

# NORTHWEST FLORIDA WATER MANAGEMENT DISTRICT

## MEMORANDUM

TO: Governing Board

THROUGH: Brett Cyphers, Executive Director  
Guy Gowens, Chief of Staff

FROM: Wendy Dugan, Division of Administration Director

DATE: September 20, 2017

SUBJECTS: Adoption of the Millage Rate for Fiscal Year 2017-2018  
Adoption of the Budget for Fiscal Year 2017-2018

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### Recommendation

Staff recommends the Governing Board approve the ad valorem tax millage rate of .0353 of a mill for Fiscal Year 2017-2018 by adoption of Resolution Number 824.

### Background

During the public hearing held at District Headquarters in Havana on September 14, 2017, the Governing Board adopted the Northwest Florida Water Management District's tentative ad valorem tax millage rate of .0353 of a mill and the Tentative Budget for Fiscal Year (FY) 2017-2018, and authorized staff to present the ad valorem millage rate and budget for final adoption by resolution on September 28, 2017, at the final public hearing in Panama City.

Using the 2017 gross taxable value for operating purposes of \$100,251,598,348 and the proposed .0353 of a mill, which is the rolled-back rate, total taxes to be levied in FY 2017-2018 are estimated to be \$3,538,881. Compared to the 2016 adjusted ad valorem proceeds of \$3,483,172, there is a \$55,709 or 1.6 percent increase in tax revenues for the upcoming fiscal year. This tax data is based on the estimates of property values, furnished by the 16 counties in the District. Because the District has historically collected slightly less than the amount estimated (about 96 percent), ad valorem is budgeted at \$3,395,217. This budgeted amount for FY 2017-2018 is \$143,664 or 4.1 percent less than the property appraiser estimate of \$3,538,881 and \$18,314 or 0.5 percent less than the amount budgeted in FY 2016-2017.

After formal adoption of the ad valorem tax millage rate, the Governing Board is authorized to adopt a budget for the District's 2017-2018 fiscal year.

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### Recommendation

Staff recommends the Governing Board adopt Resolution Number 825 adopting the Fiscal Year 2017-2018 budget as presented herein.

### Background

The proposed budget is \$65,250,646, which is a \$3,016,887 or 4.8 percent increase from the FY 2016-2017 budget. The increase is mainly attributable to new non-recurring funds for springs restoration and protection. The proposed budget will provide adequate fiscal resources to effectively implement the District's core mission addressing water supply, water quality, natural systems, and flood protection, including:

- \$37.7 million for Springs Projects. This funding will enable the District to implement springs restoration projects for Wakulla Spring, Jackson Blue Spring, and springs associated with the St. Marks River, Econfina Creek, and Holmes Creek.
- \$7.2 million for Water Supply and Water Resource Development Assistance to continue support for cooperative grant projects across northwest Florida. This funding also supports the North Bay Wastewater Reuse Project in Bay County.
- \$1.9 million for monitoring and technical assessments to develop MFLs for the St. Marks River Rise; Wakulla Spring; Sally Ward Spring; Jackson Blue Spring; the Floridan aquifer in coastal Okaloosa, Santa Rosa, and Walton counties; the Shoal River system; and the Econfina Creek and Spring System.
- \$1.6 million for Watershed Restoration. This funding will facilitate continued efforts to protect and restore water quality and estuarine habitats in the Apalachicola River and Bay system through the implementation of cooperative water quality improvement projects and best management practices. This funding will also support focused project planning to benefit watersheds across northwest Florida.

Attachments:

Resolution Number 824, Resolution Number 825, FY 2017-2018 Budget



Brett J. Cyphers  
*Executive Director*

# Northwest Florida Water Management District

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81 Water Management Drive, Havana, Florida 32333-4712  
*(U.S. Highway 90, 10 miles west of Tallahassee)*

Phone: (850) 539-5999 • Fax: (850) 539-2777

## **RESOLUTION NO. 824**

### **AUTHORIZATION OF AD VALOREM TAX ASSESSMENT**

**WHEREAS**, the Florida Legislature created the Northwest Florida Water Management District under Chapter 373, Florida Statutes; and

**WHEREAS**, the Northwest Florida Water Management District is authorized by the Constitution of the State of Florida and Chapter 373, Florida Statutes, to assess ad valorem tax revenues to support the Water Management District's operations; and

**WHEREAS**, programs and projects which are of District benefit will be supported with ad valorem tax revenues as reflected in the Fiscal Year 2017-2018 budget; and

**WHEREAS**, the Northwest Florida Water Management District held a Public Hearing as required by Section 200.065, Florida Statutes;

**NOW, THEREFORE BE IT RESOLVED**, by the Governing Board of the Northwest Florida Water Management District, that the District will implement its authorized ad valorem tax assessment at .0353 of a mill for Bay, Calhoun, Escambia, Franklin, Gadsden, Gulf, Holmes, Jackson, Leon, Liberty, Okaloosa, Santa Rosa, Wakulla, Walton, Washington, and western portions of Jefferson County. Based on the available estimates of property values, furnished by the various counties in the District, said millage rate to be levied to fund the District's Fiscal Year 2017-2018 budget is equal to the .0353 mill rolled-back rate.

**BE IT FURTHER RESOLVED** that the ad valorem revenues will be used by the District, by adoption of the Fiscal Year 2017-2018 budget to initiate and support projects of local or District significance as needed, requested, or required throughout the District as determined by the District's Governing Board.

**DULY ADOPTED** at a public hearing this 28<sup>th</sup> day of September, 2017, A.D.

Time Adopted \_\_\_\_\_PM

The Governing Board of the  
**NORTHWEST FLORIDA WATER  
MANAGEMENT DISTRICT**

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George Roberts, Chair

**ATTEST:**

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John W. Alter, Secretary-Treasurer



Brett J. Cyphers  
*Executive Director*

# Northwest Florida Water Management District

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## **RESOLUTION NO. 825**

### **ADOPTION OF FISCAL YEAR 2017-2018 BUDGET**

**WHEREAS**, the Florida Legislature created the Northwest Florida Water Management District under Chapter 373, Florida Statutes; and

**WHEREAS**, the ensuing 2017-2018 fiscal year of the Northwest Florida Water Management District shall extend from October 1, 2017, through September 30, 2018; and

**WHEREAS**, the Northwest Florida Water Management District is authorized by Chapter 373, Florida Statutes, to adopt a budget in accordance with the provisions of Section 200.065, Florida Statutes; and

**WHEREAS**, the Northwest Florida Water Management District held a Public Hearing as required by Section 200.065, Florida Statutes; and

**WHEREAS**, programs and projects which are of District benefit will be supported with ad valorem tax revenues and other funding sources as reflected in the sixty five million two hundred fifty thousand six hundred forty six dollar Fiscal Year 2017-2018 budget.

**NOW THEREFORE BE IT RESOLVED**, by the Governing Board of the Northwest Florida Water Management District, that:

1. The Fiscal Year Final 2017-2018 budget be adopted
2. This resolution will take effect immediately upon the adoption.

**DULY ADOPTED** at a public hearing this 28<sup>th</sup> day of September, 2017, A.D.

Time Adopted \_\_\_\_\_PM

The Governing Board of the  
**NORTHWEST FLORIDA WATER  
MANAGEMENT DISTRICT**

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George Roberts, Chair

**ATTEST:**

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John W. Alter, Secretary-Treasurer

**NORTHWEST FLORIDA WATER MANAGEMENT DISTRICT  
FY 2017-2018 TENTATIVE BUDGET SUMMARY  
OCTOBER 1, 2017 - SEPTEMBER 30, 2018**

<p><b>Proposed Ad Valorem Millage Rate</b></p> <ul style="list-style-type: none"> <li>• Proposed rate is equal to the rolled-back rate of .0353 of a mill, is 29.4% below the legally approved rate of .05 of a mill, and .0013 of a mill less than the .0366 rate in FY 2016-2017</li> <li>• Ad valorem proceeds from the 2017 DR-420 tax form: 2016: \$3,483,172 2017: \$3,538,881 An increase of \$55,709 or 1.6%</li> <li>• Ad valorem budgeted: FY 2016-2017: \$3,413,532 FY 2017-2018: \$3,395,217 A decrease of \$18,314 or 0.5% (lower than tax form figures to align closer to percentage historically collected)</li> </ul>	<p>.0353 of a mill</p>
<p><b>Total Expenditure Budget</b> 4.8% higher than the FY 2016-2017 Amended Budget, provides \$33,440,734 for Interagency Expenditures/Grants Provides for 110.4 full-time equivalent positions, 101.0 authorized &amp; 9.4 equivalent OPS, same as in FY 2016-2017</p>	<p>\$65,250,646</p>
<p><b>Total Revenue Received/Earned</b> \$33.0 million in new revenue \$24.7 million in carryover from prior years</p>	<p>\$57,739,834</p>
<p><b>Estimated Use of Cash Carryover/Reserves</b></p>	<p>\$7,510,812</p>

**Budget By Program Area**

1.0 Water Resources Planning and Monitoring	\$ 7,016,078	10.8%
2.0 Acquisition, Restoration and Public Works	\$48,233,077	73.9%
3.0 Operation and Maintenance of Lands and Works	\$ 3,927,952	6.0%
4.0 Regulation	\$ 3,891,085	6.0%
5.0 Outreach	\$ 178,215	0.3%
6.0 District Management and Administration	\$ 2,004,239	3.1%
	\$65,250,646	

The combined Outreach and Management and Administration budget is 3.3% of the total District Budget

## NORTHWEST FLORIDA WATER MANAGEMENT DISTRICT FY 2017-2018 TENTATIVE BUDGET COMPARISON BY FUND

<b>DESCRIPTION</b>	<b>General Fund</b>	<b>Capital Improv &amp; Lands Acq</b>	<b>Lands Management</b>	<b>Special Projects</b>	<b>Regulation</b>	<b>Mitigation</b>	<b>TOTAL</b>
<b>Cash Balances Brought Forward</b>	14,695,261	433,728	4,551,203	1,336,000	1,691,000	1,537,428	24,244,620
<b><u>ESTIMATED REVENUES:</u></b>							
Ad Valorem Taxes <b>.0353</b>	1,203,060			217,791	1,974,366		3,395,217
State Water Management Lands TF				1,189,576			1,189,576
Land Acquisition Trust Fund		11,547,171	1,532,372	21,744,076			34,823,619
State Florida Forever Trust Fund		372,480					372,480
State Ecosystem Trust Fund		72,000					72,000
Permitting and Licensing					384,569		384,569
Federal Grants				2,979,477	14,257		2,993,734
Other State Funds	107,647	267,025	114,000	8,361,980	2,141,685	950,523	11,942,860
Local Government Units-Monitoring			340	127,869			128,209
Timber Sales			2,000,000				2,000,000
Miscellaneous Revenues		294,430	65,140		8,000	70,000	437,570
Revenue	1,310,707	12,553,106	3,711,852	34,620,769	4,522,877	1,020,523	57,739,834
Interfund Transfers	2,722,032			500,000			3,222,032
<b>Total Estimated Revenues, Transfers and Balances</b>	<b>18,728,000</b>	<b>12,986,834</b>	<b>8,263,055</b>	<b>36,456,769</b>	<b>6,213,877</b>	<b>2,557,951</b>	<b>85,206,486</b>
<b><u>ESTIMATED EXPENDITURES:</u></b>							
Salaries & Benefits	1,911,660	10,916	1,254,249	2,263,395	2,744,002	327,175	8,511,397
Other Personal Services	12,331		41,423	42,094	245,710	1,859	343,417
Contractual Services	188,200	455,275	1,008,414	5,081,027	169,941	561,486	7,464,343
Operating Expenses	590,929	6,200	827,285	383,128	633,637	54,091	2,495,270
Capital Outlay	106,993	12,103,353	342,601	265,013	97,795	79,730	12,995,485
Grants and Aids (Gen Fund is from reserves)	6,639,695			26,801,039			33,440,734
<b>Total Operating Expenditures</b>	<b>9,449,808</b>	<b>12,575,744</b>	<b>3,473,972</b>	<b>34,835,696</b>	<b>3,891,085</b>	<b>1,024,341</b>	<b>65,250,646</b>
Administrative Overhead Allocation	188,570	2,362	280,304	498,766	646,792	71,182	1,687,976
Interfund Transfers	500,000		1,034,056				1,534,056
Operating Expenditures and Transfers	10,138,378	12,578,106	4,788,332	35,334,462	4,537,877	1,095,523	68,472,678
Reserves	8,589,622	408,728	3,474,723	1,122,307	1,676,000	1,462,428	16,733,808
<b>Total Operating Expenditures, Transfers and Reserves</b>	<b>18,728,000</b>	<b>12,986,834</b>	<b>8,263,055</b>	<b>36,456,769</b>	<b>6,213,877</b>	<b>2,557,951</b>	<b>85,206,486</b>



**NORTHWEST FLORIDA WATER MANAGEMENT DISTRICT  
FY 2017-2018 TENTATIVE BUDGET COMPARISON  
REVENUE CATEGORIES**

	FY 2015-16 Actuals	FY 2016-17 Amended Budget	FY 2017-18 Tentative	Tentative O/(U) Amended Budget	Percent Change
Ad Valorem Tax	3,280,708	3,413,531	3,395,217	(18,314)	-0.5%
Federal	1,897,779	2,600,667	2,993,734	393,067	15.1%
State	11,493,010	41,707,171	47,450,012	5,742,841	13.8%
Mitigation	436,774	1,205,106	950,523	(254,583)	-21.1%
Local Revenues	174,475	142,417	128,209	(14,208)	-10.0%
Permit Fees	419,135	393,250	384,569	(8,681)	-2.2%
Timber Sales	747,246	1,500,000	2,000,000	500,000	33.3%
Miscellaneous	638,580	802,835	437,570	(365,265)	-45.5%
w/o Fund Balance	19,087,707	51,764,977	57,739,834	5,974,857	11.5%
Fund Balance	4,594,098	10,468,782	7,510,812	(2,957,970)	-28.3%
w/Fund Balance	23,681,805	62,233,759	65,250,646	3,016,887	4.8%

**NORTHWEST FLORIDA WATER MANAGEMENT DISTRICT  
FY 2017-2018 TENTATIVE BUDGET COMPARISON  
EXPENDITURE CATEGORIES**

	FY 2015-16 Actuals	FY 2016-17 Amended Budget	FY 2017-18 Tentative	Tentative O/(U) Amended Budget	Percent Change
Salaries & Benefits	7,705,242	8,351,646	8,511,397	159,751	1.9%
Other Personal Services	238,650	354,920	343,417	(11,503)	-3.2%
Contracted Services	4,076,026	7,738,094	7,464,343	(273,751)	-3.5%
Operating Expense	1,877,913	2,660,577	2,495,270	(165,307)	-6.2%
Operating Capital Outlay	414,624	610,666	816,432	205,766	33.7%
Operating Categories	14,312,455	19,715,903	19,630,859	(85,044)	-0.4%
Fixed Capital Outlay	379,053	10,661,068	12,179,053	1,517,985	14.2%
Grants	8,990,297	31,856,788	33,440,734	1,583,946	5.0%
Non-Operating Categories	9,369,350	42,517,856	45,619,787	3,101,931	7.3%
<b>GRAND TOTAL</b>	<b>23,681,805</b>	<b>62,233,759</b>	<b>65,250,646</b>	<b>3,016,887</b>	<b>4.8%</b>

**NORTHWEST FLORIDA WATER MANAGEMENT DISTRICT  
FY 2017-2018 TENTATIVE BUDGET COMPARISON  
PROGRAM LEVEL**

Program	FY 2015-16 Actuals	FY 2016-17 Amended Budget	FY 2017-18 Preliminary	FY 2017-18 Tentative	Tentative O/(U) Amended Budget	Percent Change	Tentative O/(U) Preliminary	Percent Change <sup>1</sup>
1 Water Resource Plan/Monitoring	4,599,880	7,046,649	7,048,519	7,016,078	(30,571)	-0.4%	(32,441)	-0.5%
2 Land Acq/Restor- ation/Public Works	10,671,587	45,250,197	34,826,212	48,233,077	2,982,880	6.6%	13,406,865	38.5%
3 Operations & Maint Land & Works	3,107,125	3,888,238	3,879,883	3,927,952	39,714	1.0%	48,069	1.2%
4 Regulation	3,278,593	3,870,351	3,872,543	3,891,085	20,734	0.5%	18,542	0.5%
5 Outreach	162,555	178,215	178,215	178,215	0	0.0%	0	0.0%
6 District Management &	1,862,065	2,000,109	2,029,364	2,004,239	4,130	0.2%	(25,125)	-1.2%
<b>GRAND TOTAL</b>	<b>23,681,805</b>	<b>62,233,759</b>	<b>51,834,736</b>	<b>65,250,646</b>	<b>3,016,887</b>	<b>4.8%</b>	<b>13,415,910</b>	<b>25.9%</b>

Combined Outreach and Management &  
Administration as a Percent of Total Budget<sup>2</sup>      2,182,454  
3.3%

The Legislative Budget Commission may reject the District's budget proposals:

<sup>1</sup>In any individual variance in the Tentative Budget that exceeds 25% of the Preliminary Budget

<sup>2</sup>In these two programs that exceed 15% of the total Tentative Budget