



SOUTH FLORIDA WATER MANAGEMENT DISTRICT

September 22, 2016

The Honorable Rick Scott
Governor, State of Florida
The Capitol
Tallahassee, FL 32399-0001

**Subject: South Florida Water Management District
Final Adopted Budget for Fiscal Year 2016-2017**

Dear Governor Scott:

On behalf of our Governing Board, the South Florida Water Management District's adopted budget of \$726.6 million for Fiscal Year 2016-2017 pursuant to Section 373.536 (6)(a)1, Florida Statutes is submitted for your review.

The Final Fiscal Year 2016-2017 Budget of \$726.6 million supports ongoing progress in environmental restoration and water resource projects throughout South Florida while ensuring the District continues to deliver on its core mission of flood control, water supply, water quality and natural systems. Without raising taxes on our citizens, this 2016-2017 budget supports the agency's mission-critical functions and statutory obligations, including:

1. Providing flood control and hurricane response (including sufficient emergency and capital reserves);
2. Improving water quality and implementing projects to restore the Everglades;
3. Meeting ongoing water supply and water resource development needs;
4. Administering streamlined regulatory programs; and
5. Meeting ongoing debt service payments, with no new additional debt proposed.

Budget Highlights

- By prudent oversight and limiting operating costs, administrative overhead and non-mission related projects, the District has ensured that its fiscal resources support mission-critical functions. Cost savings initiatives include:
 - **\$7.1 million** reduction of staff complement to 1475.
 - **\$4.1 million** refinancing outstanding Certificates of Participation debt service.
 - **\$1 million** by amending the District's investment strategy
 - **\$1.3 million** operating costs for operations of new structures by updating timelines and operational efficiencies.

- **\$1.7 million** cost avoidance by reduction in fleet by 50 vehicles
 - Over **\$1 million** in aligning District employee benefits with State employees
 - **\$0.3 million** leasing available space in District Offices.
- Approximately 85 percent of the 2016-2017 budget is dedicated to support flood control, operations and maintenance of lands and advancing ecosystem restoration goals.
 - The 2016-2017 budget dedicates \$54.1 million to implementing the next phases of the Governor's \$880 million Restoration Strategies plan to improve Everglades water quality, including :
 - **\$31.3 million** to increase capacity at Stormwater Treatment Area (STA) 1 West.
 - **\$6.2 million** to continue implementation of the Science Plan to help improve the water cleansing performance of the STAs.
 - **\$12.8 million** to improve conveyance from the G-341 structure to the Bolles Canal south of Lake Okeechobee.
 - Priority projects will provide significant benefits to South Florida's extensive flood control system and protect coastal estuaries, including:
 - **\$55.9 million** for continued refurbishment of South Florida's flood control system.
 - **\$37.5 million** for design and initial construction of the Caloosahatchee River C-43 Western Basin Storage Reservoir
 - **\$60.3 million** for construction progress on the C-44 Reservoir and STA to protect the St. Lucie River and Estuary.
 - **\$29.2 million** for hydrologic improvements to Lake Hicpochee to benefit the Caloosahatchee River Estuary.
 - **\$20.6 million** to continue the second phase of construction of the Lakeside Ranch Stormwater Treatment Area in Martin County.
 - **\$9 million** in cooperative funding to promote environmental, resource and community benefits through stormwater management, alternative water supply and conservation construction projects.
 - The approved budget also contains a significant infusion of state revenues, **\$234 million**, appropriated by the Legislature to accelerate the pace of restoration projects.

Revenue Sources & Adopted Millage Rates

The Governing Board continued its commitment to maintain lower taxes for a sixth consecutive year, helping reduce the tax burden on South Florida property owners by proposing “rolled-back” millage rates while maintaining critical services.

- The annual budget is funded by a combination of ad valorem taxes and other revenues such as state appropriations, federal and local sources, balances, fees, investment earnings and agricultural privilege taxes.
- For the 2016-2017 Fiscal Year, **\$269.5 million** is provided by property taxes and **\$135.5 million** is from accumulated reserves. The Governing Board has provided for sufficient restricted reserves of \$60 million to address hurricane or unanticipated flood control infrastructure emergencies.
- The millage rates for Fiscal Year 2016-2017 represent \$33.07 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 \$26.95 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 lot of South Florida's families and their water resources.

Sincerely,

Peter Antonacci,
Executive Director

Enclosure

**South Florida Water Management District
Fiscal Year 2016-17 Adopted Budget**

PROGRAMS AND ACTIVITIES	FISCAL YEAR 2016 - 2017 Final Adopted Budget
1.0 Water Resources Planning and Monitoring	\$54,033,873
1.1 - District Water Management Planning	29,296,354
1.1.1 Water Supply Planning	17,870,068
1.1.2 Minimum Flows and Levels	501,800
1.1.3 Other Water Resources Planning	10,924,486
1.2 - Research, Data Collection, Analysis and Monitoring	21,480,563
1.3 - Technical Assistance	205,800
1.4 - Other Water Resources Planning and Monitoring Activities	0
1.5 - Technology & Information Services	3,051,156
2.0 Acquisition, Restoration and Public Works	337,782,770
2.1 - Land Acquisition	0
2.2 - Water Source Development	4,847,814
2.2.1 Water Resource Development Projects	252,220
2.2.2 Water Supply Development Assistance	4,595,594
2.2.3 Other Water Source Development Activities	0
2.3 - Surface Water Projects	330,082,290
2.4 - Other Cooperative Projects	1,351,154
2.5 - Facilities Construction and Major Renovations	0
2.6 - Other Acquisition and Restoration Activities	0
2.7 - Technology & Information Service	1,501,512
3.0 Operation and Maintenance of Lands and Works	273,461,050
3.1 - Land Management	23,780,088
3.2 - Works	199,529,943
3.3 - Facilities	4,096,407
3.4 - Invasive Plant Control	25,332,721
3.5 - Other Operation and Maintenance Activities	4,707,540
3.6 - Fleet Services ⁽²⁾	6,127,743
3.7 - Technology & Information Services	9,886,608
4.0 Regulation	24,270,665
4.1 - Consumptive Use Permitting	5,336,446
4.2 - Water Well Construction Permitting and Contractor Licensing	0
4.3 - Environmental Resource and Surface Water Permitting	9,064,589
4.4 - Other Regulatory and Enforcement Activities	7,246,056
4.5 - Technology & Information Service	2,623,574
5.0 Outreach	1,217,427
5.1 - Water Resource Education	0
5.2 - Public Information	1,185,927
5.3 - Public Relations	0
5.4 - Washington D.C. Representation	31,500
5.5 - Other Outreach Activities	0
5.6 - Technology & Information Service	0
<i>SUBTOTAL - Major Programs (excluding Management and Administration)</i>	
6.0 District Management and Administration	35,838,091
6.1 - Administrative and Operations Support	29,109,595
6.1.1 - Executive Direction	569,012
6.1.2 - General Counsel / Legal	3,095,838
6.1.3 - Inspector General	807,564
6.1.4 - Administrative Support	12,117,545
6.1.5 - Fleet Services	0
6.1.6 - Procurement / Contract Administration	2,024,739
6.1.7 - Human Resources	1,376,236
6.1.8 - Communications	428,740
6.1.9 - Technology & Information Services	8,689,921
6.3 - Reserves	0
6.4 - Other - (Tax Collector / Property Appraiser Fees)	6,728,496
TOTAL	726,603,876

PROGRAM	Work Force	Amount
1.0 Water Resources Planning and Monitoring		\$54,033,873
Salaries and Benefits	232	23,937,107
Other Personal Services	1	132,614
Contracted Services		4,916,644
Operating Expenses		14,515,348
Operating Capital Outlay		447,900
Fixed Capital Outlay		0
Interagency Expenditures		10,084,260
Debt		0
Reserves		0
2.0 Acquisition, Restoration and Public Works		337,782,770
Salaries and Benefits	128	14,268,734
Other Personal Services	0	0
Contracted Services		67,080,644
Operating Expenses		4,593,508
Operating Capital Outlay		3,544,291
Fixed Capital Outlay		210,002,140
Interagency Expenditures		6,263,928
Debt		32,029,525
Reserves		0
3.0 Operation and Maintenance of Lands and Works		273,461,050
Salaries and Benefits	755	69,195,344
Other Personal Services	1	96,000
Contracted Services		16,409,126
Operating Expenses		84,032,880
Operating Capital Outlay		9,898,576
Fixed Capital Outlay		33,089,686
Interagency Expenditures		723,700
Debt		0
Reserves		60,015,738
4.0 Regulation		24,270,665
Salaries and Benefits	191	18,564,158
Other Personal Services	2	71,161
Contracted Services		451,084
Operating Expenses		5,169,262
Operating Capital Outlay		0
Fixed Capital Outlay		0
Interagency Expenditures		15,000
Debt		0
Reserves		0
5.0 Outreach		1,217,427
Salaries and Benefits	10	1,101,707
Other Personal Services	0	0
Contracted Services		44,400
Operating Expenses		71,320
Operating Capital Outlay		0
Fixed Capital Outlay		0
Interagency Expenditures		0
Debt		0
Reserves		0
6.0 District Management and Administration		35,838,091
Salaries and Benefits	159	17,531,731
Other Personal Services	0	0
Contracted Services		3,146,921
Operating Expenses		13,924,739
Operating Capital Outlay		1,234,700
Fixed Capital Outlay		0
Interagency Expenditures		0
Debt		0
Reserves		0
ALL PROGRAMS	1,479	726,603,876
Salaries and Benefits	1,475	144,598,781
Other Personal Services	4	299,775
Contracted Services		92,048,819
Operating Expenses		122,307,057
Operating Capital Outlay		15,125,467
Fixed Capital Outlay		243,091,826
Interagency Expenditures		17,086,888
Debt		32,029,525
Reserves		60,015,738

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

ADOPTED BUDGET - Fiscal Year 2016-2017

	Fiscal Year 2016-17 (Tentative Budget)	Fiscal Year 2016-17 (Adopted Budget)
SOURCE OF FUNDS		
Beginning Cash Balance	\$ 326,354,518	\$326,462,592
District Revenues	329,648,389	329,998,389
Local Revenues	950,000	950,000
State Revenues	253,166,441	253,166,441
Federal Revenues	6,919,598	6,919,598
SOURCE OF FUND TOTAL	\$917,038,946	\$917,497,020
USE OF FUNDS		
Salaries and Benefits	\$ 144,598,781	144,598,781
Other Personal Services	299,775	299,775
Contracted Services	86,921,091	92,048,819
Operating Expenses	121,608,436	122,307,057
Operating Capital Outlay	22,244,316	15,125,467
Fixed Capital Outlay	241,591,826	243,091,826
Interagency Expenditures (Cooperative Funding)	16,936,488	17,086,888
Debt	32,029,525	32,029,525
Reserves - Emergency Response	60,015,738	60,015,738
USE OF FUNDS TOTAL	\$726,245,976	\$726,603,876
RESERVES (ESTIMATED)		
Nonspendable	\$ 20,002,527	\$19,010,601
Restricted	147,538,773	148,630,873
Committed	23,251,670	23,251,670
Assigned	0	0
Unassigned	0	0
TOTAL RESERVES	\$190,792,970	\$190,893,144
WORKFORCE		
Authorized Position (Full-Time Equivalents/FTE)	1,475	1,475
Contingent Worker (Independent Contractors)	0	0
Other Personal Services (OPS)	4	4
Intern	0	0
Volunteer	0	0
TOTAL WORKFORCE	1,479	1,479

Filled FTE Positions as of September 19, 2016 are 1,355

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