water Resources Planning and Monitoring	\$55,982,971	\$50,121,420	(\$5,861,551)	-10.5%
Land Acquisition, Restoration and Public Works	\$369,143,463	\$435,335,275	\$66,191,812	17.9%
Operation and Maintenance of Lands and Works	\$272,479,943	\$276,305,162	\$3,825,219	1.4%
Regulation	\$24,113,378	\$21,773,275	(\$2,340,103)	-9.7%
Outreach	\$1,096,515	\$1,119,760	\$23,245	2.1%
District Management and Administration	\$35,530,605	\$35,535,862	\$5,257	0.0%
Total	\$758,346,875	\$820,190,754	\$61,843,879	8.2%

Major Expenditures/Project Highlights

- \$36 million Commitment to Governor's Restoration Strategies Initiative
 - Highlights include:
 - \$18.8 million design & start construction on STA-1W Expansion 2
 - \$8 million for Bolles Canal (G-341)-related conveyance improvements construction
 - \$3.5 million for C-139 FEB to start design
 - \$2.2 million to continue implementation of the Science Plan to help improve the water cleaning performance of the STAs
 - \$1.7 million to continue STA 5 Earthwork Improvements
- Over \$215 million to continue CERP (such as C-43, CERP Planning, Old Tamiami Trail Removal, Increase S-333....)
- \$64 million for the EAA Reservoir

Major Expenditures/Project Highlights (Continued)

- \$31 million for Northern Everglades & Estuaries Protection
- \$58.6 million for continued refurbishment of South Florida's flood control system and Big Cypress Basin
 - \$49.7 million C&SF, STA & BCB External/Contractual
 - \$8.9 million Internal Salary in Support of Program (Subject to change)
- \$770K Increase for New Operations coming on line:
 - Restoration Strategies STA-1W Expansion
 - C-44 STA Cells 1-6
 - Hillsboro & Kissimmee ASR
 - Southern Crew

Governing Board Guidance

- \$5.1 million of recurring funding available to be allocated.
 - Funding is currently in the \$820.2 million DRAFT Preliminary Budget but it is not allocated to specific items, It is line itemed as Governing Board Priorities.

- Proposals Consistent with Prior Board Discussion
 - Employee Compensation (\$1.3 million of recurring funding currently in the FY2018-19 DRAFT Preliminary Budget)
 - O&M Capital
 - O&M Field Operations & Maintenance
 - Lygodium Control
 - Level of Service Evaluation
 - Decomp Physical Model – Hydrologic conveyance, Monitoring, Sampling



Next Steps

- **December** - Receive Governing Board feedback and policy guidance for staff to bring back recommended usages of additional recurring revenues.
- Finalize preliminary submission report & spreadsheets
- **January 11**
 - Governing Board meeting – Fiscal Year 2018-19 Preliminary Budget presentation.
- **January 12** - Submit package to Legislature, Governor's Office and DEP by Conduct follow up with Tallahassee staff as needed; report back to Governing Board as issues arise. **(January 15 is a Federal Holiday)**
- **March – July** - Schedule Governing Board priority discussion and presentation on proposals for use of reserves and any additional recurring funding from new construction and savings.



*Ensuring Water Supply:
Pompano Beach Reclaimed Water
Supply Facility*



*Providing Flood Control:
Emergency Operations at S-357
Pump Station*



*Improving Water Quality:
Flamingos at Stormwater
Treatment Area 2*



*Restoring Natural Systems:
Loxahatchee River Restoration at
Lainhart and Masten Dam*

Discussion