

NORTHWEST FLORIDA WATER MANAGEMENT DISTRICT

MEMORANDUM

TO: Governing Board

THROUGH: Lyle Seigler, Executive Director
Caitlin Brongel, Chief of Staff

FROM: Jack Furney, Director, Division of Administrative Services

DATE: September 28, 2023

SUBJECTS: Adoption of the Millage Rate for Fiscal Year 2023-2024
Adoption of the Budget for Fiscal Year 2023-2024

Recommendation

Staff recommends the Governing Board approve the ad valorem tax millage rate of 0.0234 of a mill for Fiscal Year 2023-2024 by adoption of Resolution Number 932.

Background

During the first public hearing on September 14, 2023, the Governing Board adopted the Northwest Florida Water Management District's tentative ad valorem tax millage rate of 0.0234 of a mill and the Tentative Budget for Fiscal Year (FY) 2023-2024, and authorized staff to present the ad valorem millage rate and budget for final adoption by resolution on September 28, 2023, at this final public hearing at Gulf Coast State College in Panama City.

Using the 2023 gross taxable value for operating purposes of \$174,987,137,707 and the proposed 0.0234 of a mill, which is the rolled-back rate, the 2023 Truth-In-Millage (TRIM) estimated total taxes to be levied in FY 2023-2024 is \$4,094,699. Compared to the 2022 TRIM estimate of \$3,982,496, there is a \$112,303 or 2.8 percent increase in estimated tax revenues for the upcoming fiscal year. This tax data is based on property value estimates furnished by the 16 counties in the District. Because the District has historically collected slightly less than the amount estimated, ad valorem is budgeted at \$3,900,000. This budgeted amount for FY 2023-2024 is 95.3 percent of the property appraiser estimate of \$4,094,699 and \$107,101 or 2.8 percent more than the amount budgeted in FY 2022-2023.

After formal adoption of the ad valorem tax millage rate, the Governing Board is authorized to adopt a budget for the District's 2023-2024 fiscal year.

Recommendation

Staff recommends the Governing Board adopt Resolution Number 933 adopting the Fiscal Year 2023-2024 budget as presented herein.

Background

The proposed FY 2023-2024 budget is \$115,272,656, which is a \$6,325,839 or 5.8 percent increase from the FY 2022-2023 budget. The increase is mainly attributable to new state appropriated dollars for alternative water supply and springs restoration and protection grants. The proposed budget furthers the Governor's priorities, and the Legislature's support of those priorities, and recognizes the importance of continued state funding critical to providing resources for water supply, water quality, flood protection, and water restoration activities. Additionally, this budget will provide adequate fiscal resources to effectively implement the District's

core mission addressing water quality, water supply, natural systems, and flood protection, including:

- \$65.9 million for Springs Projects. This funding will enable the District to implement or continue restoration and protection projects for Wakulla Spring, Jackson Blue Spring, and springs associated with the St. Marks River, Chipola River, Econfina Creek, and Holmes Creek. The budget includes continuing support for septic-to-sewer projects that will improve water quality in Wakulla Spring and Jackson Blue Spring and cost-share funding for agricultural best management practices.
- \$16.0 million for alternative water supply development, water supply development assistance, and water resource development. Funded projects include support for major reclaimed water construction projects in Santa Rosa, Okaloosa, and Bay counties.
- \$7.1 million for watershed restoration. This funding will allow the District to facilitate continued efforts to protect and restore water quality and aquatic habitats through cooperative water quality improvement projects and best management practices. Funded projects include stormwater retrofits and septic tank abatement benefitting St. Joseph Bay, Apalachicola Bay, and St. Andrew Bay; innovative technology to address harmful algal blooms and nutrient enrichment; and a dedicated assessment of freshwater inflows in St. Joseph Bay, Lake Wimico, and East Bay.
- \$4.5 million for hurricane recovery and land management efforts. This funding will continue debris cleanup on District lands with a focus on those areas deemed catastrophically or severely damaged, reforestation with prescribed burns and tree planting, and repairs and maintenance efforts for public access and recreational amenities on District lands.
- \$1.9 million for Minimum Flows and Minimum Water Levels technical assessments for Jackson Blue Spring, the Gainer Spring Group, Sylvan Spring Group, Williford Spring Group, and the Floridan aquifer in coastal Bay County.

Attachments:

Resolution Number 932, Resolution Number 933, FY 2023-2024 Budget



Lyle Seigler
Executive Director

Northwest Florida Water Management District

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. 932

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 2023-2024 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 0.0234 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 2023-2024 budget is equal to the 0.0234 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 2023-2024 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 28th day of September 2023, A.D.

Time Adopted _____PM

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

ATTEST:

Chair

Secretary-Treasurer

GEORGE ROBERTS
Chair
Panama City

JERRY PATE
Vice Chair
Pensacola

NICK PATRONIS
Secretary
Panama City

JOHN W. ALTER
Malone

GUS ANDREWS
DeFuniak Springs

TED EVERETT
Chipley

KELLIE RALSTON
Tallahassee

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RESOLUTION NO. 933

Adoption of Fiscal Year 2023-2024 Budget

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

WHEREAS, the ensuing 2023-2024 fiscal year of the Northwest Florida Water Management District shall extend from October 1, 2023, through September 30, 2024; 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, the Governing Board of the District has adopted Resolution 932, which establishes the millage-levy for Fiscal Year 2023-2024; 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 Fiscal Year 2023-2024 budget of \$115,272,656.

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

1. The Fiscal Year Final 2023-2024 budget be adopted; and
2. This resolution will take effect immediately upon the adoption.

DULY ADOPTED at a public hearing this 28th day of September 2023, A.D.

Time Adopted _____PM

The Governing Board of the
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**NORTHWEST FLORIDA WATER MANAGEMENT DISTRICT
FY 2023-2024 TENTATIVE BUDGET SUMMARY
OCTOBER 1, 2023 - SEPTEMBER 30, 2024**

Proposed Ad Valorem Millage Rate 53.2% below the legally authorized rate of 0.0500 of a mill, and .0027 of a mill less than the rate in the current year Ad valorem budgeted in the Tentative is \$3,900,000 or \$107,101 more than the amount in the current year (budget is 95.3 percent of the TRUTH IN MILLAGE estimate of \$4,094,699, to align closer with historical collections) Rolled-back rate is 0.0234 of a mill	0.0234 of a mill
Total Expenditure Budget 5.8 % higher than the Current Year Amended Budget, including \$74,237,898 for Interagency Expenditures/Grants Provides for 114.4 full-time equivalent positions, 110.0 authorized & 4.4 OPS	\$115,272,656
Total Revenue Received/Earned \$35.1 million in new revenue \$74.6 million from prior years	\$109,714,579
Estimated Use of Cash Carryover/Reserves	\$5,558,077

Budget by Program Area

1.0 Water Resources Planning and Monitoring	\$ 6,880,363	6.0%
2.0 Land Acquisition, Restoration and Public Works	\$ 92,60,048	80.8%
3.0 Operation and Maintenance of Lands and Works	\$ 7,793,515	7.0%
4.0 Regulation	\$ 4,835,432	4.1%
5.0 Outreach	\$ 158,662	0.1%
6.0 District Management and Administration	\$ 2,644,636	2.2%
	<u>\$115,272,656</u>	

The combined Outreach and Management and Administration budget is 2.4% of the total District Budget.

**NORTHWEST FLORIDA WATER MANAGEMENT DISTRICT
FY 2023-2024 TENTATIVE BUDGET COMPARISON
BY FUND**

DESCRIPTION	General Fund	Capital Improv & Lands Acq	Special Projects	Lands Management	Regulation	Mitigation	TOTAL
Cash Balances Brought Forward	16,617,570	289,904	3,608,286	2,201,537	3,644,026	2,775,579	29,136,902
<u>ESTIMATED REVENUES:</u>							
Ad Valorem Taxes 0.0234 mills	1,234,367		2,647,982		17,651		3,900,000
Water Management Land Trust Fund			299,907				299,907
Land Acquisition Trust Fund	230,018	10,905,665	54,140,785	5,418,832	4,445,622		75,140,922
Water Protection & Sustain. Pgm. Trust Fund			2,803,495				2,803,495
Ecosystem Management and Restoration Trust Fund			54,181				54,181
Permitting and Licensing					655,000		655,000
Federal Grants			5,791,742				5,791,742
State Funds			17,376,430	40,000	8,923	2,180,729	19,606,082
Local Government Units			161,574	279			161,853
Timber Sales				250,000			250,000
Miscellaneous Revenues		813,798	0	157,599	45,000	35,000	1,051,397
Interfund Transfers	2,258,282	0	2,701,914				4,960,196
Total Estimated Revenues, Transfers and Balances	20,340,237	12,009,367	89,586,296	8,068,247	8,816,222	4,991,308	143,811,677
<u>ESTIMATED EXPENDITURES:</u>							
Salaries & Benefits	2,676,313	106,263	3,281,948	1,856,871	3,769,504	448,362	12,139,261
Other Personal Services	648	0	38,944	73,259	74,363	2,482	189,696
Contractual Services	336,298	310,991	6,964,859	3,676,460	197,928	1,596,561	13,083,097
Operating Expenses	542,167	1,300	594,295	1,207,452	670,015	70,976	3,086,205
Capital Outlay	201,851	11,278,295	153,411	776,800	123,622	2,520	12,536,499
Grants and Aids	0	0	74,237,898	0	0	0	74,237,898
Reserves	13,655,656	289,904	3,608,286	86,655	3,162,745	2,775,579	23,578,825
Interfund Transfers	2,927,304	22,614	706,655	390,750	818,045	94,828	4,960,196
Total Operating Expenditures, Transfers and Reserves	20,340,237	12,009,367	89,586,296	8,068,247	8,816,222	4,991,308	143,811,677

**NORTHWEST FLORIDA WATER MANAGEMENT DISTRICT
FY 2023-2024 TENTATIVE BUDGET COMPARISON
REVENUE CATEGORIES**

	FY 2021-22 Actuals	FY 2022-23 Amended Budget	FY 2023-24 Tentative	Tentative O/(U) Amended Budget	
Ad Valorem Tax	3,687,743	3,792,899	3,900,000	107,101	2.8%
Federal Revenue	780,045	5,497,905	5,791,742	293,837	5.3%
State Revenue	17,361,238	92,734,477	97,904,587	5,170,110	5.6%
Local Revenue	230,448	156,160	161,853	5,693	3.6%
Permit Fees	803,990	655,000	655,000	0	0.0%
Timber Sales	20,745	600,000	250,000	(350,000)	-58.3%
Miscellaneous	713,572	1,944,763	1,051,397	(893,366)	-45.9%
w/o Fund Balance	23,597,781	105,381,204	109,714,579	4,333,375	4.1%
Fund Balance	468,177	3,565,613	5,558,077	1,992,464	55.9%
w/Fund Balance	24,065,958	108,946,817	115,272,656	6,325,839	5.8%

**NORTHWEST FLORIDA WATER MANAGEMENT DISTRICT
FY 2023-2024 TENTATIVE BUDGET COMPARISON
EXPENDITURE CATEGORIES**

	FY 2021-22	FY 2022-23	FY 2023-24	Tentative O/(U)	
	Actuals	Amended Budget	Tentative	Amended Budget	
Salaries & Benefits	8,841,307	10,721,979	12,139,261	1,417,282	13.2%
Other Personal Services	248,244	167,291	189,696	22,405	13.4%
Contracted Services	7,366,936	13,812,207	13,083,097	(729,110)	-5.3%
Operating Expense	2,384,051	3,021,445	3,086,205	64,760	2.1%
Operating Capital Outlay	284,662	1,098,037	1,143,204	45,167	4.1%
Operating Categories	19,125,200	28,820,959	29,641,463	820,504	2.8%
Fixed Capital Outlay	456,289	11,592,497	11,393,295	(199,202)	-1.7%
Grants	4,484,469	68,533,361	74,237,898	5,704,537	8.3%
Non-Operating Categories	4,940,758	80,125,858	85,631,193	5,505,335	6.9%
GRAND TOTAL	24,065,958	108,946,817	115,272,656	6,325,839	5.8%

**NORTHWEST FLORIDA WATER MANAGEMENT DISTRICT
FY 2023-2024 TENTATIVE BUDGET COMPARISON
PROGRAM LEVEL**

Program	FY 2021-22	FY 2022-23	FY 2023-24	FY 2023-24	Tentative O/(U)		Tentative O/(U)	
	Actuals	Amended Budget	Preliminary	Tentative	Amended Budget		Preliminary	
1 Water Resource Plan/Monitoring	3,539,193	6,034,787	6,843,624	6,880,363	845,576	14.0%	36,739	0.5%
2 Land Acq/Restoration/Public Works	8,753,575	88,462,460	92,108,286	92,960,048	4,497,588	5.1%	851,762	0.9%
3 Operations & Maint Land & Works	5,932,587	7,574,315	7,744,450	7,793,515	219,200	2.9%	49,065	0.6%
4 Regulation	3,584,275	4,373,578	4,483,779	4,835,432	461,854	10.6%	351,653	7.8%
5 Outreach	135,786	145,141	148,623	158,662	13,521	9.3%	10,039	6.8%
6 District Management & Admin	2,120,542	2,356,536	2,441,798	2,644,636	288,100	12.2%	202,838	8.3%
GRAND TOTAL	24,065,958	108,946,817	113,770,560	115,272,656	6,325,839	5.8%	1,502,096	1.3%

Combined Outreach and Management & Administration as a Percent of Total Budget² 2,803,298 2.4%

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

¹In any individual variance in the Tentative Budget that exceeds 25% of the Preliminary Budget

²In these two programs that exceed 15% of the total Tentative Budget