

The Florida Senate
COMMITTEE MEETING EXPANDED AGENDA
APPROPRIATIONS SUBCOMMITTEE ON GENERAL
GOVERNMENT
Senator Hays, Chair
Senator Thompson, Vice Chair

MEETING DATE: Wednesday, February 19, 2014
TIME: 3:30 —5:00 p.m.
PLACE: *Toni Jennings Committee Room, 110 Senate Office Building*

MEMBERS: Senator Hays, Chair; Senator Thompson, Vice Chair; Senators Bradley, Braynon, Bullard, Dean, Detert, Joyner, Latvala, Legg, Simpson, Soto, and Stargel

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	Presentation on Governor's Fiscal Year 2014-15 Budget Recommendations		Presented
2	Presentations on Water Management Districts' Fiscal Year 2014-2015 Preliminary Budgets - Northwest Florida Water Management District - St. Johns River Water Management District - South Florida Water Management District - Southwest Florida Water Management District - Suwannee River Water Management District		Presented
Other Related Meeting Documents			

GOVERNOR RICK SCOTT

Fiscal Year 2014-2015

Policy and Budget Recommendations



Foundation for Governor Scott's 2014-15 Priorities

Reducing Taxes and Fees

- Supporting Florida families and businesses by reducing the amount of money paid to the government.

Reducing State Debt

- Reducing the tax burden on our children and grandchildren.

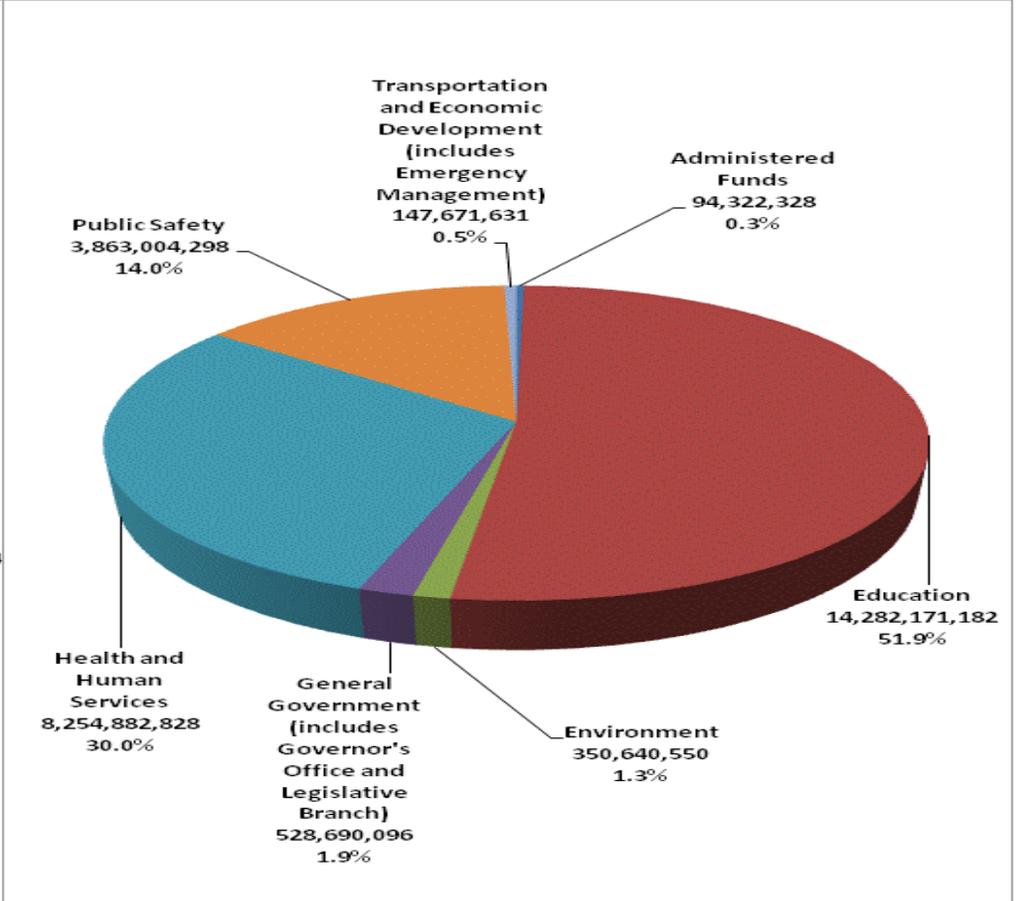
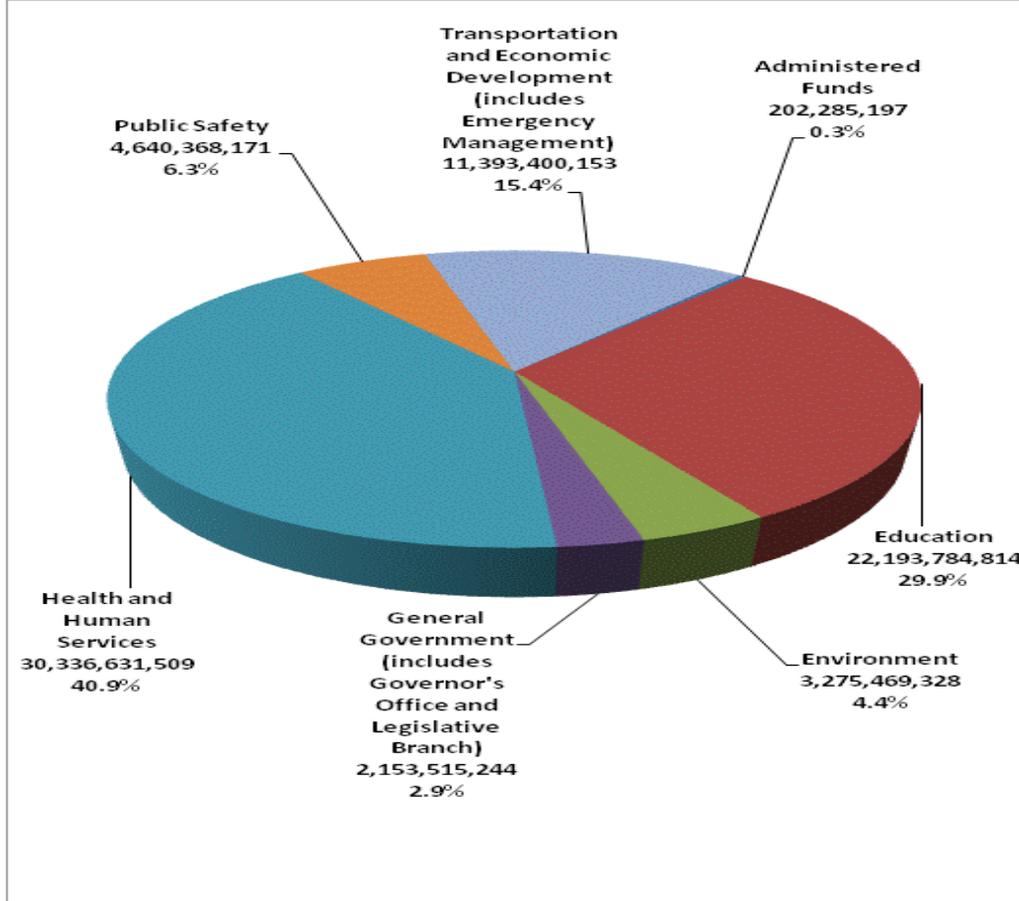
Eliminating Government Waste

- Requiring state agencies to recommend reductions in spending each year to eliminate government waste.

Governor's Budget Recommendations Fiscal Year 2014-15 by Policy Area

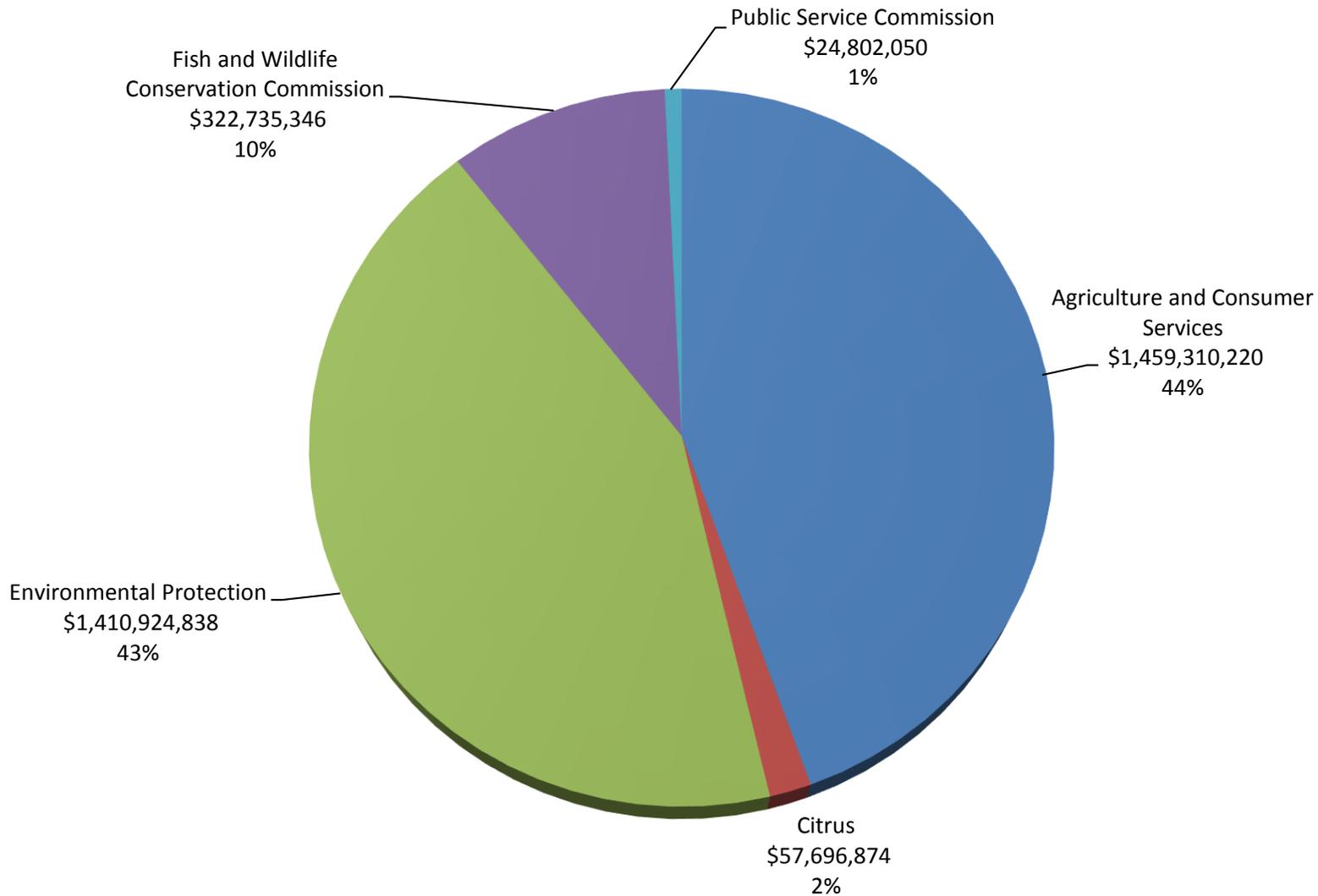
• Total Budget - \$74.2 billion

• General Revenue - \$27.5 billion

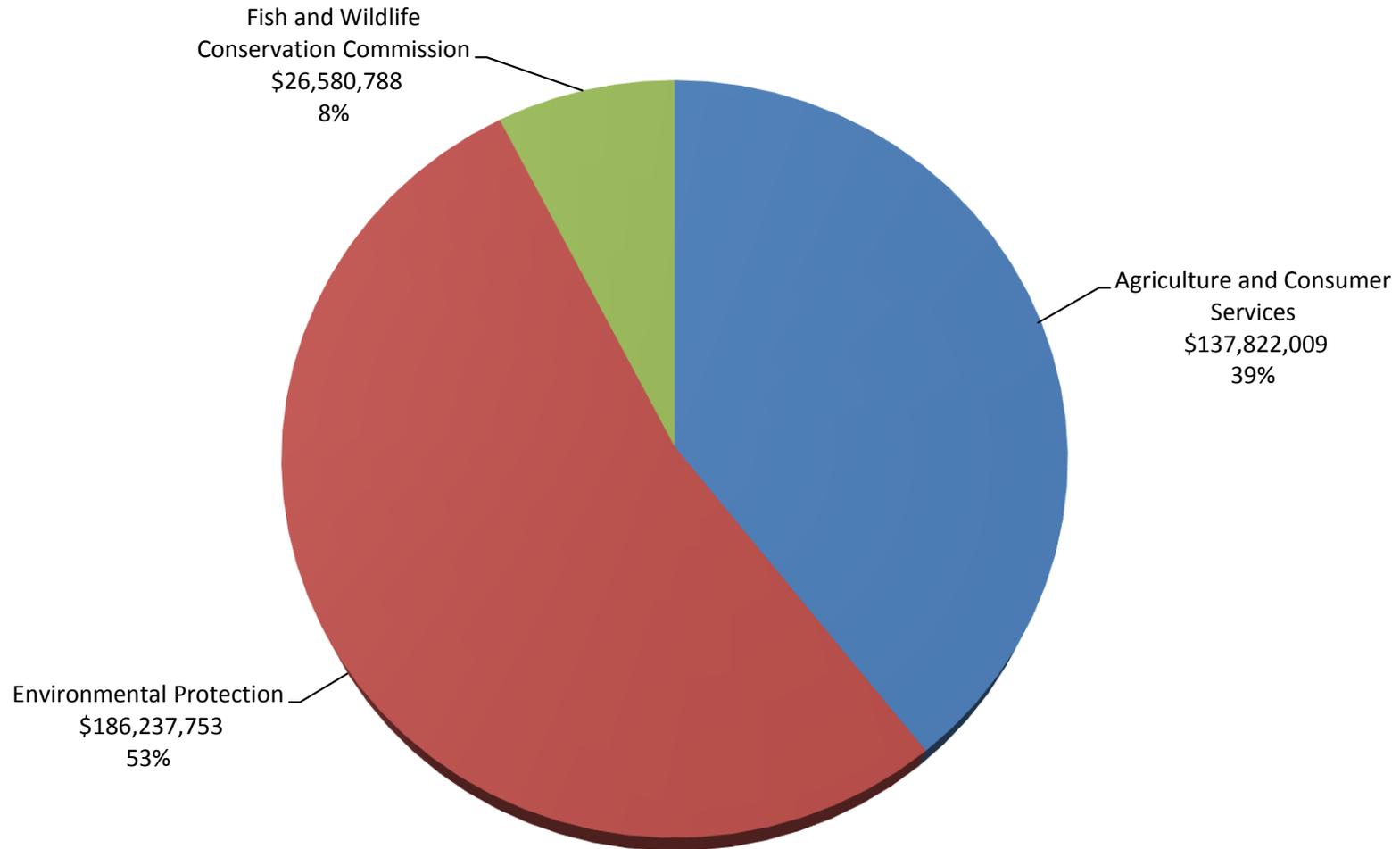


*Education Local Funding not included in above total: K-12 Local Funding \$8.2 billion; Florida College System Tuition \$851 million; K-12 Workforce Tuition \$47.8million (total \$ 9.1 billion).

Governor's Recommended Budget Fiscal Year 2014-15 Environment - \$3.3 Billion



Governor's Recommended Budget Fiscal Year 2014-15 General Revenue - \$350.6 Million



Environmental Protection

\$1.4 Billion

Investing in Florida's water and unique ecosystems.

- **\$286 million** for Restoring Waterways and Water Supply
- **\$130 million** for Everglades Restoration
- **\$55 million** for Springs Restoration
- **\$50 million** for Keys Wastewater Treatment Plan

Environmental Protection

\$1.4 Billion

Investing in Florida's natural lands and improving recreational opportunities for Florida families and tourists.

- **\$70 million** for Florida Forever
- **\$25 million** for Beaches
- **\$19 million** for State Park Repairs and Enhancements
- **\$750,000** for the Partnership in Parks Program
- **\$250,000** for Ecotourism

Environmental Protection

\$1.4 Billion

Investing in the clean up of contaminated sites throughout Florida.

- **\$125 million** for Petroleum Tank Cleanup Projects
- **\$6 million** for Dry Cleaning Site Cleanup
- **\$4 million** for Hazardous Waste Cleanup
- **\$2.3 million** for Landfill Closures

Environmental Protection

Reductions

- Reduction of \$8.6 million
 - Vacant Positions (\$1.9M), (52.5) FTE
 - Real Estate Initiative Savings (\$1.1 M)
 - Reduce OPS (\$1.3M)
 - Reduce Recurring Monitoring Networks (\$3.3M)

Agriculture & Consumer Services

\$1.5 Billion

Investing in Florida's Citrus Industry to fight Citrus Greening.

- **\$4 million** for Citrus Research
- **\$6.1 million** for Citrus Health Response Program
- **\$2 million** for Expansion of Budwood Facility

Agriculture & Consumer Services

\$1.5 Billion

Investing in Agricultural Resources and Best Management Practices.

- **\$4 million** for Statewide Agricultural BMP's
- **\$3 million** for Northern Everglades and Estuaries Protections Area BMP's
- **\$5 million** for Springs Protection BMP's
- **\$6.9 million** for Oyster Reseeding and Rehabilitation
- **\$2 million** for Replacement of Wildfire Suppression Equipment

Agriculture & Consumer Services

Reductions

- Reduction of \$3.9 million
 - Vacant Positions (\$1.5M), (69) FTE
 - Soil-Based Monitoring Project (\$2M)
 - Excess Unfunded Federal Budget Authority (\$413,000)

Citrus

\$57.7 Million

No Additional Funding Issues for FY 14-15

Reductions

- Reduction of \$3.7 million
 - Unfunded Budget Due to Reduced Revenues (\$3.1M)
 - Vacant Positions (\$610,963), (9) FTE

Public Service Commission

\$24.8 Million

No Additional Funding Issues for FY 14-15

Reductions

- Reduction of \$1.3 million
 - Statewide Real Estate Initiative (\$181,454)
 - Completion of Federal Training Funding (\$350,000)
 - Vacant Positions (\$779,663), (21) FTE

Fish and Wildlife Conservation Commission

\$322.7 million

Investing in managing our natural resources.

- **Additional \$3.4 million** for Lake Restoration
- **Additional \$3 million** Invasive Plant Management
- **Additional \$2.8 million** for Wildlife Management Area Land Improvements

Fish and Wildlife Conservation Commission

\$322.7 million

Increases in protecting Florida's wildlife.

- **\$200,000** for Manatee Rehabilitation
- **\$200,000** to Marine Habitat Restoration Projects
- **\$160,000** to Control Invasive Lionfish

Fish and Wildlife Conservation Commission

\$322.7 million

Building economic infrastructure and increasing recreational opportunities.

- **\$5.1 million** for Boating Safety and Improvement Programs
- **\$200,000** for Youth Hunting and Fishing Programs
- **\$3.2 million** for Palm Beach County Shooting Park
- **\$800,000** for Artificial Reef Construction

Fish and Wildlife Conservation Commission

Reductions

- Reduction of \$437,109
 - Vacant Positions (\$374,951), (7) FTE

Environment Highlights

Major Issues Funded	Amount
Everglades Restoration	\$130 million
Florida Forever/Land Management	\$70 million
Springs Restoration	\$55 million
Keys Wastewater Treatment Plan	\$50 million
Beach Projects	\$25 million
Drinking Water/Waste Water Facility Construction	\$259.8 million
State Park Facilities Improvements	\$19 million
Citrus Research, Management and Production	\$12 million
Major Decreases	Amount
Various Program Savings	(\$18.1) million



Environmental Policy Unit Office of Policy & Budget

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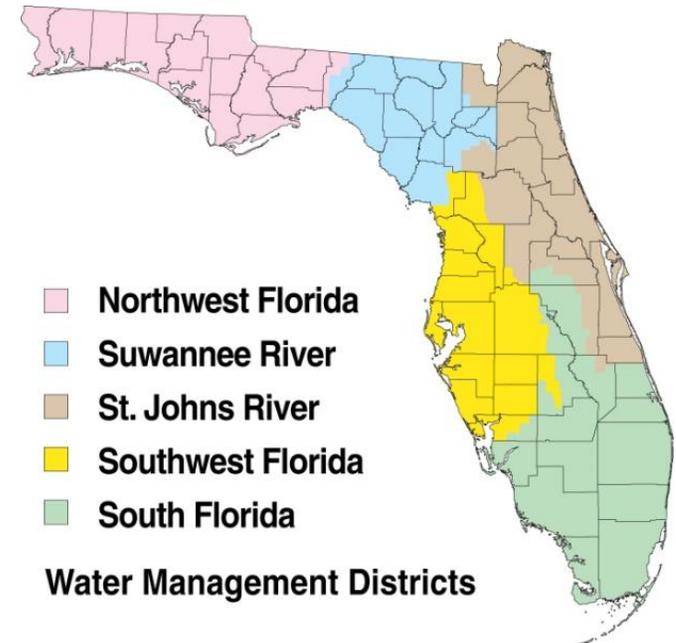


Fiscal Year 2014-2015 Preliminary Budget

Senate Appropriations Subcommittee on General Government

February 19, 2014

Jonathan P. Steverson, Executive Director
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Presentation Agenda

- **Budget in Brief**
- **Key Criteria for Budget Development**
- **Proposed Budget - Revenues and Expenditures**
- **Projected Utilization of Fund Balance**
- **Questions**
- **Additional Information**
 - **Program Budgets**
 - **Workforce**



Budget in Brief

- **Proposed FY 2014-15 budget of \$44.6 million, down \$3.3 million**
- **Revenues:**
 - Ad valorem revenue is estimated to remain constant (\$3.3 million)
 - \$13.6 million received or appropriated in previous years
 - \$19.1 million in fund balance
 - \$11.9 million in new revenue
- **Expenditures:**
 - Operating Expenses decreased \$0.8 million (23.1%)
 - Contracted Services increased \$1.1 million (13.9%)
 - Salaries and Benefits decreased \$0.03 million (0.4%)
 - Budget priorities:
 - \$11.8 million - Enhanced water supply development grant program
 - \$5.5 million - Cooperative alternative water supply projects
 - \$3.3 million - Apalachicola River and Bay watershed protection and restoration
 - \$2.3 million - Minimum Flows and Levels program including \$0.7 million for long-term MFL springs protection
 - \$2.3 million - St. Andrews Bay watershed protection and restoration
 - \$1.4 million - Springs restoration and protection



Key Budget Criteria - Revenues

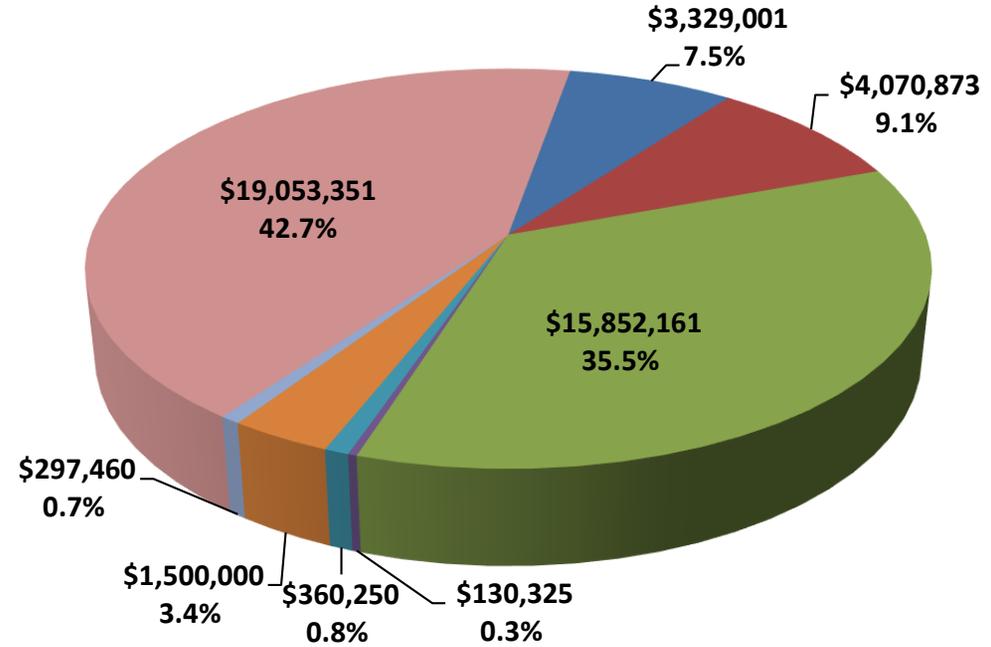
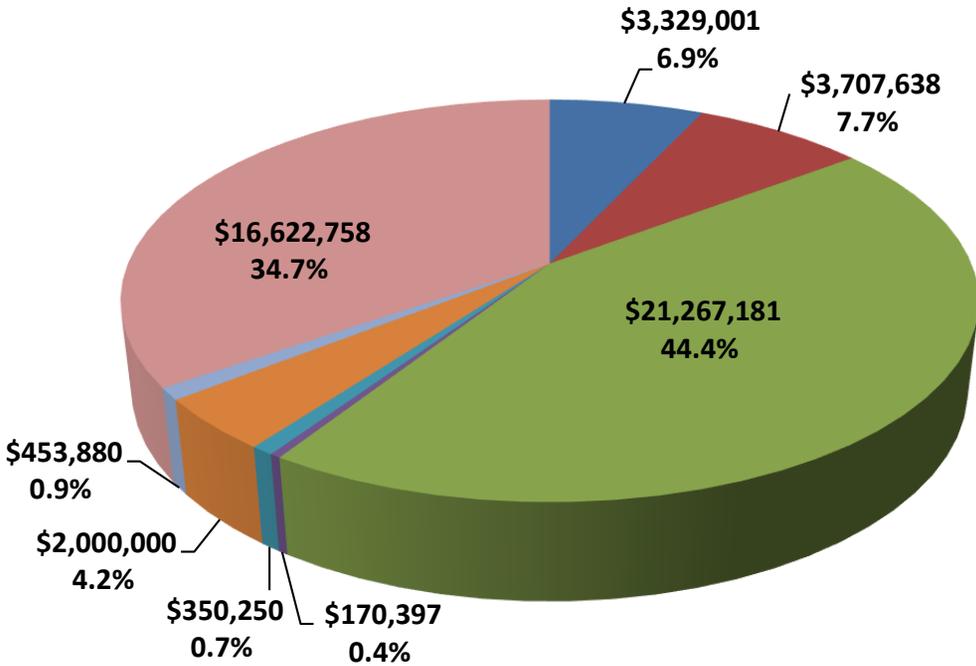
- **Ad valorem tax:**
 - Millage rate .04 mill (\$3,329,001)
 - Accounts for 13% of total revenue and 7.5% of total budget
- **Funding source:**
 - \$11.9 million in new revenue:
 - \$3.3 million - Ad valorem
 - \$4.1 million - Federal revenue
 - \$2.2 million - Water Management Lands Trust Fund
 - \$1.5 million - Timber sales
 - \$13.6 million in state revenue appropriated or received in prior years:
 - \$3.3 million - Ecosystem Trust Fund
 - \$5.5 million - Water Protection & Sustainability Trust Fund
 - \$2.2 million - Water Management Lands Trust Fund
 - \$2.2 million - DOT mitigation funds
 - \$0.4 million - Florida Forever Trust Fund
 - \$19.1 million from Fund Balance



Revenues

FY 2013-2014 Budget (\$47.9 million)

FY 2014-2015 Preliminary Budget (\$44.6 million)



■ Ad Valorem Tax
 ■ Federal
 ■ State
 ■ Local Revenues
 ■ Permit Fees
 ■ Timber Sales
 ■ Miscellaneous
 ■ Fund Balance



Key Budget Criteria - Expenditures

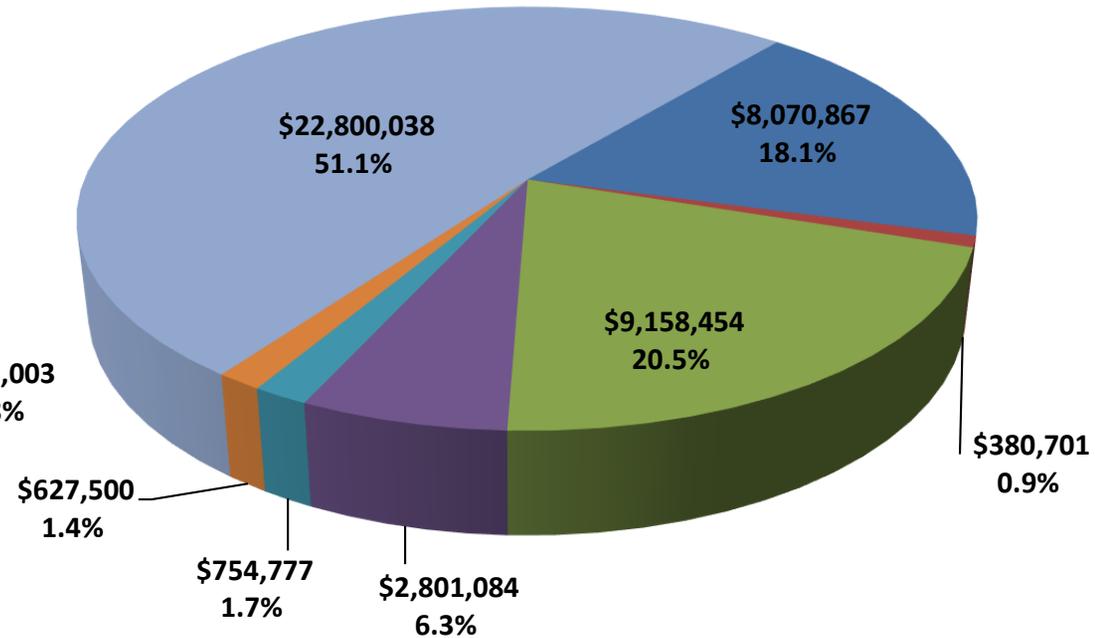
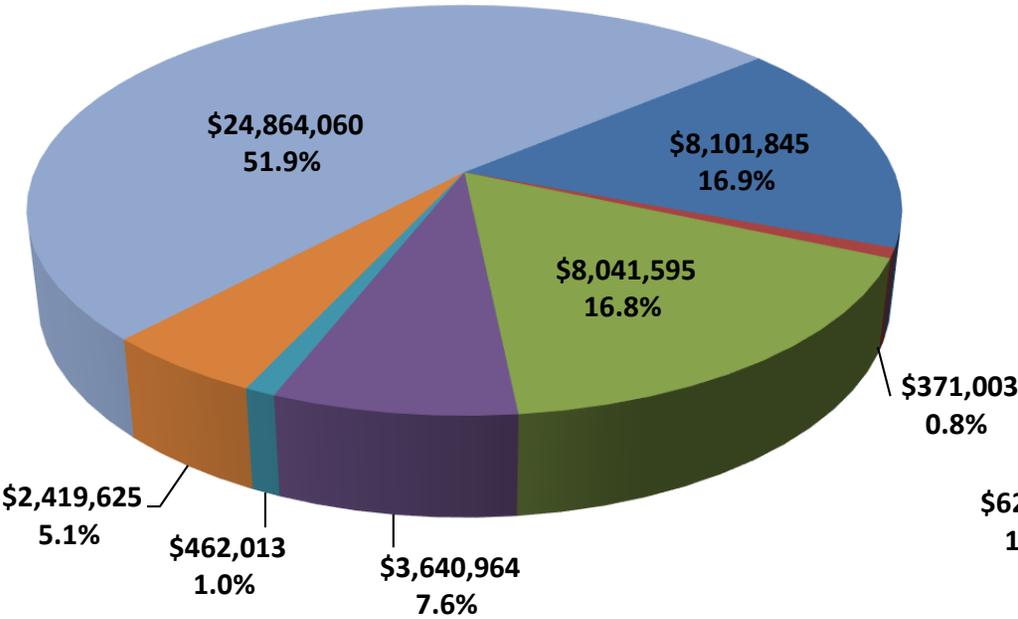
- **Focus on expenditures with direct benefit to communities and the resource**
 - Springs restoration and protection
 - Apalachicola River and Bay restoration and protection
 - Minimum Flows and Levels (MFLs)
 - Water resource and supply development grants
- **Enhance the tools that help us better serve taxpayers**
 - Expansion of water resource monitoring network
 - IT enhancements, including complete website reconstruction
- **Work bigger without getting bigger**
 - No proposed changes in staffing levels



Expenditures by Category

**FY 2013-2014
Budget
(\$47.9 million)**

**FY 2014-2015
Preliminary Budget
(\$44.6 million)**

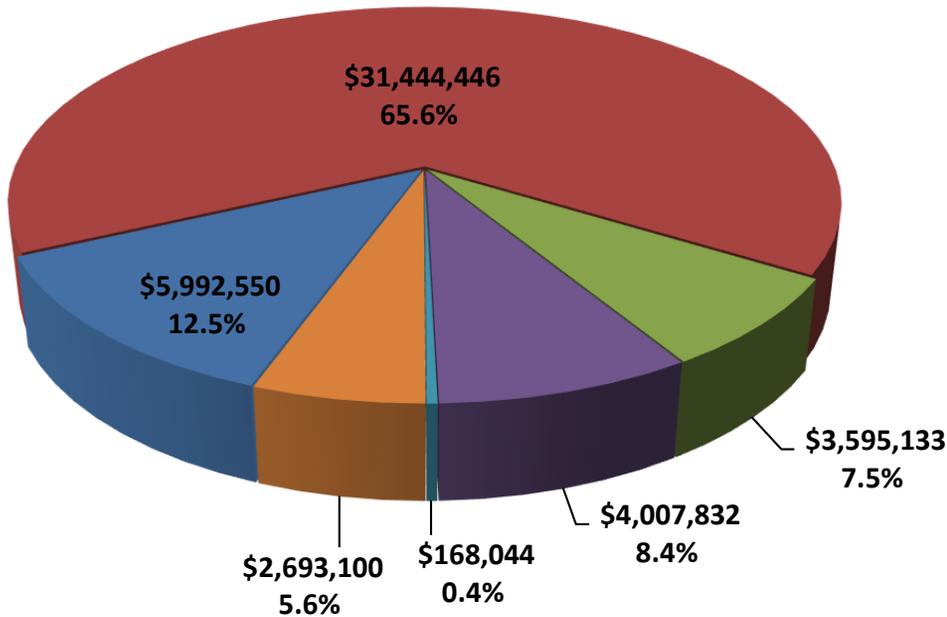


- Salaries & Benefits
- OPS Salaries & Benefits
- Contractual Services
- Operating Expense
- Operating Capital Outlay
- Fixed Capital Outlay
- Interagency Exp/Grants

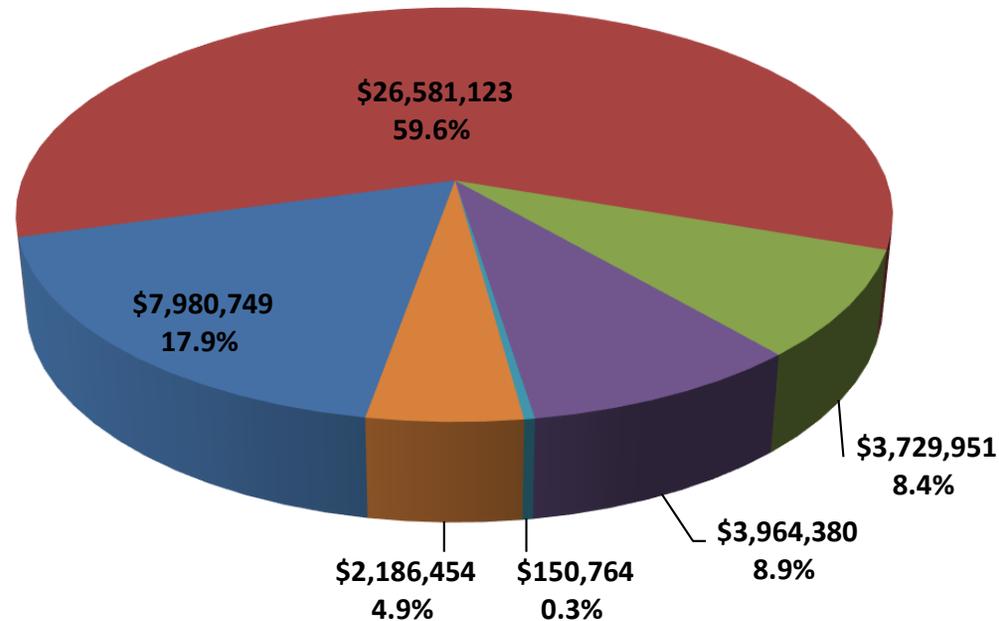


Expenditures by Program

**FY 2013-2014
Budget
(\$47.9 million)**



**FY 2014-2015
Preliminary Budget
(\$44.6 million)**



■ Water Resource Plan/Monitoring

■ Acq/Restoration/Public Works

■ Operations & Maint Land & Works

■ Regulation

■ Outreach

■ District Management & Admin

* The combined Outreach and District Management & Administration programs represent 5.2% of the total FY 14-15 budget



Projected Utilization of Fund Balance

Proposed Preliminary Budget Fiscal Year 2014-15

Designations (Description of Restrictions)	Total Projected Designated Amounts at September 30, 2014	Five Year Utilization Schedule					Remaining Balance
		FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	
	0	0	0	0	0	0	0
NONSPENDABLE SUBTOTAL	0	0	0	0	0	0	0
Mitigation - Interest and Other Misc Revenue	1,409,870	0	0	0	0	0	1,409,870
Regulation - WMLTF ERP	762,120	241,945	0	0	0	0	520,175
Water Supply Development Assistance Grants Under Contract	7,000,000	7,000,000	0	0	0	0	0
RESTRICTED SUBTOTAL	9,171,990	7,241,945	0	0	0	0	1,930,045
Lands Management Fund	5,548,327	2,329,968	1,700,000	1,518,359	0	0	0
Capital Improvement Projects (Cap Improv & Land Acq TF)	79,338	46,594	32,744	0	0	0	0
Water Resource & Supply Projects (General Fund)	4,754,183	4,754,183	0	0	0	0	0
Economic Stabilization Fund (General Fund)	3,492,371	0	0	0	0	0	3,492,371
COMMITTED SUBTOTAL	13,874,219	7,130,745	1,732,744	1,518,359	0	0	3,492,371
MFLs, Planning & Other Resource Management Activities	10,607,603	3,651,975	3,477,814	3,477,814	0	0	0
General Fund Deficiencies	437,291	0	0	0	0	0	437,291
Non-recurring IT and Building Repairs & Maintenance	1,028,686	1,028,686	0	0	0	0	0
ASSIGNED SUBTOTAL	12,073,580	4,680,661	3,477,814	3,477,814	0	0	437,291
	0	0	0	0	0	0	0
UNASSIGNED SUBTOTAL	0	0	0	0	0	0	0
	35,119,788	19,053,351	5,210,558	4,996,173	0	0	5,859,706
	Remaining Fund Balance at Fiscal Year End	16,066,437	10,855,879	5,859,706	5,859,706	5,859,706	5,859,706



Discussion



Projects and Partners

Spring	Contract Status	WMD & Partners	DEP contribution	WMD contribution	Partner and local contribution	Total Project Cost
Silver Spring - City of Ocala	Executed	SJR, City of Ocala	\$1,920,000	\$1,920,000	\$8,304,000	\$12,144,000
Silver Spring - Marion County	Executed	SJR, Marion Co.	\$1,596,000	\$1,596,000	\$5,031,738	\$8,223,738
Ichetucknee Springs	Executed	SR, Lake City, Columbia Co.	\$3,900,000	\$400,000	\$300,000	\$4,600,000
Wekiva Springs System	Executed	SJR, City of Apopka	\$700,704	\$700,704	\$2,102,112	\$3,503,520
Suwannee River Springs	Executed	SR, Dixie Co.	\$1,548,000	\$277,000	\$75,000	\$1,900,000
Kings Bay - Hunters Cove and Three Sisters	Executed	SWF, Hunters Cove, Friends of Three Sisters	\$350,000	\$600,000	\$50,000	\$1,000,000
Kings Bay - Citrus County	Executed	Citrus Co.	\$1,000,000	\$0	\$1,000,000	\$2,000,000
Rainbow, Kings Bay, Homosassa, Chassahowitzka, Weeki Wachee	Executed	SWF, Local Growers	\$0	\$750,000	\$250,000	\$1,000,000
Jackson Blue Spring	Executed	NWF, Area Producers, FDACS, NRCS	\$752,000	\$72,000	\$429,711	\$1,253,711
Williford Spring	Executed	NWF, FWCC, Washington Co.	\$377,000	\$1,401,652	\$69,800	\$1,848,452
Total			\$12,143,704	\$7,717,356	\$17,612,361	\$37,473,421



Jackson Blue Spring

Jackson Blue Spring, Mobile Irrigation Lab / Pivot Irrigation System Retrofit Program

Provide funding assistance to farmers for irrigation, fertilizer & pesticide application improvements

Total Project Cost	\$1,253,711
DEP Contribution	\$752,000
NFWMD	\$72,000
Area Producers, FDACS, NRCS	\$429,711

Results

- estimated reduction of ~12,000 pounds per year of nitrogen for the average farm through improved fertilizer and pesticide application practices.
- estimated water savings of ~240 gal/ acre/day by retrofitting center-pivot irrigation systems and other water savings measures.





Williford Springs

Williford Springs, Washington County (2nd Mag. Spring)

Restore springbank vegetation & increase stormwater treatment areas

Total Project Cost	\$1,848,452
DEP Contribution	\$377,000
NFWWMD	\$1,401,652
Fish & Wildlife Conservation Commission & Washington County	\$69,800

Results

- estimated 50-60 % reduction of sediment and other stormwater pollutants from entering the spring.





Additional Information

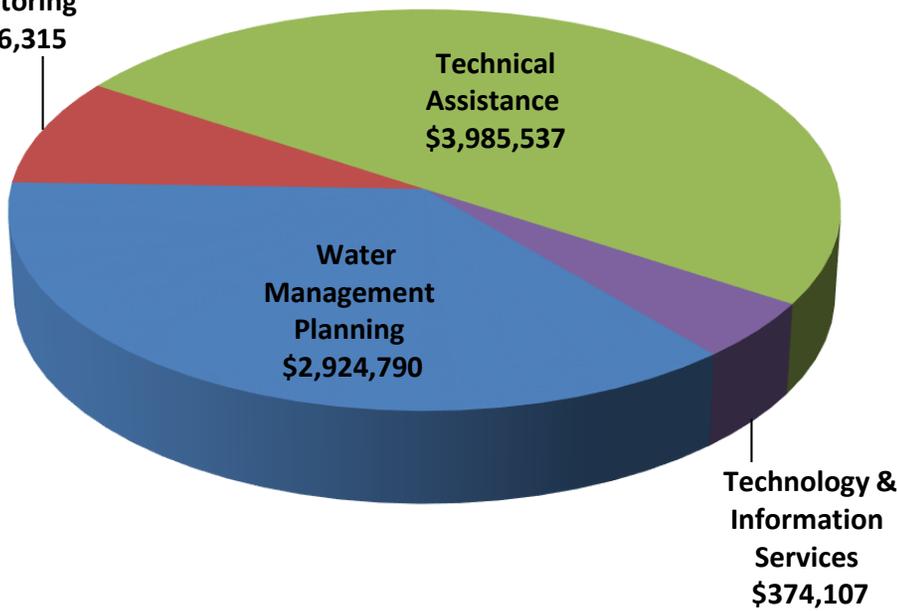
Program Budgets

Workforce



Water Resources Planning and Monitoring Program \$8.0 million

Research,
Data
Collection,
Analysis and
Monitoring
\$696,315



Water Management Planning (\$2.9 million)

- Includes Minimum Flows and Levels (MFLs), monitoring and technical assessments for springs and aquifer, including the St. Marks River Rise in Leon County and the Floridan Aquifer in coastal Franklin County
- Data collection for other priorities, including the Wakulla/Spring Creek complex
- MFL Hydrologic monitoring (water levels, discharge and rainfall) – 38 sites across the Panhandle

Research, Data Collection, Analysis and Monitoring (\$0.7 million)

- Hydrologic monitoring (water levels, discharge and rainfall) – 310 sites
- Water quality monitoring (surface water, groundwater and springs) – 160 sites

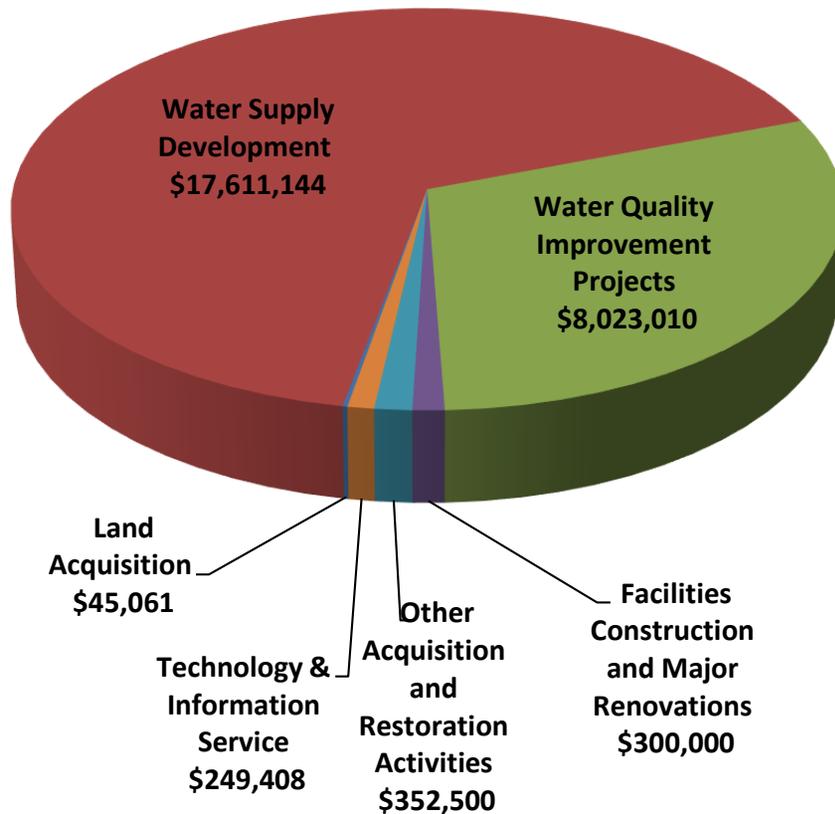
Technical Assistance (\$4.0 million)

- FEMA flood insurance rate map (FIRM) program, inland and coastal floodplain analysis and map updates
- FEMA Risk MAP initiative to define and improve public awareness of flood risk
- Detailed floodplain information provided online to the public through the District’s new Flood Information Portal
- New Public LiDAR data server with detailed elevation data available online



Acquisition, Restoration and Public Works Program

\$26.6 million



Water Supply Development Projects (\$17.6 million)

- Local grant funding initiative for cooperative water supply development assistance
- Implementation of alternative water supply development projects

Surface Water Projects (\$8.0 million)

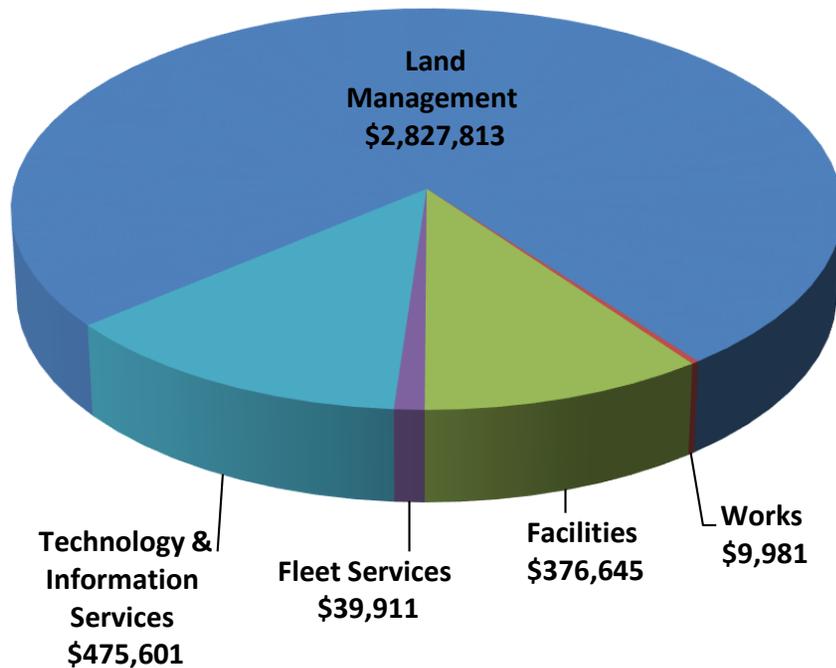
- Stormwater retrofit projects and project development for Apalachicola Bay, including projects funded with new Legislative appropriations
- Stormwater retrofit projects for St. Andrew Bay, as well as spring restoration in the St. Andrew Bay watershed and stormwater treatment within the Choctawhatchee Bay watershed
- Cooperative agriculture water conservation and water quality improvement projects in Jackson Blue Spring
- Construction and long-term maintenance of current FDOT Mitigation projects

Other Acquisition and Restoration Activities (\$0.4M)

- Complete construction of Williford Spring restoration and protection project



Operation and Maintenance of Lands and Works \$3.7 million



Land Management and Use (\$2.8 million)

- 212,368 acres managed by District
- 12,403 acres in Conservation Easements (less-than-fee simple)

Facility Operation and Maintenance (\$0.4 million)

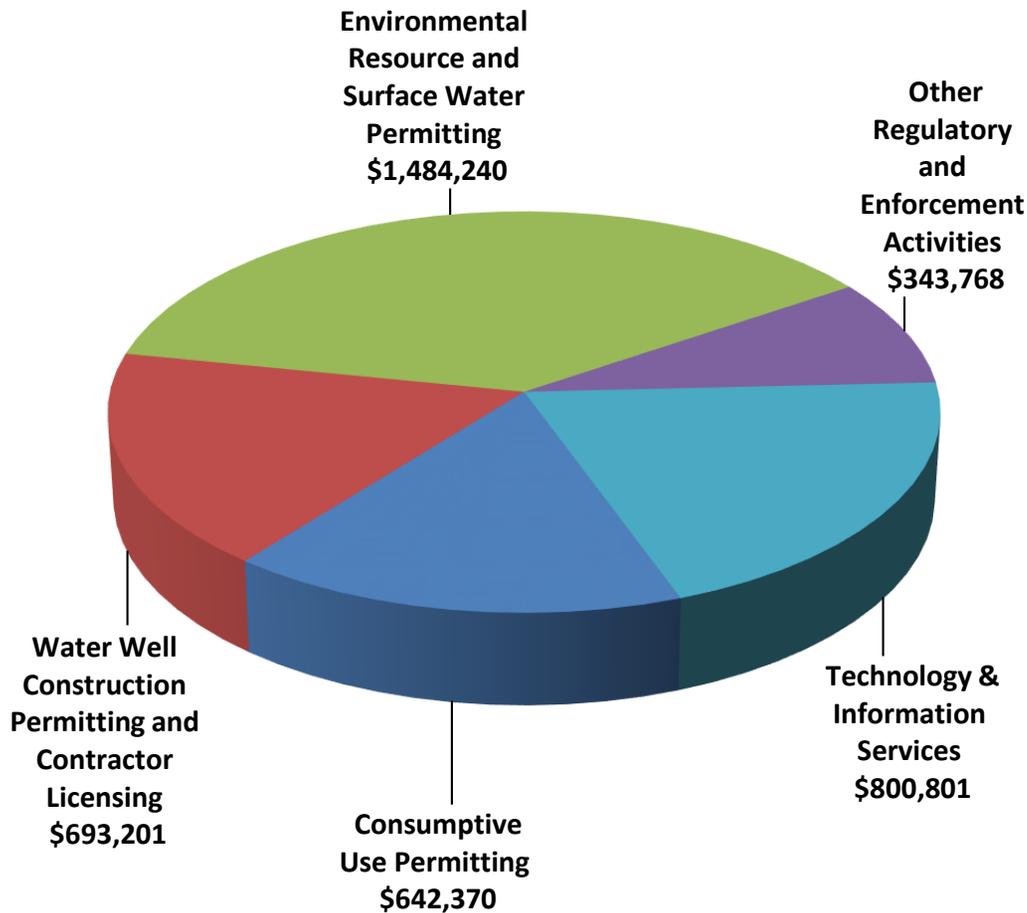
- Operate and maintain six District-owned and leased office sites: Midway, Tallahassee (Carr Building), Crestview, Marianna, Econfina and Milton

Technology and Information Services (\$0.5 million)

- Development of new database to improve forestry management and other land management responsibilities



Regulation Program \$4.0 million



Consumptive Use Permitting (\$0.6 million)

- Permits the allocation of water from surface and groundwater sources
- Statewide Consumptive Use Permitting consistency (CUPCon) rule development

Water Well Construction Permitting and Contractor Licensing (\$0.7 million)

- Ensures proper well siting and construction to protect applicants, communities, and natural resources
- Online well permitting

Environmental Resource and Surface Water Permitting (\$1.5 million)

- Regulation of most surface water systems
- Statewide ERP rulemaking

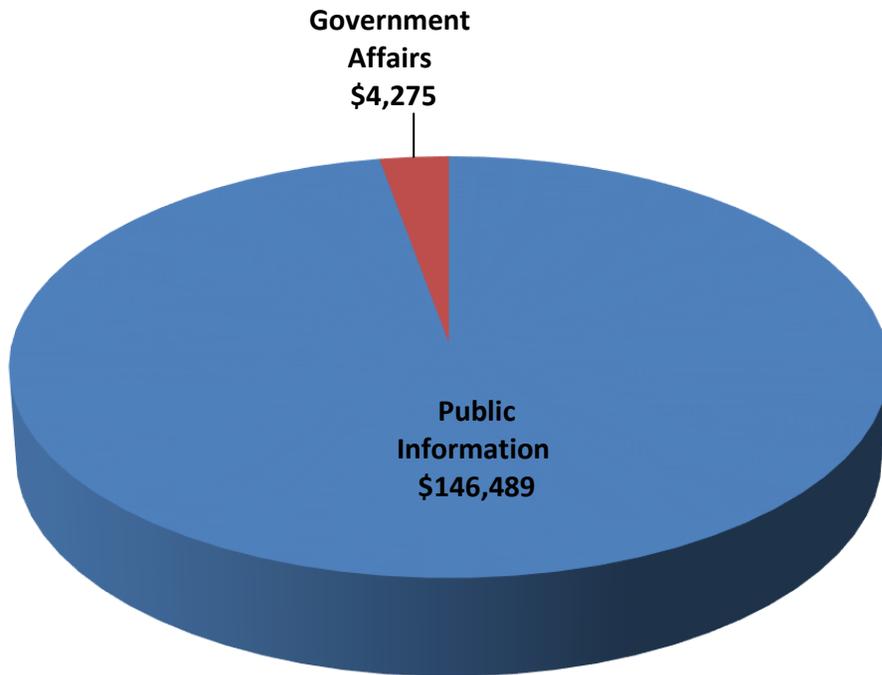
Technology and Information Services (\$0.8 million)

- IT coordination for rule changes affecting ePermitting
- Technology initiatives to provide efficiencies in customer service and staff productivity



Outreach Program

\$150,764



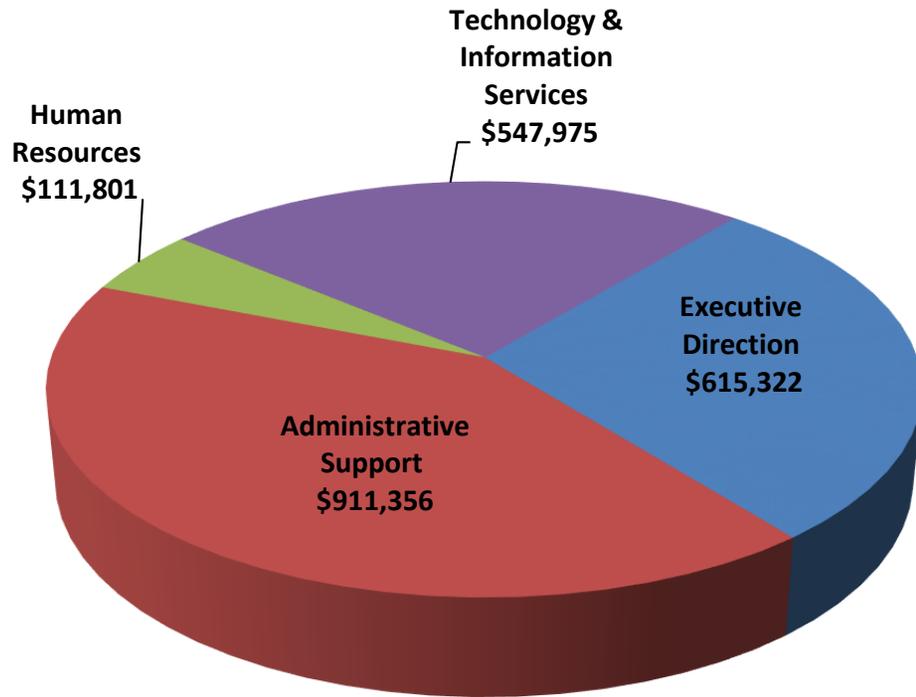
Public Information

- Encompasses District's education, public relations and public information activities
- Ensures timely and accurate information is provided to the media and the public
- Represents .3% of the total budget



District Management and Administration

\$2.2 million



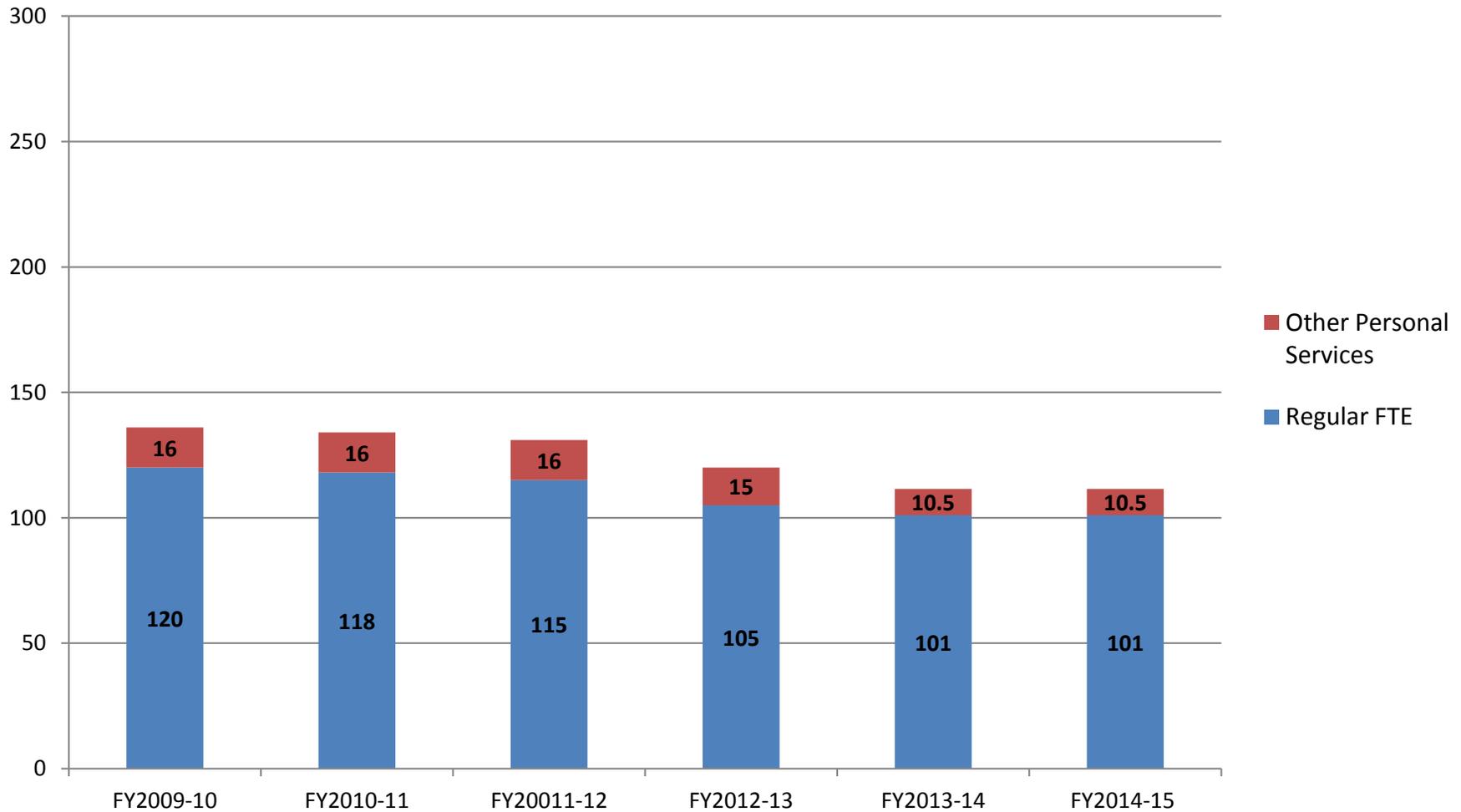
Administration & Operations Support

- Represents 4.9% of the total budget
- Executive and Board Support
- General Counsel & Inspector General (contractual)
- Human Resources
- Administration
- Information Technology



Total Workforce

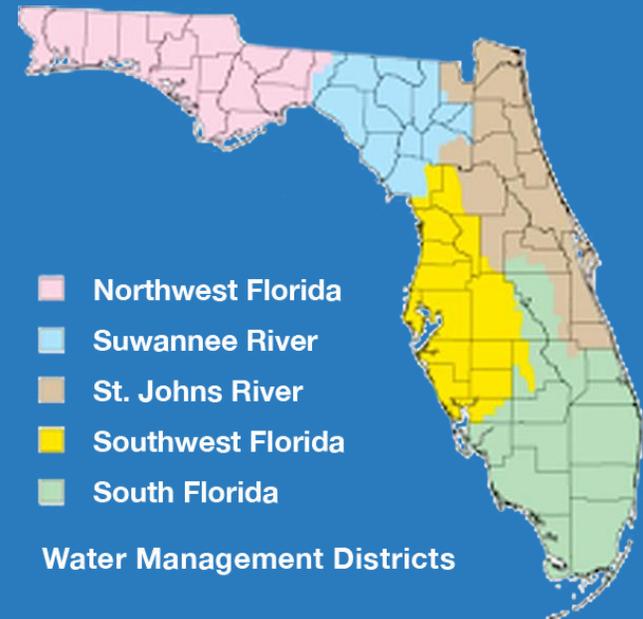
(FYs 2009-2010 –2013-2014 Adopted and FY 2014-2015 Preliminary)



Florida Senate Appropriations Subcommittee on General Government

Preliminary Budget Fiscal Year 2014–2015

Hans G. Tanzler III
Executive Director



Presentation Agenda

- Budget development guidelines
- Budget in brief
- Proposed budget – revenues and expenditures
- Cooperative funding update
- Discussion
- Additional information
 - Program budgets
 - Workforce



Budget Development Guidelines

- Sustainable funding for operations
 - Living within our means
 - Realistic revenue and spending assumptions
 - Organized to promote accountability and control
- Sustainable funding for cooperative programs
 - Core mission driven
 - Emphasize selected Initiatives
 - Funded by District revenue sources (target of 10% of District revenues), fund balance, and state revenues



Revenue Assumptions

- **Ad valorem revenues**
 - Use projected rolled back rate (0.3243)
 - New construction estimated to generate 1.5% ad valorem revenue growth
- **State/Federal sources**
 - Residual appropriations from FY 2013-2014 budget
- **Other District sources**
 - Nominal indexed increases as appropriate

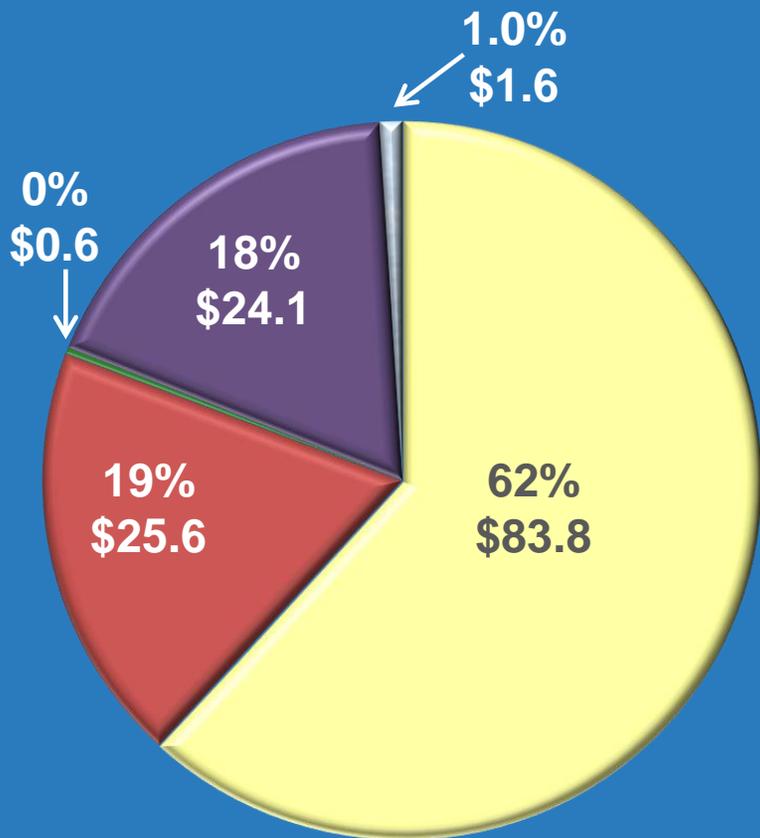
Budget in Brief – Revenues

- Revenues (\$127.6 million):
 - Ad valorem: \$81.8 million
 - Federal: \$0.9 million
 - State: \$14.7 million
 - Other District Sources: \$4 million
 - Local: \$0.2 million
 - Use of fund balance for capital / cooperative projects: \$26.0 million



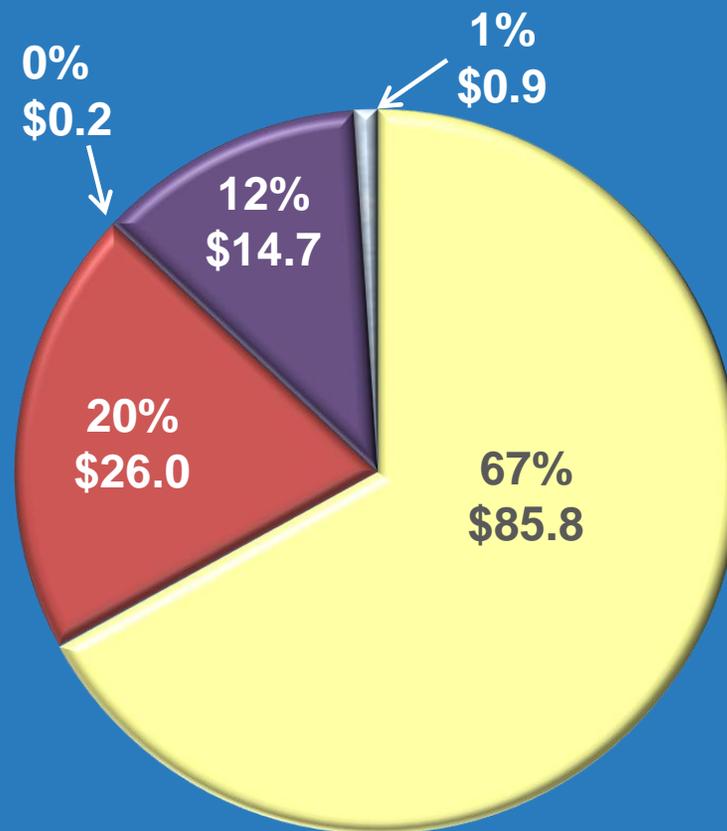
Revenue Comparison

Fiscal Year 2013–2014
(Adopted – \$135.6 million)



\$ in millions

Fiscal Year 2014–2015
(Preliminary – \$127.6 million)



\$ in millions

Expenditure Assumptions

- **Salaries and benefits**
 - No increase in total budgeted salaries
 - 589.6 FTEs (total authorized FTEs unchanged at 591.1)
 - Health insurance increase projected at 10%
- **General operating and contractual services**
 - No increase
- **Priority allocation to capital and cooperative**

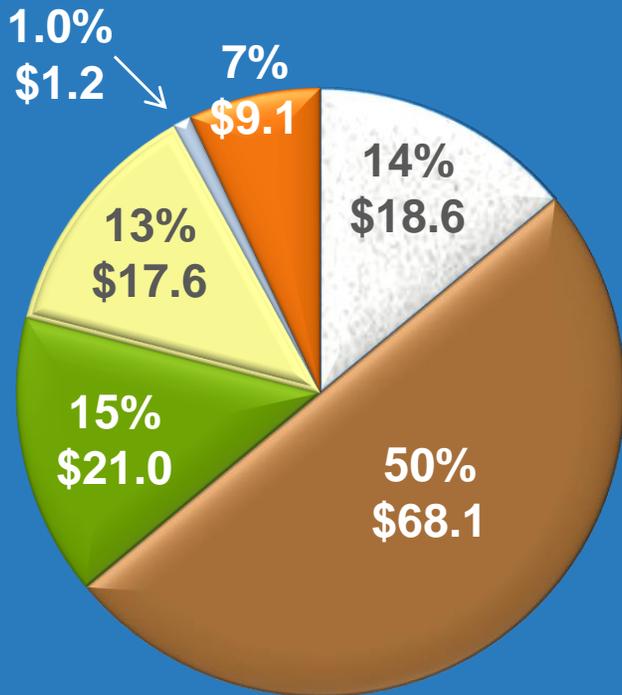


Budget in Brief – Expenditures

- **Expenditures (\$127.6 million)**
 - Water resources planning and monitoring (\$17.9 million)
 - Acquisition, restoration, and public works (\$62.4 million)
 - Operation and maintenance of land and works (\$19.3 million)
 - Regulation (\$17.5 million)
 - Outreach (\$1.2 million)
 - District management and administration (\$9.3 million)

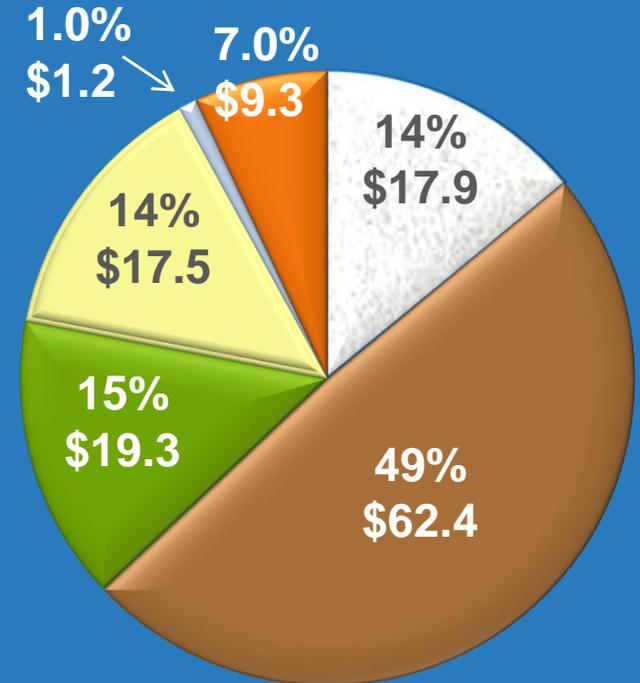
Expenditure Comparison by Program

Fiscal Year 2013–2014
(Adopted – \$135.6 million)



\$ in millions

Fiscal Year 2014–2015
(Preliminary – \$127.6 million)

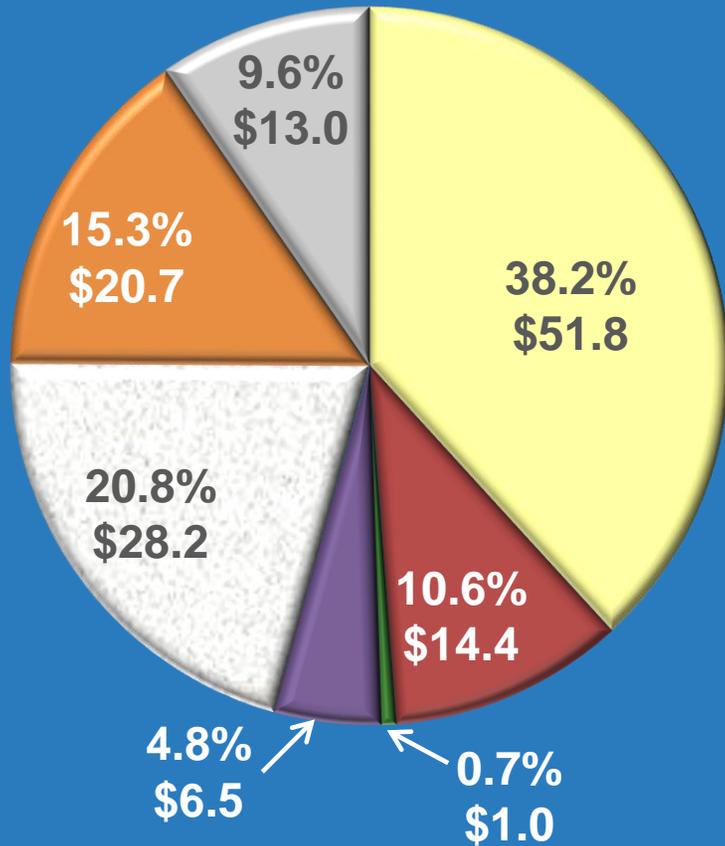


\$ in millions

-  Water Resources Planning and Monitoring
-  Acquisition, Restoration and Public Works
-  Operation and Maintenance of Lands and Works
-  Regulation
-  Outreach
-  District Management and Administration

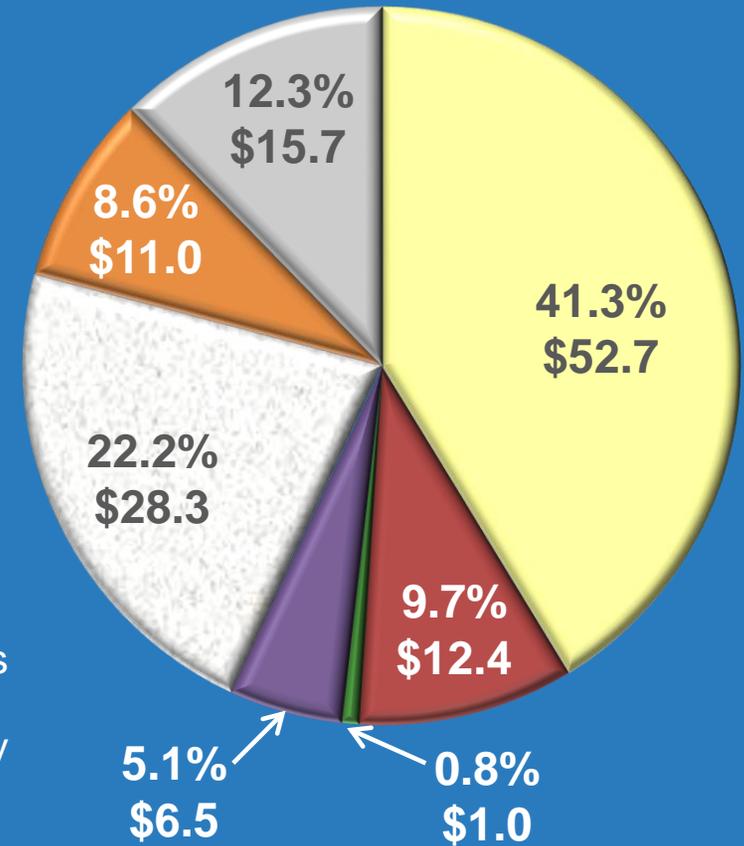
Expenditure Comparison by Major Object

Fiscal Year 2013–2014
(Adopted – \$135.6 million)



\$ in millions

Fiscal Year 2014–2015
(Preliminary – \$127.6 million)



\$ in millions

- Salaries and Benefits
- Operating Expenses
- Operating Capital Outlay
- Debt
- Cooperative Funding/District Grants
- Contracted Services
- Fixed Capital Outlay

Budget Highlights

Cooperative Funding History

- Approximately \$250 million awarded since FY 2003-2004 resulting in approximately 104 million gallons a day (mgd) of “new” water
 - Projects funded in 15 member counties
 - Projects funded in cooperation with SFWMD
 - Cooperated with more than 100 local agencies



Budget Highlights

Cooperative Funding

Fiscal Year 2013-2014

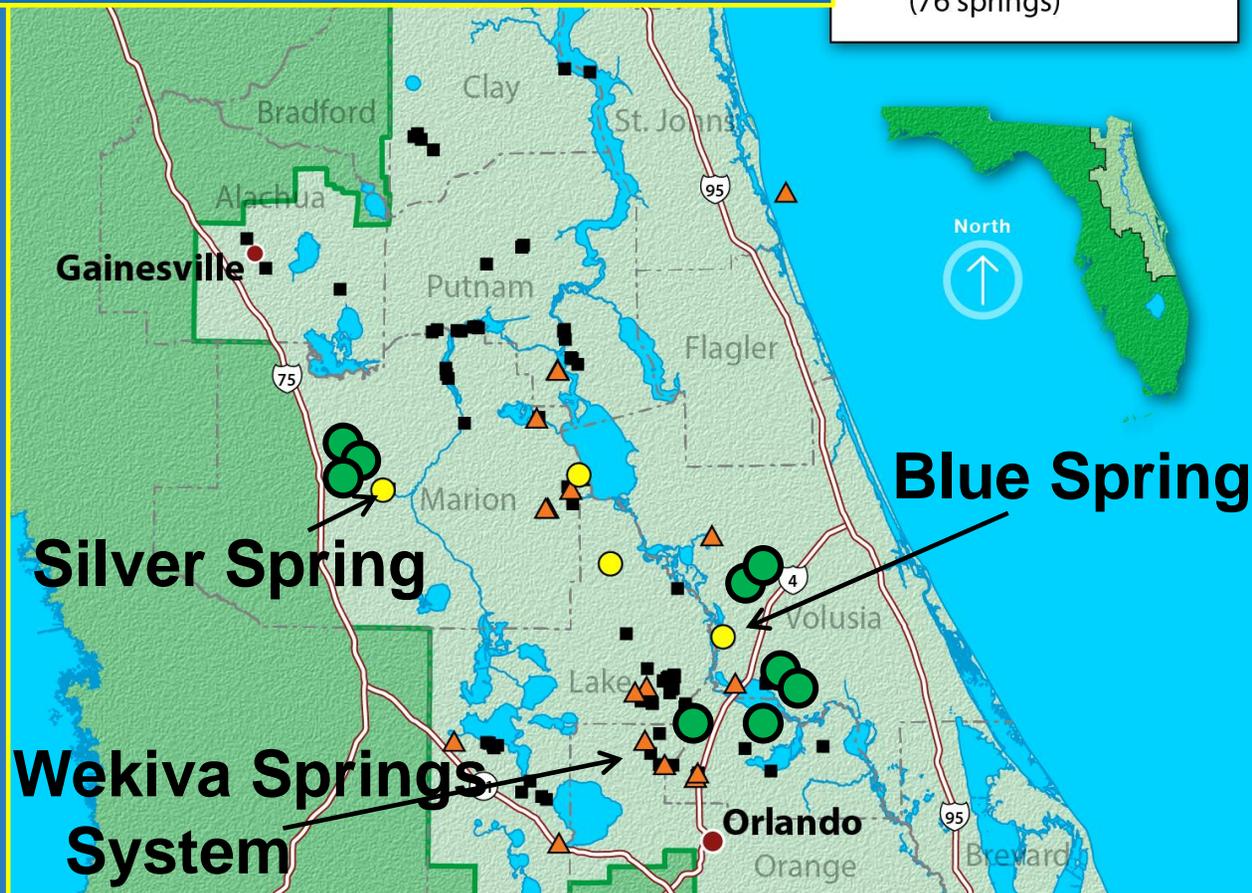
- Approximately \$28 million from all funding sources
- 23 projects approved for funding
- Agreements with 19 different local jurisdictions approved and executed
- Focused on selected major initiatives:
 - Springs Protection
 - Central Florida Water Initiative
 - North Florida Water Initiative
 - Minimum Flows and Levels (MFLs) prevention and recovery

Springs in SJRWMD

- Legislative appropriations: \$ 9,829,684
- SJRWMD: \$ 8,244,374
- Local Partners: \$ 29,899,825
- Total cost of projects: \$ 47,973,883

Legend

- First-magnitude spring (4 springs)
- ▲ Second-magnitude spring (16 springs)
- Spring — 10 cfs or less volume of flow (76 springs)



Budget Highlights

Cooperative Funding

FY 2013-2014

- Springs-related projects (**total project cost**):
 - Ocala Water Reuse Facility Nutrient Reduction Plan (**\$12.1 million**)
 - West Volusia Reclaimed Water Interconnect (**\$9.3 million**)
 - Marion County Silver Springs Shores Reuse (**\$8.2 million**)
 - Deltona Reclaimed Water Interconnect (**\$6 million**)
 - Apopka Reclaimed Water Transmission (**\$3.5 million**)

Budget Highlights

Cooperative Funding

Fiscal Year 2014-2015

- Approximately \$28 million from all funding sources
 - \$21.2 million District Sources
 - \$ 6.9 million state sources
 - \$ 0.2 million federal sources
- Solicited districtwide:
 - All chief city/county elected officials
 - All city and county managers
 - Key agricultural contacts
 - Utility and public works directors

Budget Highlights

Cooperative Funding

Fiscal Year 2014-2015

- Soliciting construction ready projects that provide:
 - Nutrient-loading reduction in springsheds, the Indian River Lagoon and other water bodies
 - Water conservation through irrigation efficiency (both crop and landscape)
 - Water resource development that increases the source of available water
 - Alternative water supply that replaces existing or planned groundwater use

Budget Highlights

Cooperative Funding

Fiscal Year 2014-2015

- **Expanded** list of major initiatives
 - Springs Protection
 - Central Florida Water Initiative
 - North Florida Water Initiative
 - Minimum Flows and Levels (MFLs) Prevention and Recovery
 - **Indian River Lagoon**
 - **Middle and Lower St. Johns River Water Quality Improvement**
 - **Northern Coastal Basins**

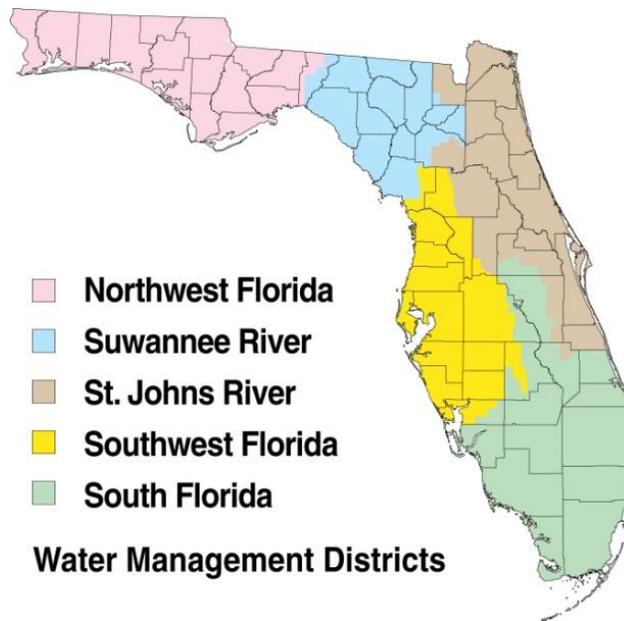


Thank you.

Senate Appropriations Subcommittee On General Government

South Florida Water Management District Standard Format FY 2014-15 Preliminary Budget Briefing

February 19, 2014



Doug Bergstrom
Administrative Services Director



Presentation Agenda

- ✓ Budget in Brief
- ✓ Key Criteria for Budget Development
- ✓ FY15 Revenue & Expenditure Overview
- ✓ Projected Utilization of Fund Balance



Budget in Brief

- ✓ Preliminary FY2014-15 budget of \$642.0M is an increase of \$19.8M or 3.2% over the FY14 adopted budget
 - Includes \$31.8M re-budget of prior year SOETF appropriations
 - C-44 Reservoir/STA – \$16.5M
 - Picayune Strand - \$14.2M

- ✓ Revenues:
 - Ad valorem revenue increased \$0.7M
 - Assumes levying rolled-back tax rates (no tax increase)
 - Budgeted fund balance is earmarked for Spend Down Plan and Governor's Restoration Strategies Initiative
 - \$72M requested in new Save Our Everglades Trust Fund (SOETF) appropriations (excludes \$3M in DACS)

Key Budget Development Criteria - Expenditures

- ✓ Expenditures:
 - No new positions requested; reduction of 9 permanent FTE's
 - Preliminary budget does not include funding for salary adjustments
 - No new debt issuance is proposed
 - New Works increase (incremental operating impacts of completed capital projects) - \$0.6M
 - Capital projects reflect core mission priorities:
 - C&SF flood control system refurbishments - \$51.7 M
 - Governor's Restoration Strategies Initiative - \$77.8M
 - Balance of FY15 Fund Balance Utilization - \$162.4M

Outstanding Budget Issues to be Addressed

- ✓ Ad Valorem recurring budget includes \$6.6M in fund balance to support recurring operations
 - Principal need is in projected group health insurance costs.
- ✓ Action steps currently underway:
 - Third party reviewer engaged to review District health plan and develop recommendations to reduce costs
 - Reviewing District organizational structure and work processes to maximize efficiencies.
 - Each vacant position is being reviewed for necessity, prior to initiating the hiring process.
- ✓ Identify funding for cooperative projects.
- ✓ Goal is to balance recurring revenues and expenses prior to submittal of the August 1 report

Key Budget Development Criteria - Revenues

✓ Revenue Assumptions:

- Levy rolled-back tax revenue - \$264.1M baseline (\$2.5M less than FY14), plus \$3.2M (new construction); rolled-back tax rates = no tax increase.
- \$72M in requested SOETF funds (excludes \$3M DACS)
 - \$40M - C-44 Reservoir/STA;
 - \$32M- Restoration Strategies
- \$6.9M from the Water Management Lands Trust Fund (WMLTF) to fund debt service expense; WMLTF bonds will be retired in FY16
- Prior year Certificates of Participation (COPs) proceeds allocated for Everglades Agricultural Area (EAA) Flow Equalization Basin (Restoration Strategies)
- Fund balance appropriated primarily for Restoration Strategies and Spend Down Plan capital projects

Key Budget Criteria – SOETF FY15 New Funding Request*

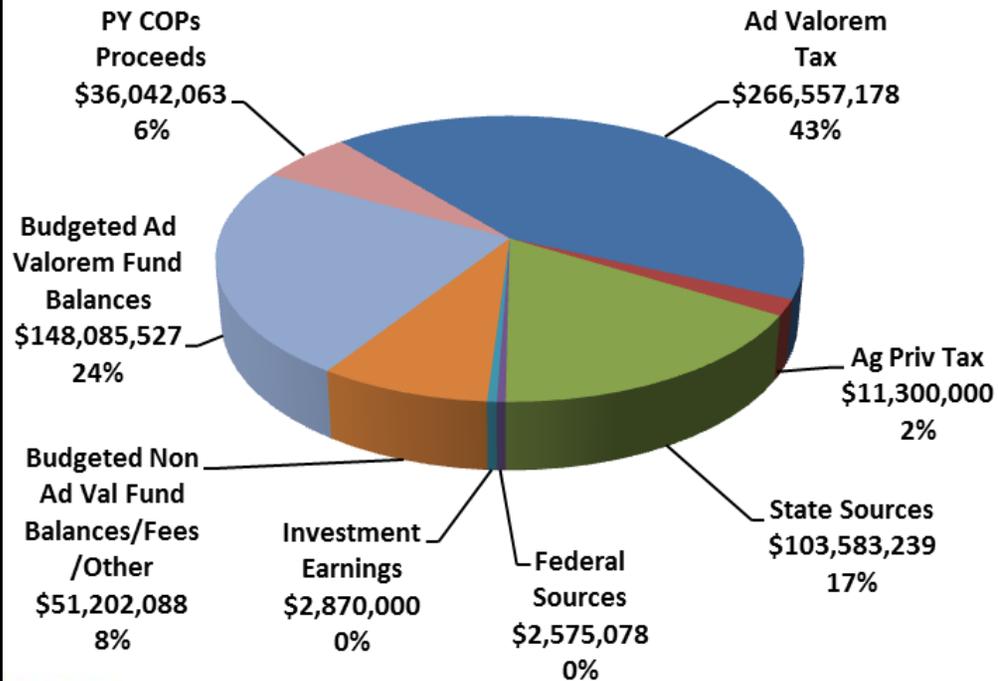
✓ Restoration Strategies: \$32.0M	
• STA1W #1 Expansion	\$16.5M
• A-1 Flow Equalization Basin	\$6.9M
• MECCA Flow Equalization Basin	\$4.0M
• L-8 Divide	\$2.6M
• G-716 Structure Expansion	\$1.0M
• S-5AS Divide	\$1.0M
✓ CERP: \$40.0M	
• C-44 Reservoir/STA	<u>\$40.0M</u>
Total SOETF Funding Requests	\$72.0M

*Final FY15 SOETF funding will be updated based on results of the legislative session. 7

FY14 and FY15 Revenues by Source

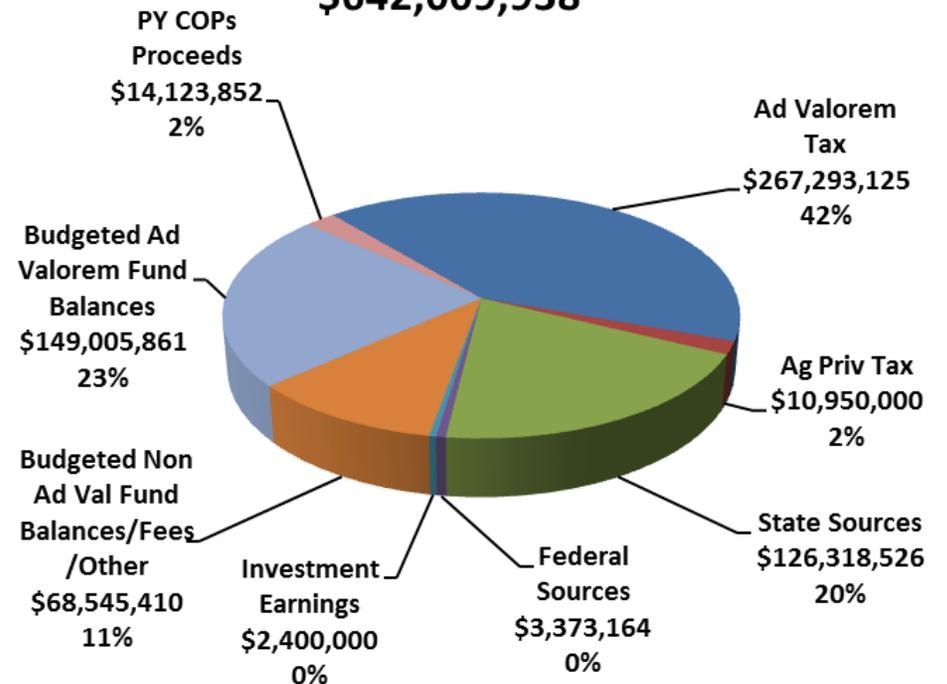
FY14 Adopted

\$622,215,173



FY15 Preliminary

\$642,009,938



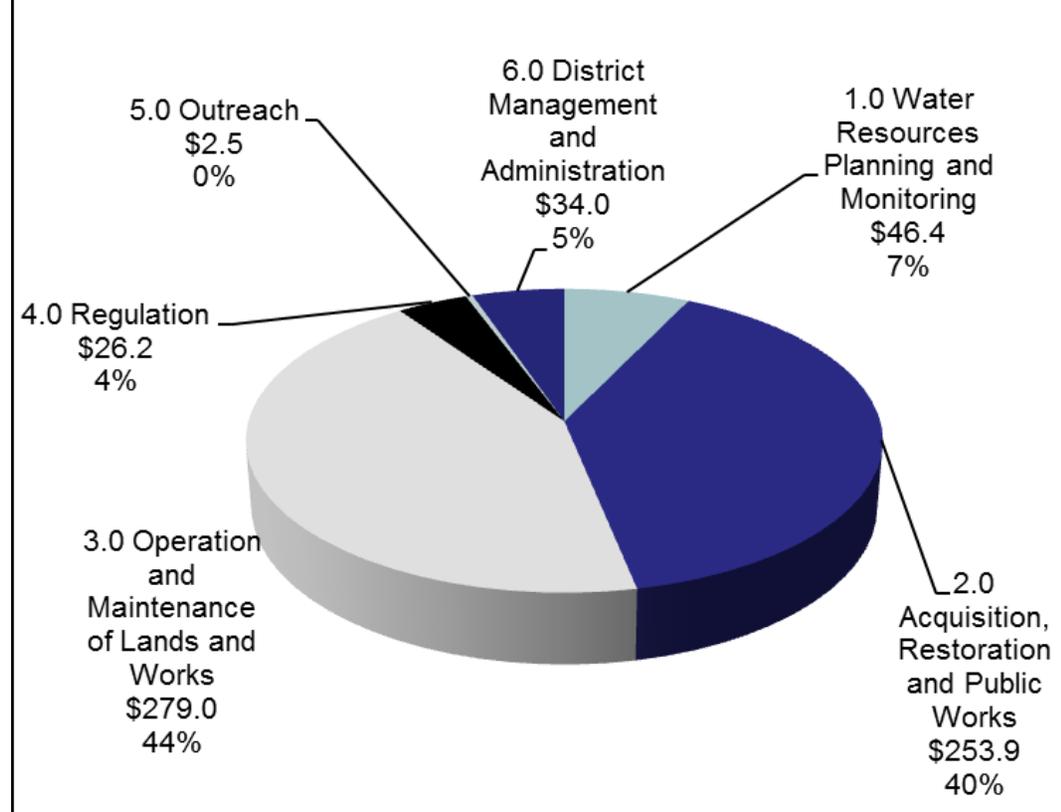
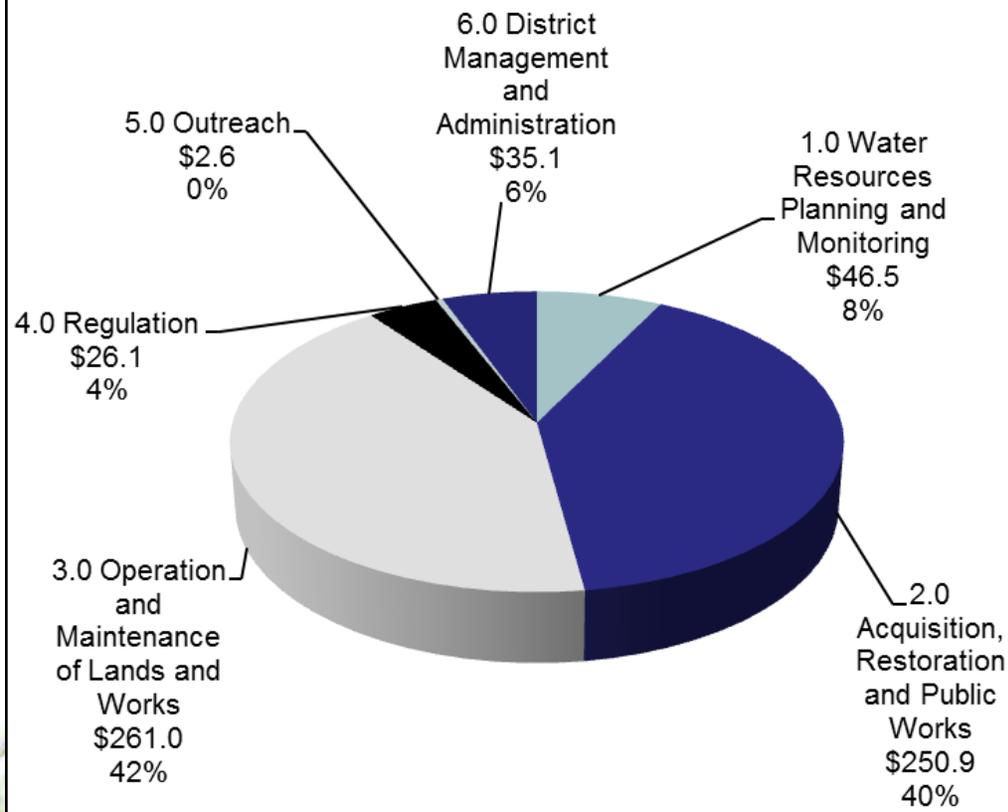
Comparison of Budgeted Expenditures by State Program Category

FY14 Adopted

FY15 Preliminary

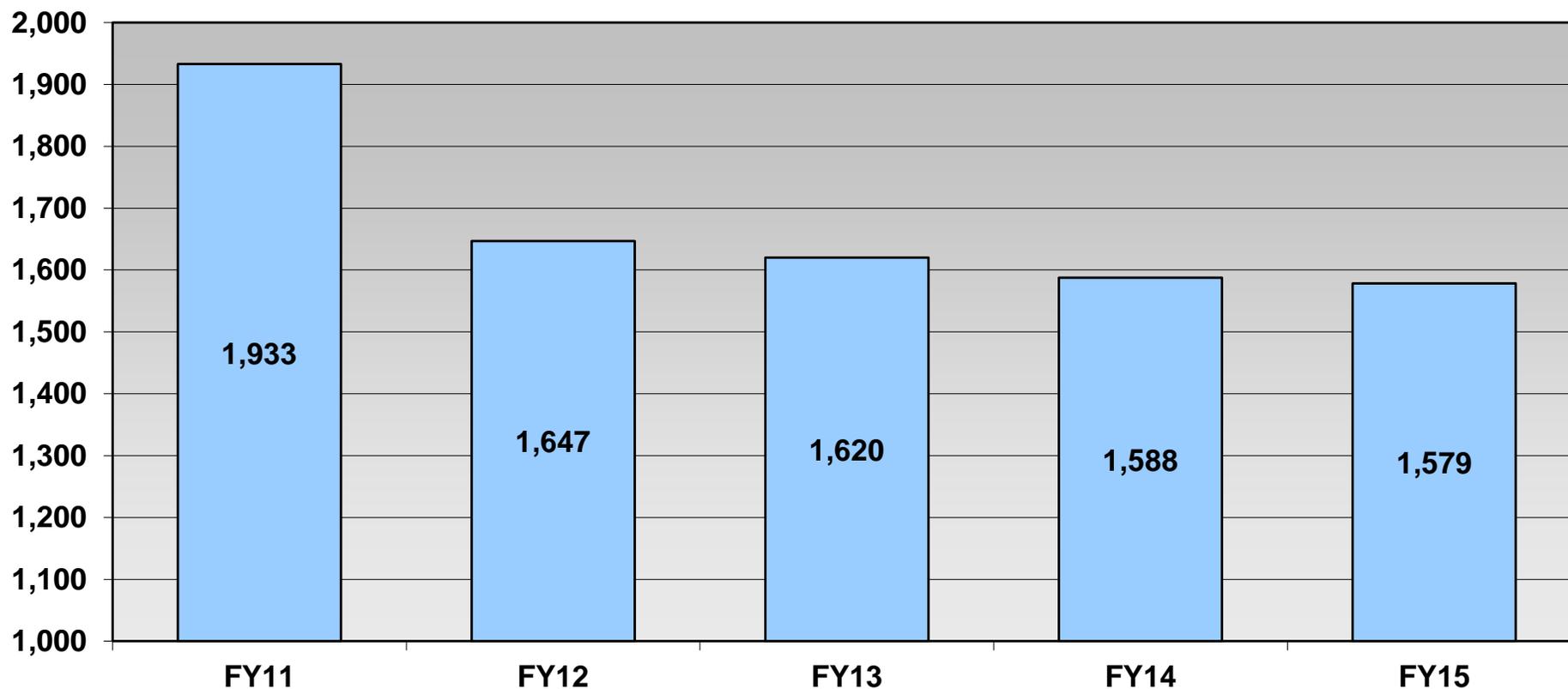
\$622,215,173

\$642,009,938



Permanent Workforce (FTE) Trend

District Workforce
(FY11 – FY15)



Utilization of Fund Balance

Fiscal Year	Amount
FY2015	\$199.7
FY2016	\$111.3
FY2017	\$33.6
FY2018	\$14.9
FY2019	\$14.9



FY15 Preliminary Budget

Thank You





Florida Senate

Appropriations Subcommittee on
General Government

**Fiscal Year 2014-15
Preliminary Budget Submission**

February 19, 2014



Robert Beltran, Executive Director
robert.beltran@watermatters.org

Presentation Agenda

- ✓ Budget in Brief
- ✓ Major Budget Items
- ✓ Leveraged Investments
- ✓ Key Criteria for Budget Development
- ✓ Preliminary Budget – Expenditures & Revenues
- ✓ Long-Term Funding Plan
- ✓ Discussion



Budget in Brief – Policy Goals & Outcomes

Goals:

- ✓ Project expenditures equal 50% of budget
- ✓ Majority of projects cooperatively funded
- ✓ Operating costs maintained with budget increase dedicated to projects
 - Salary and benefits do not exceed 50% of ad valorem revenue
 - Total recurring operating expenses do not exceed 80% of ad valorem revenue

Outcomes:

- ✓ Preliminary FY2014-15 budget - \$179.9M, an increase from \$170.8M in FY2013-14
- ✓ 100% of overall increase allocated to projects
 - Reclaimed Water projects \$26M, an increase of \$4M
 - Stormwater Improvement – Water Quality projects \$16M, an increase of \$6M
 - Brackish Groundwater Development projects \$10M, an increase of \$4M
 - Aquifer Storage & Recovery Feasibility/Pilot Testing projects \$9M, an increase of \$6M
- ✓ Operating expenditures reduced by 2% through implementing new, improved business processes and leveraging technology
 - Workforce reduction of 2%

Major Budget Items

- 
- ✓ **\$57 million** for Water Supply projects to ensure an adequate supply of water resources for all existing and future reasonable and beneficial uses.
 - ✓ **\$12.4 million** for Springs Initiatives.
 - **\$6.8 million** for springs protection by implementing water clarity projects.
 - **\$5.6 million** for water supply activities, which contributes to reducing groundwater withdrawals in the springs regions.
 - ✓ **1.8 million** for 31 minimum flows and levels (MFLs) projects. The current priority list and schedule includes a total of 285 MFLs, of which 200 MFLs have been completed (70 percent).
 - ✓ **\$29.3 million** for Flood Protection to minimize flood damage to protect people, property, infrastructure and investment:
 - **\$5.1 million** for 83 modeling and planning phase projects cooperatively-funded with local governments
 - **\$8.3 million** for the implementation phase of 60 Watershed Management Program projects cooperatively-funded with local governments
 - **\$6.3 million** for the District's Environmental Resource Permitting program
 - **\$4.5 million** for 81 water control structures and 63 miles of canals to manage water levels and reduce the risk of flooding

Leveraged Investments

Cooperative Funding Since 1988:

- ✓ **\$1.4 billion** District-funded
- ✓ **\$2.5 billion** combined regional investment

FY2014-15 Preliminary Budget:

- ✓ **\$84 million** leveraged of \$106 million in projects



Key Budget Criteria – Expenditures

- 
- ✓ Total Workforce dollars reduced by 2%
 - Workforce FTEs reduced by 2%, from 585 in FY2013-14 to 574 for FY2014-15
 - ✓ Operating expenses held at FY2013-14 levels
 - Reduced by 34% over last three years (FY2010-11 – FY2013-14)
 - Early in budget process to evaluate current year budget; will continue efforts to reduce as further efficiencies are gained.
 - ✓ Operating Capital Outlay increased by 40%
 - Reduced by 66% over last three years (FY2010-11 – FY2013-14)
 - ✓ Contracts for Recurring Operational Support & Maintenance decreased by 11%
 - Reduced by 44% over last three years (FY2010-11 – FY2013-14)
 - ✓ Projects zero-based and separately justified

Key Budget Criteria – Revenues

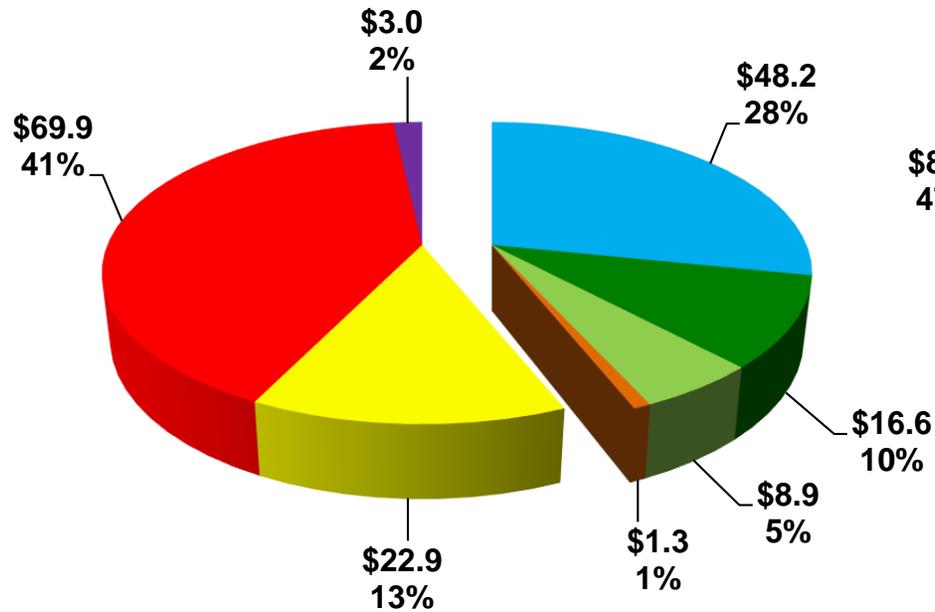
- ✓ Maintain millage rate at FY2013-14 level (0.3818 mill)
- ✓ No new state revenue from trust funds
- ✓ Permit Fee Revenue
 - \$1.7 million based on actual fees collected for FY2012-13 - consistent with FY2013-14
- ✓ Interest Earnings Revenue
 - \$3.6 million based on 0.75 percent estimated yield on investments
- ✓ Reserves will be utilized only to fund projects



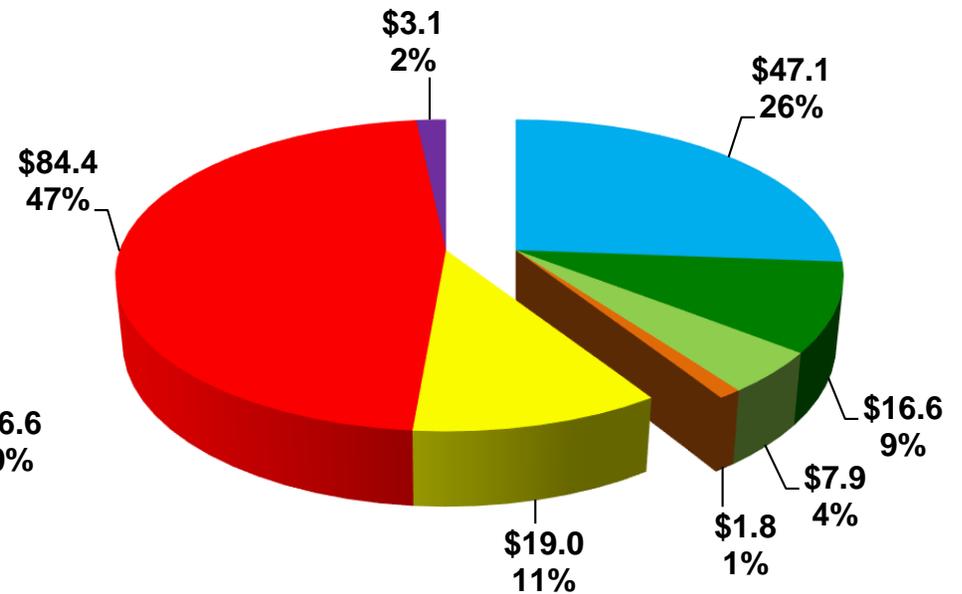
Expenditure Budget by Category

(In millions)

**Adopted
FY2013-14 Budget
(\$170.8 Million)**



**Preliminary
FY2014-15 Budget
(\$179.9 Million)**



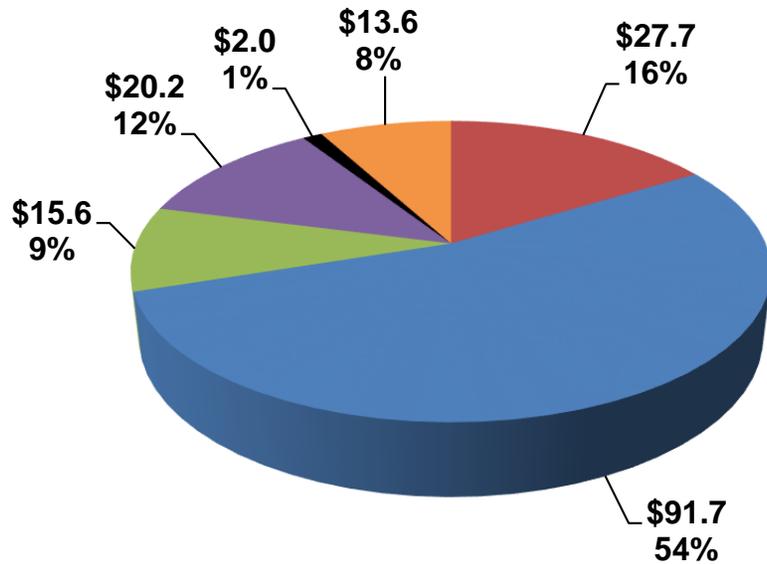
- Salaries & Benefits
- Contracted Services for Operational Support & Maint
- Contracted Services for District Projects
- Fixed Capital Outlay

- Operating Expenses
- Operating Capital Outlay
- Cooperative Funding / District Grants

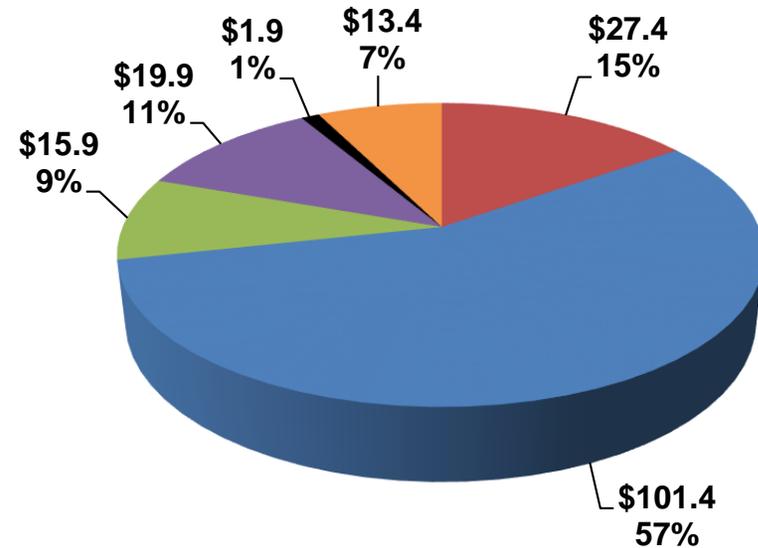
Expenditure Budget by Program

(In millions)

**Adopted
FY2013-14 Budget
(\$170.8 Million)**



**Preliminary
FY2014-15 Budget
(\$179.9 Million)**

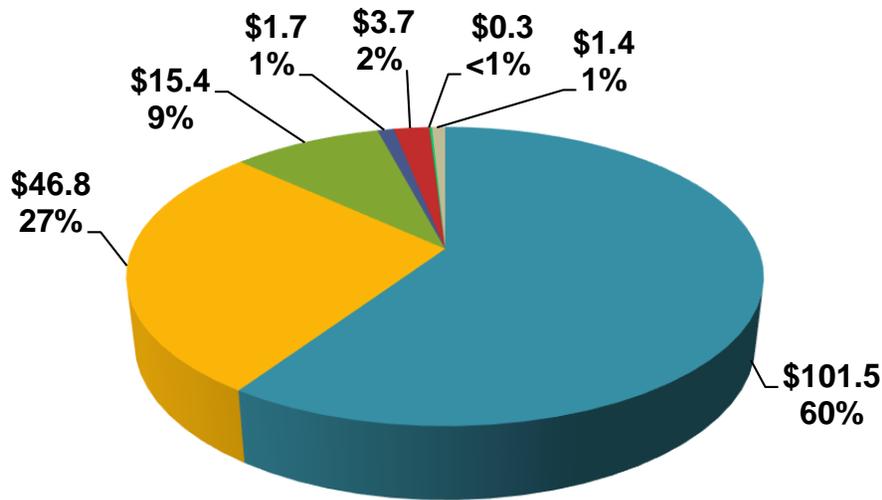


- 1.0 Water Resources Planning and Monitoring
- 2.0 Acquisition, Restoration and Public Works
- 3.0 Operation and Maintenance of Lands and Works
- 4.0 Regulation
- 5.0 Outreach
- 6.0 District Management and Administration

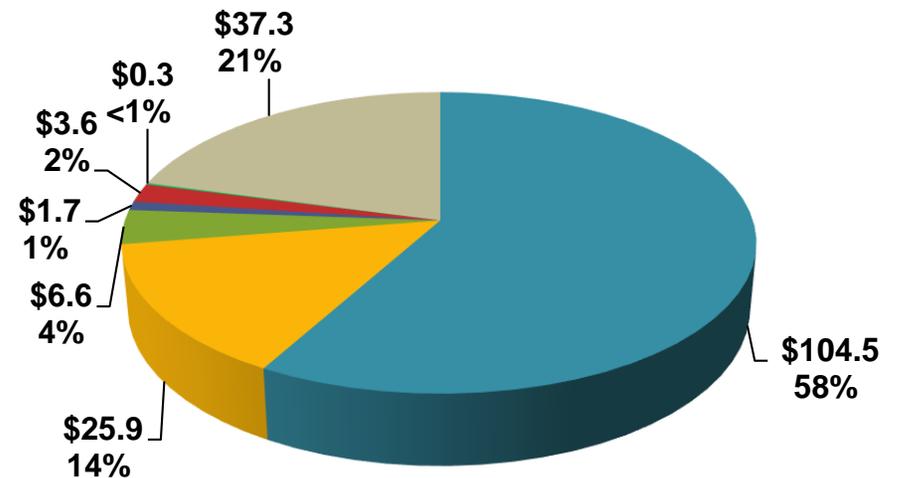
Revenue Budget

(In millions)

**Adopted
FY2013-14 Budget
(\$170.8 Million)**



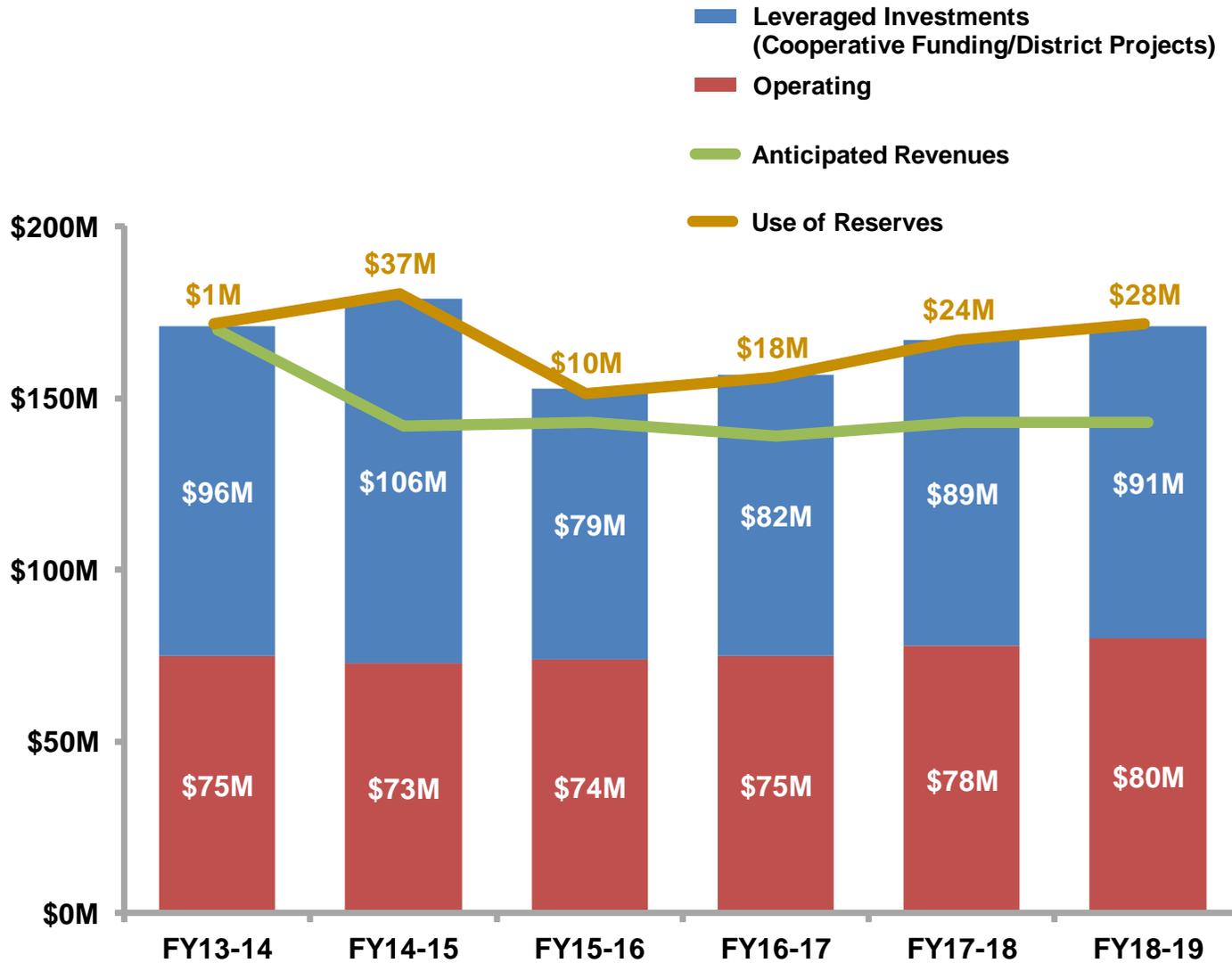
**Preliminary
FY2014-15 Budget
(\$179.9 Million)**



- Ad Valorem Taxes
- Balance From Prior Years
- State/Federal/Local
- Licenses and Permits
- Interest
- Other
- Reserves (Use of Reserves)

Long-Term Funding Plan

FY15 – Millage at RB + 3% New Constr; FY16 – Millage at RB + 3% New Constr (\$52M Reserve Balance by FY25)



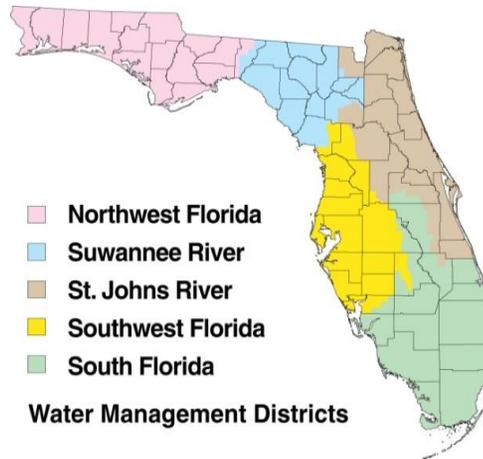


Discussion



Florida Senate Appropriations Subcommittee on General Government

Alan Hays, Chair
Geraldine F. Thompson, Vice Chair



Preliminary Budget
Fiscal Year 2014-2015
February 19, 2014

Ann B. Shortelle, Ph.D.
Executive Director
ABS@srwmd.org

Steven Minnis, Director of
Governmental Affairs and
Communications
SAM@srwmd.org



Budget in Brief – Policy Goals and Outcomes

Goals:

- ✓ Hold millage rate at FY2013-2014 level - 0.4143 mill
- ✓ Continue to achieve operational efficiencies
- ✓ Implement springs restoration and protection projects - \$5.22 million
 - Ichetucknee Springshed Water Quality Improvement
 - Middle Suwannee River Restoration and Aquifer Recharge
 - Springs Recharge Areas
- ✓ Implement water resource development projects - \$3.27 million
 - Agricultural partnerships
 - Bradford West Levee Aquifer Recharge
 - Upper Suwannee River Restoration
 - Dispersed Water Storage
- ✓ Establish Minimum Flows and Levels (MFLs) - \$1.96 million



Budget in Brief – Policy Goals and Outcomes

Outcomes:

- ✓ Preliminary FY2014-2015 budget \$22.47M
- ✓ Actual operating costs decrease by \$0.32M or 21% since 2013
- ✓ Core mission focus
- ✓ Springs, MFLs, and projects continue as priorities
- ✓ Cost-share programs
- ✓ No debt

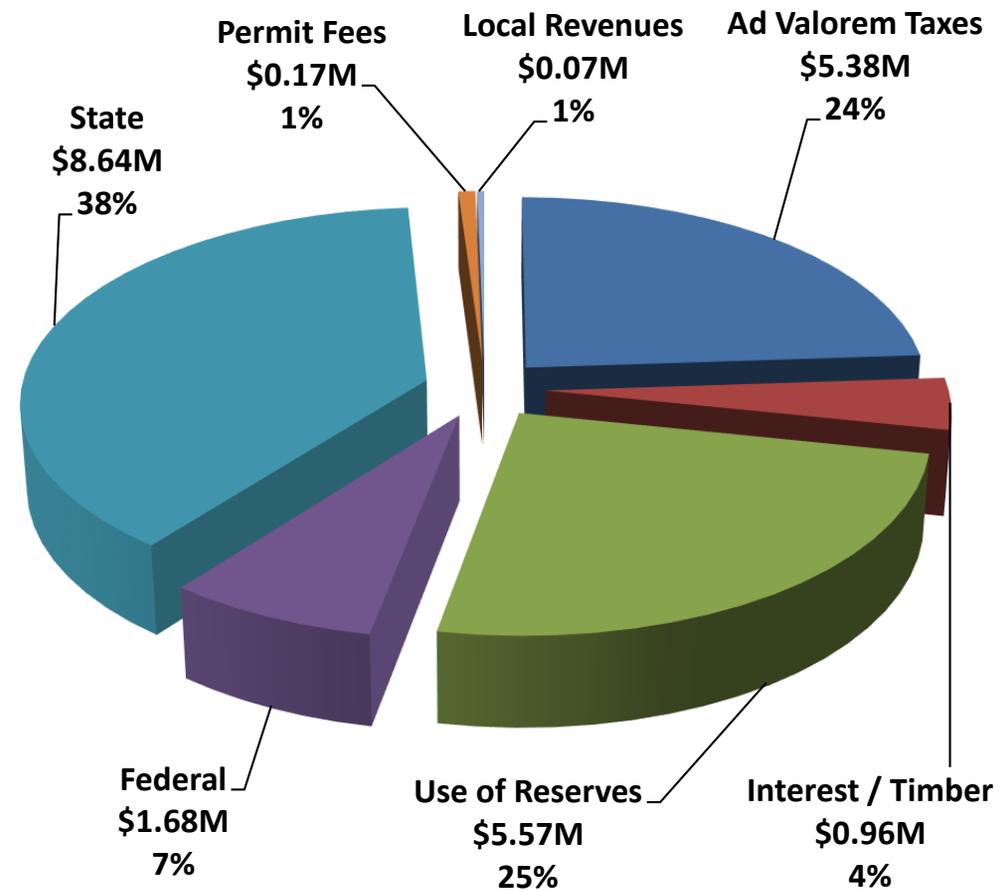
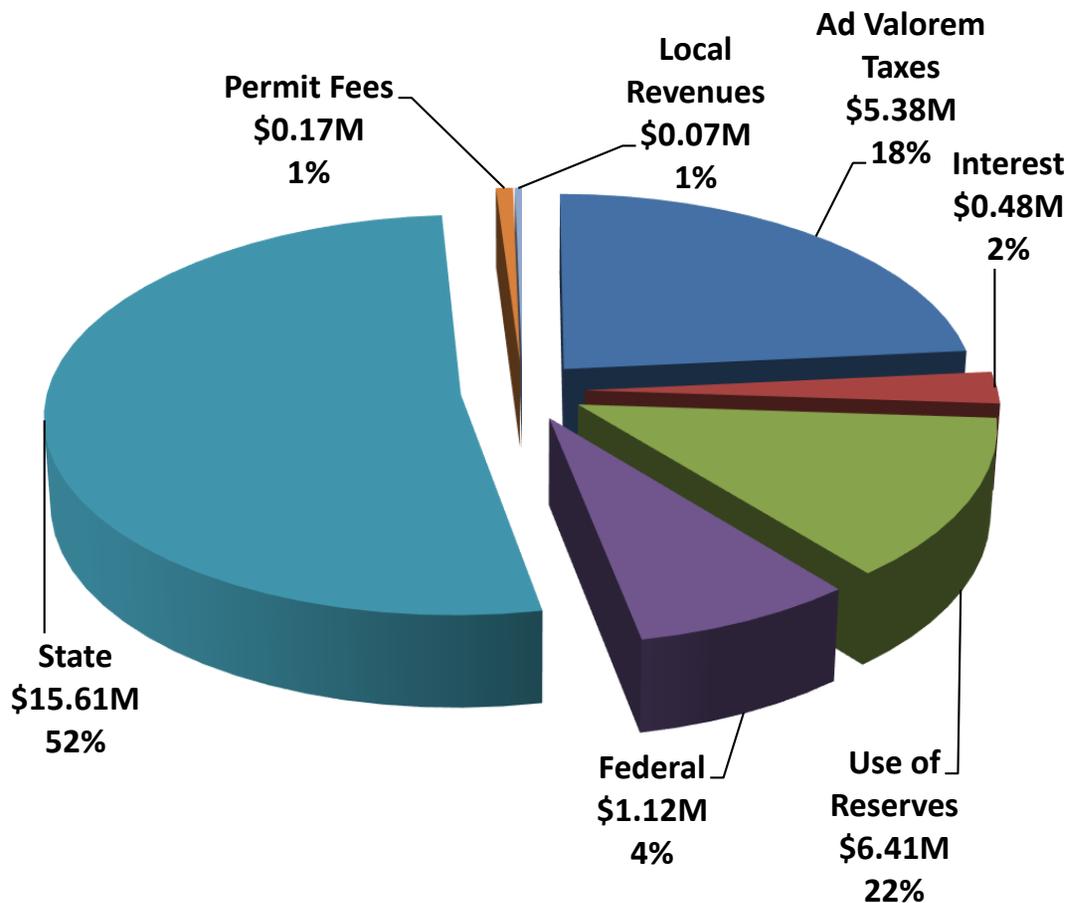


Revenue Budget by Category

(In millions)

**Adopted
FY2013-2014
(\$29.24 Million)**

**Preliminary
FY2014-2015
(\$22.47 Million)**





Key Budget Criteria - Expenditures

Recurring

- Continue to look for savings/efficiencies
 - Salaries and Benefits (66 FTEs; considering + 2 technical positions)
 - Operating Expenses
 - Statutory Requirements (MFLs, Regulatory)
 - Land Management
 - Monitoring and Data Collection/Analyses

Non-Recurring

- District Projects
- Cost-share Programs

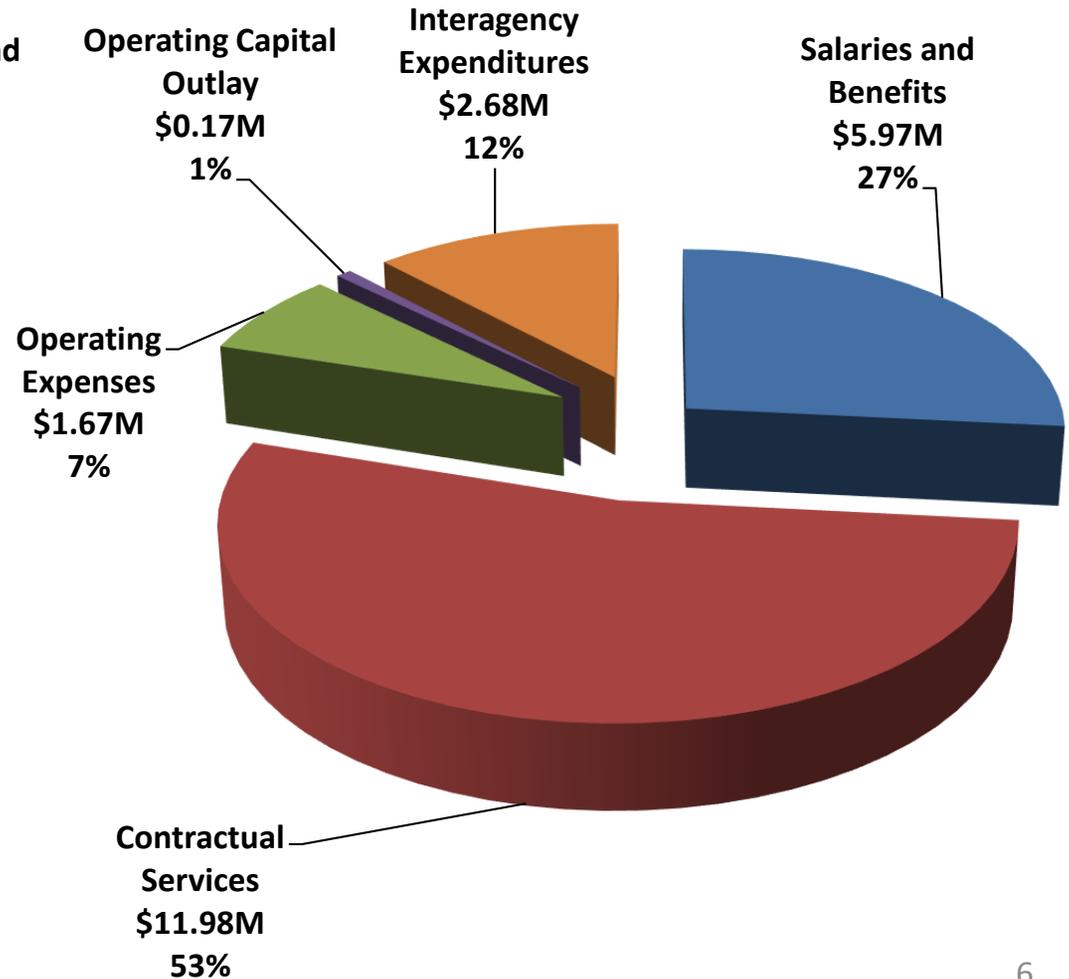
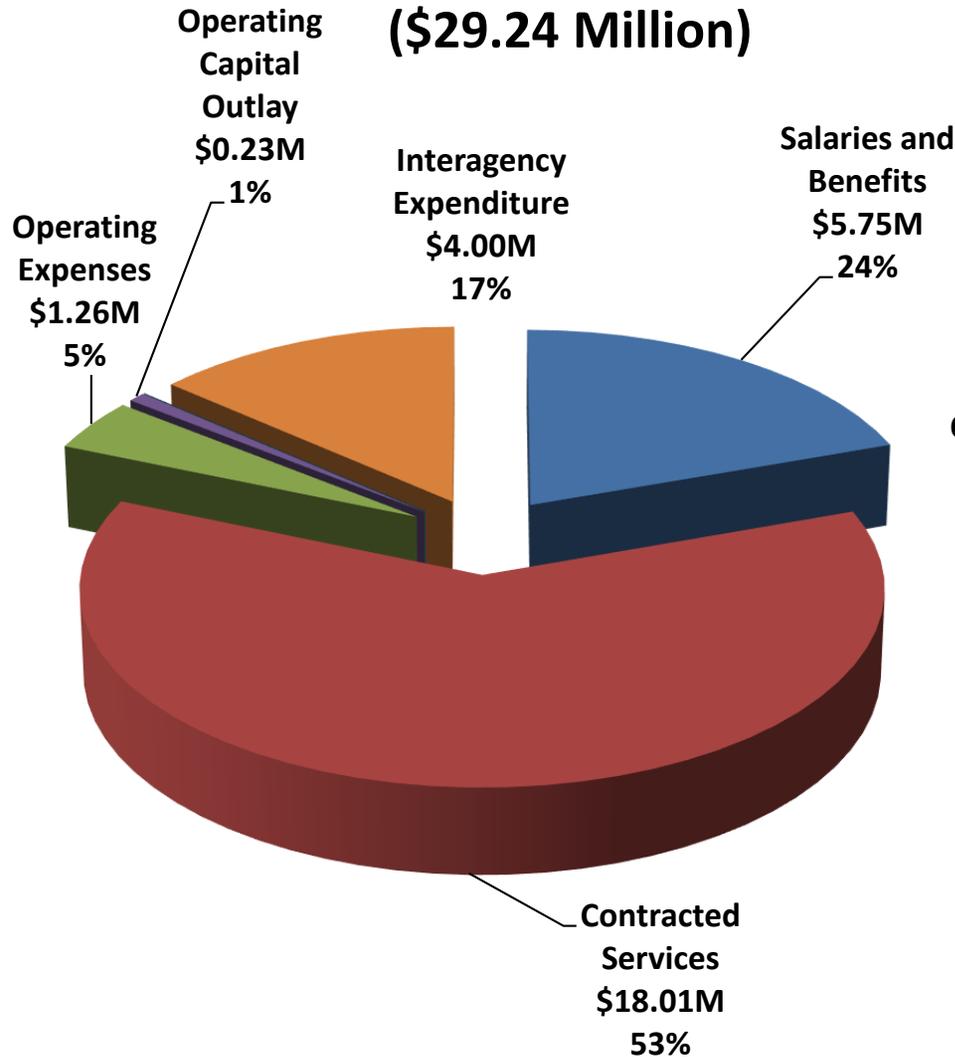


Expenditure Budget by Category

(In millions)

**Adopted
FY2013-14
(\$29.24 Million)**

**Preliminary
FY2014-2015
(\$22.47 Million)**



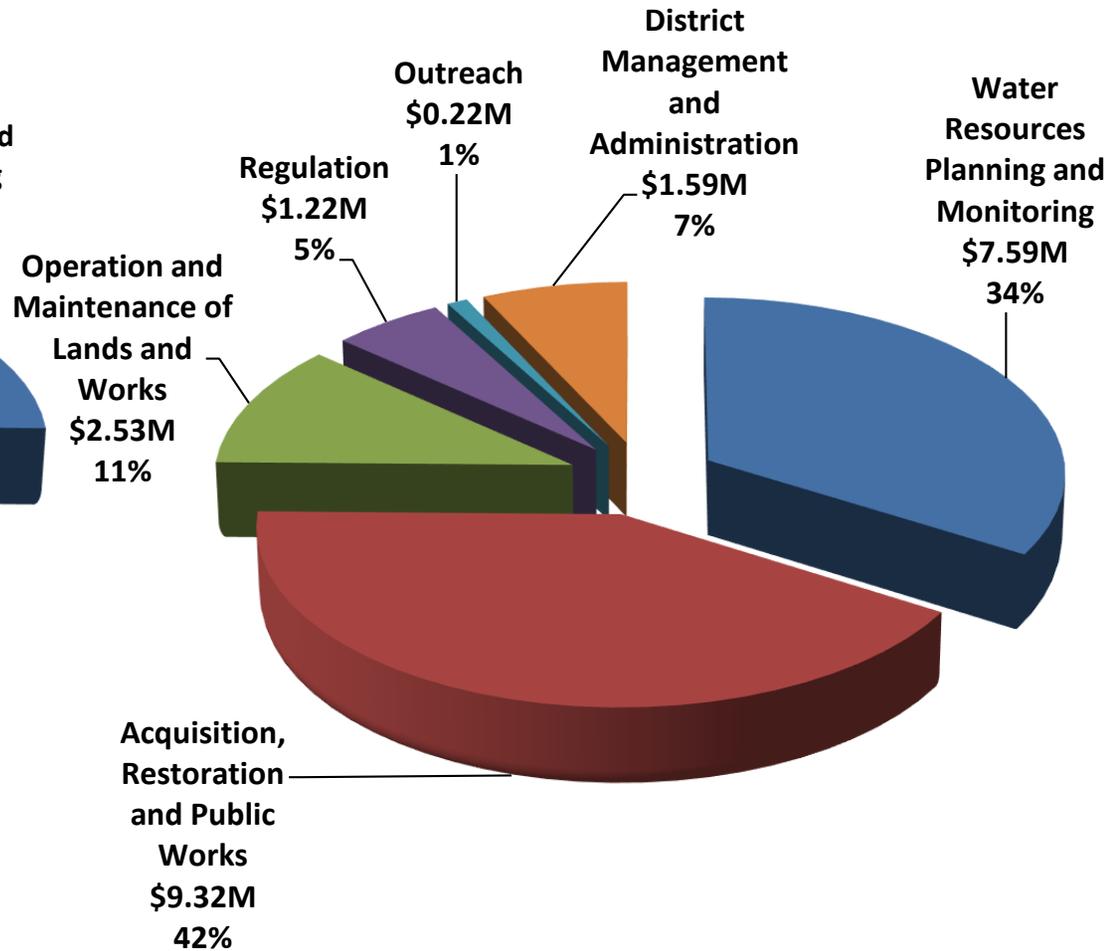
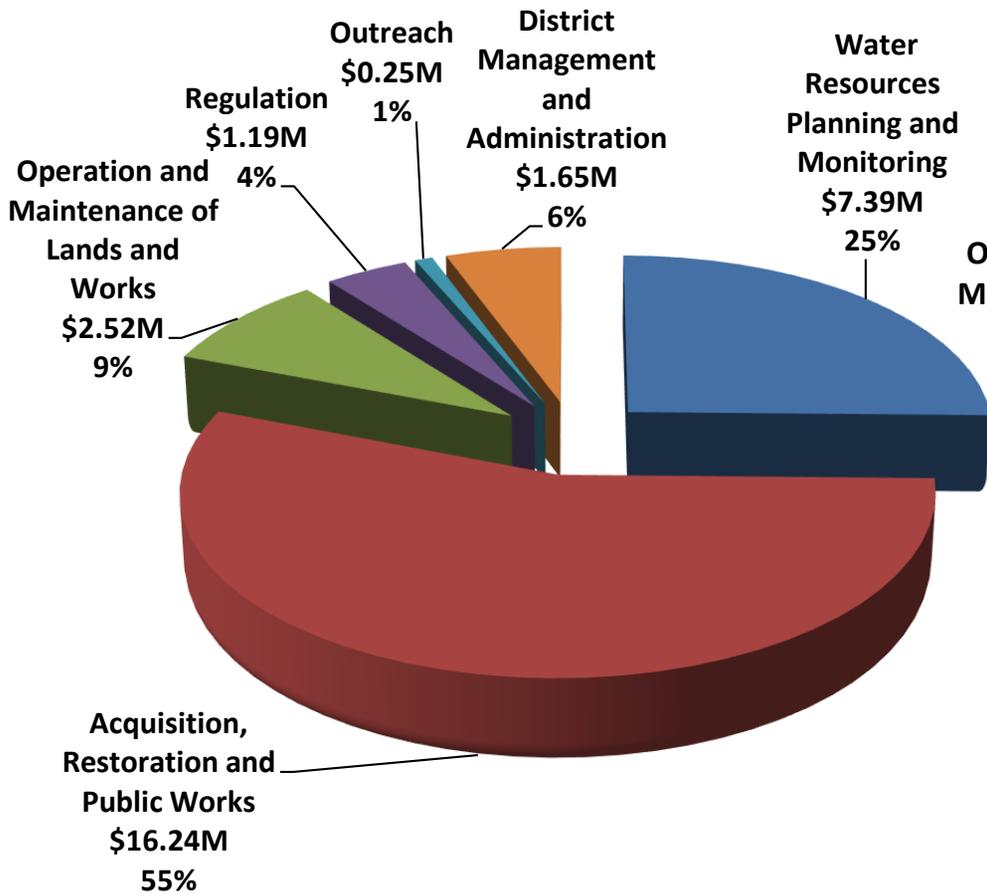


Expenditure Budget by Program

(In millions)

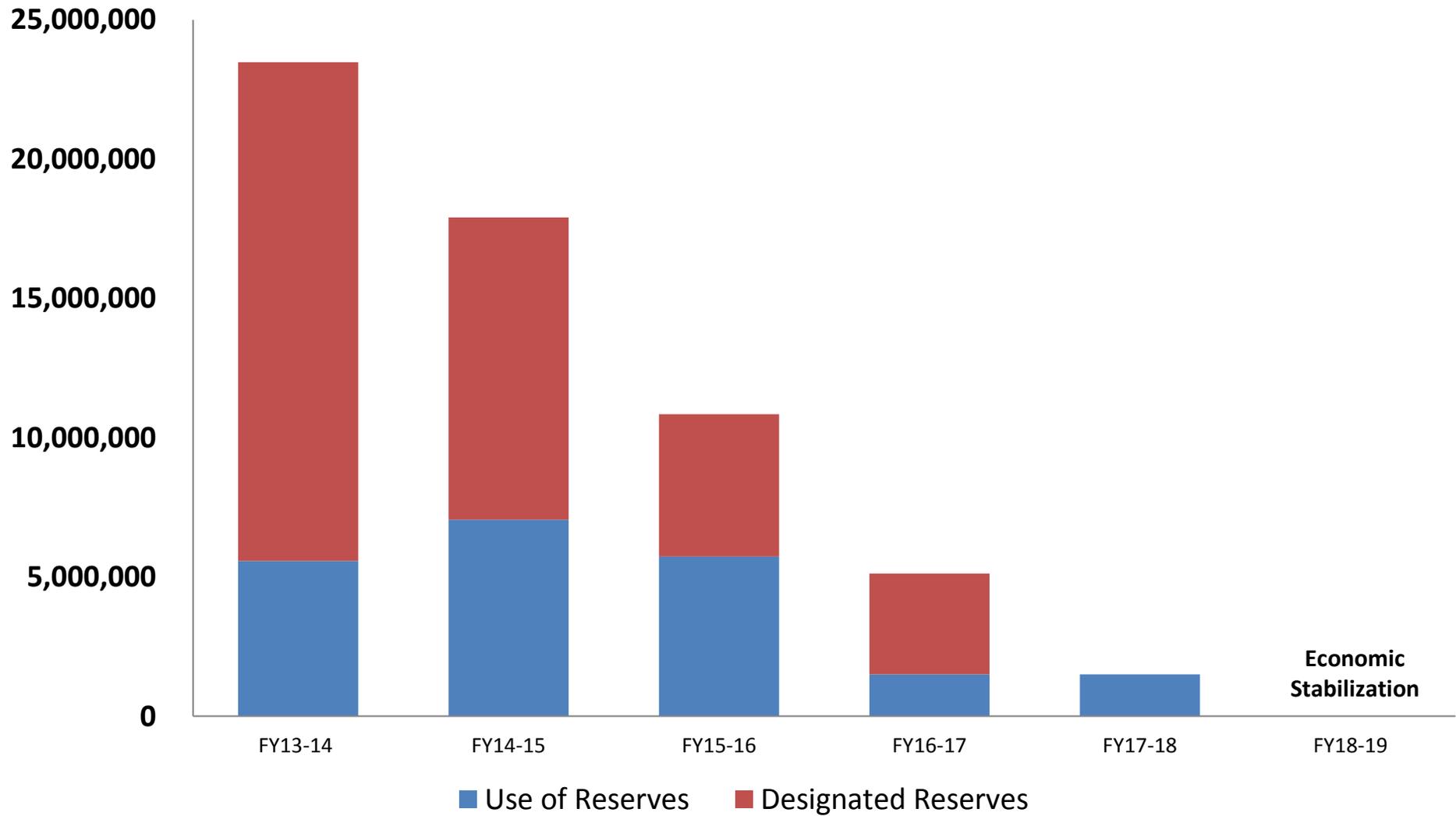
**Adopted
FY2013-2014
(\$29.24 Million)**

**Preliminary
FY2014-2015
(\$22.47 Million)**





Long-Term Funding Plan





FY 2014 Springs Funding

- ✓ Springs restoration and protection projects appropriations
 - Otter Springs
 - Hart Springs
 - Pot Springs
 - Wacissa Springs
 - Charles Springs
 - "Leaky Wetlands" Aquifer Recharge
 - Dispersed Water Storage and Recharge
 - Agricultural Groundwater Offsets
 - Nutrient Management/Denitrification
 - Forest Water Yield
 - Springs Recharge Areas
- ✓ Minimum Flows and Levels (MFLs)





Thank you!



Ann B. Shortelle, Ph.D., Executive Director

abs@srwmd.org

386.362.1001

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/19/14

Meeting Date

Topic GOV'S Budget

Bill Number (if applicable)

Name NOAH VALENSTEIN

Amendment Barcode (if applicable)

Job Title Policy COORDINATOR

Address 1801 Capital

Phone 850-717-9383

Street

Tallahassee, FL

E-mail noah.valenstein@cs.phs.state.fl.us

City

State

Zip

Speaking: [] For [] Against [X] Information

Representing OCB/GOV

Appearing at request of Chair: [X] Yes [] No

Lobbyist registered with Legislature: [X] Yes [] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

535 19 2014

Meeting Date

Topic St. Johns River
Water Management District Budget

Bill Number _____
(if applicable)

Name HANS TANZLER II

Amendment Barcode _____
(if applicable)

Job Title EXECUTIVE DIRECTOR

Address 4049 Riva St.

Phone 386 329 4500

Street

DACATA

FL

E-mail HTANZLER@SJRWMD.COM

City

State

Zip

Speaking: For Against Information

Representing _____

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/20/11)

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

FEB 19 2014

Meeting Date

Topic St. LOUIS RIVER
WATER MANAGEMENT DISTRICT BUDGET

Bill Number _____
(if applicable)

Name MICHAEL GIVERS

Amendment Barcode _____
(if applicable)

Job Title DIRECTOR FINANCIAL SERVICES

Address 4049 POCS ST

Phone 386 329 4117

Street

PACATA

FL

32080

E-mail MGIVERS@SSRWMD.COM

City

State

Zip

Speaking: For Against Information

Representing _____

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/19/14

Meeting Date

Topic SFWMD Budget

Bill Number _____ (if applicable)

Name Robert Beltran

Amendment Barcode _____ (if applicable)

Job Title Executive Director

Address 2379 Broad St.

Phone 800 423 1476

Street

Brooksville FL 34604

City

State

Zip

E-mail robert.beltran@watermatters.org

Speaking: For Against Information

Representing SFWMD

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2-19-14

Meeting Date

Topic WMD BUDGETS

Bill Number _____
(if applicable)

Name DOUG BERGSTROM

Amendment Barcode _____
(if applicable)

Job Title ADMIN SERVICES DIRECTOR, SEWMD

Address 3301 GUN CLUB RD

Phone _____

Street

WRB FL

E-mail _____

City

State

Zip

Speaking: For Against Information

Representing _____

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/20/11)

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

February 19, 2014
Meeting Date

Topic 2014-2015 Preliminary Budget

Bill Number _____
(if applicable)

Name Ann B. Shortelle

Amendment Barcode _____
(if applicable)

Job Title Executive Director

Address 9225 CR 49
Street

Phone 386.362.1001

Live Oak FL 32060
City State Zip

E-mail abs@snwmo.org

Speaking: For Against Information

Representing Suwannee River Water Management District

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/20/11)

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/19/14
Meeting Date

Topic WMD budgets

Bill Number _____
(if applicable)

Name Jon Stevenson

Amendment Barcode _____
(if applicable)

Job Title ED OF NWFWMO

Address _____
Street

Phone _____

E-mail _____

City

State

Zip

Speaking: For Against Information

Representing NWFWMO

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/20/11)

CourtSmart Tag Report

Room: EL 110
Caption: Appropriations Subcommittee on General Government

Case:

Type:
Judge:

Started: 2/19/2014 3:33:48 PM

Ends: 2/19/2014 4:57:50 PM

Length: 01:24:03

3:33:49 PM Sen. Thompson (Vice Chair)
3:34:45 PM TAB 1- Governors Fiscal Year 2014-2015 Budget Recommendations for the Environment Unit
3:35:00 PM Noah Valenstein, Environmental Unit, Policy Coordinator
3:38:54 PM Sen. Soto
3:39:58 PM N. Valenstein
3:48:04 PM Sen. Detert
3:49:33 PM N. Valenstein
3:50:24 PM Sen. Detert
3:50:38 PM N. Valenstein
3:51:10 PM Sen. Soto
3:51:30 PM N. Valenstein
3:52:05 PM Sen. Bullard
3:52:21 PM N. Valenstein
3:53:14 PM Sen. Bullard
3:53:40 PM N. Valenstein
3:58:43 PM Sen. Latvala
4:00:26 PM N. Valenstein
4:00:51 PM Sen. Latvala
4:03:23 PM N. Valenstein
4:03:38 PM Sen. Dean
4:04:53 PM N. Valenstein
4:05:06 PM Sen. Thompson
4:05:17 PM Sen. Hays(Chair)
4:05:44 PM TAB 2 Presentations on Water Management Districts Fiscal Year 2014-2015 Preliminary Budgets
4:06:19 PM Hans Tanzler III, Executive Director, St. Johns River Water Management District
4:15:02 PM Sen. Bradley
4:16:58 PM H. Tanzler
4:18:29 PM Sen. Bradley
4:18:58 PM H. Tanzler
4:20:30 PM Sen. Bradley
4:21:24 PM Sen. Dean
4:22:10 PM H. Tanzler
4:23:39 PM Sen. Dean
4:23:55 PM H. Tanzler
4:24:28 PM Sen. Hays
4:24:39 PM Robert Beltran, Executive Director, Southwest Florida Water Management District
4:33:39 PM Sen. Hays
4:34:01 PM Doug Bergstrom, Administrative Services Director, South Florida Water Management District
4:40:53 PM Sen. Hays
4:42:30 PM Sen. Soto
4:42:48 PM D. Bergstrom
4:43:23 PM Sen. Hays
4:43:45 PM Ann Shortelle, Executive Director, Suwannee River Water Management District
4:49:09 PM Sen. Dean
4:50:00 PM A. Shortelle
4:50:14 PM Sen. Hays
4:50:35 PM A. Shortell
4:51:20 PM Sen. Dean
4:52:06 PM A. Shortelle
4:57:10 PM Sen. Hays