Ensuring Water Supply: Pompano Beach Reclaimed Water Supply Facility
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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
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.
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

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

**Fiscal Year 2017-18 to Fiscal Year 2018-19**

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