

NORTHWEST FLORIDA WATER MANAGEMENT DISTRICT

MEMORANDUM

TO: Governing Board

THROUGH: Lyle Seigler, Executive Director
Andy Joslyn, Deputy Executive Director

FROM: Jack Furney, Director, Division of Administrative Services

DATE: September 26, 2024

SUBJECTS: Adoption of the Millage Rate for Fiscal Year 2024-2025
Adoption of the Budget for Fiscal Year 2024-2025

Recommendation

Staff recommends the Governing Board approve the ad valorem tax millage rate of 0.0218 of a mill for Fiscal Year 2024-2025 by adoption of Resolution Number 944.

Background

During the first public hearing on September 12, 2024, the Governing Board adopted the Northwest Florida Water Management District's tentative ad valorem tax millage rate of 0.0218 of a mill and the Tentative Budget for Fiscal Year (FY) 2024-2025, and authorized staff to present the ad valorem millage rate and budget for final adoption by resolution on September 26, 2024, at the final public hearing at Gulf Coast State College in Panama City.

Using the 2024 gross taxable value for operating purposes of \$193,460,880,875 and the proposed 0.0218 of a mill, which is the rolled-back rate, the 2024 Truth-In-Millage (TRIM) estimated total taxes to be levied in FY 2024-2025 is \$4,217,447. Compared to the 2023 TRIM estimate of \$4,094,699, there is a \$122,748 or 3.0 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 \$4,025,000. This budgeted amount for FY 2024-2025 is 95.4 percent of the property appraiser estimate of \$4,217,447 and \$125,000 or 3.2 percent more than the amount budgeted in FY 2023-2024.

After formal adoption of the ad valorem tax millage rate, the Governing Board is authorized to adopt a budget for the District's 2024-2025 fiscal year.

Recommendation

Staff recommends the Governing Board adopt Resolution Number 945 adopting the Fiscal Year 2024-2025 budget as presented herein.

Background

The proposed FY 2024-2025 budget is \$113,670,532, which is an \$11,787,124 or 9.4 percent decrease from the FY 2023-2024 budget. 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:

- \$50.9 million for springs projects. This funding will enable the District to implement 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.
- \$19.2 million for alternative water supply development, water supply development assistance, and water resource development. Alternative water supply development funding includes support for cooperative, multijurisdictional efforts to expand reuse of reclaimed water in northwest Florida. Water resource development activities include water resources evaluations and hydrogeologic investigations, as well as continuing technical assistance for water use efficiency in the Jackson Blue Spring groundwater contribution area.
- \$6.7 million for watershed restoration. This funding will 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 and Apalachicola bays; a dedicated assessment of water quality and freshwater inflow in St. Joseph Bay; implementation of a pilot distributed wastewater grant program for impaired waterbodies; and an assessment of potential flooding impacts along select waterbodies in the St. Andrew Bay and Apalachicola River and Bay watersheds.
- \$5.1 million for land management and reforestation efforts. This funding will allow the District to develop additional recreational opportunities, enhance existing recreational sites for increased public use and safety, provide reforestation with prescribed burns and tree planting, and meet land management requirements on District mitigation lands.
- \$2.0 million for data collection and Minimum Flows and Minimum Water Levels technical assessments for Jackson Blue Spring; the Gainer Spring Group; Sylvan Spring Group; and Williford Spring Group; and the Floridan aquifer in coastal Bay County.
- \$10.0 million for hurricane and tornado recovery and waterway restoration on District lands throughout northwest Florida.

Attachments:

Resolution Number 944, Resolution Number 945, FY 2024-2025 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. 944

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 2024-2025 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 0.0218 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 2024-2025 budget is equal to the 0.0218 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 2024-2025 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 26th day of September 2024, 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

ANNA UPTON
Tallahassee



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. 945

Adoption of Fiscal Year 2024-2025 Budget

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

WHEREAS, the ensuing 2024-2025 fiscal year of the Northwest Florida Water Management District shall extend from October 1, 2024, through September 30, 2025; 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 944, which establishes the millage-levy for Fiscal Year 2024-2025; 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 2024-2025 budget of \$113,670,532.

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

1. The Fiscal Year Final 2024-2025 budget be adopted; and
2. This resolution will take effect immediately upon the adoption.

DULY ADOPTED at a public hearing this 26th day of September 2024, 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

ANNA UPTON
Tallahassee

**NORTHWEST FLORIDA WATER MANAGEMENT DISTRICT
TENTATIVE BUDGET SUMMARY
OCTOBER 1, 2024 – SEPTEMBER 30, 2025**

Proposed Ad Valorem Millage Rate 0.0218 of a mill

56.4% below the legally authorized rate of 0.0500 of a mill
 0.0016 of a mill less than the rate in the current year
 Ad valorem budgeted in the Tentative is \$4,025,000 or
 \$125,000 more than the amount in the current year (budget is
 95.4 percent of the TRUTH IN MILLAGE estimate of
 \$4,217,447, to align closer with historical collections)
 Rolled-back rate is 0.0218 of a mill

Total Expenditure Budget \$113,670,532

9.4% lower than the Current Year Amended Budget, including
 \$63,083,559 for Interagency Expenditures/Grants
 Provides for 119.4 full-time equivalent positions, 113.0
 authorized and 6.4 equivalent OPS.

Total Revenue Received/Earned \$108,207,080

\$28.6 million in new revenue
 \$79.6 million in carryover from prior years

Estimated Use of Fund Balance/Reserves \$5,463,452

Budget By Program Area

1.0 Water Resources Planning and Monitoring	\$ 9,228,582	8.1%
2.0 Land Acquisition, Restoration and Public Works	\$85,847,047	75.6%
3.0 Operation and Maintenance of Lands and Works	\$10,462,419	9.2%
4.0 Regulation	\$ 4,816,851	4.2%
5.0 Outreach	\$ 165,926	0.1%
6.0 District Management and Administration	\$ 3,149,707	2.8%
	\$113,670,532	

The combined Outreach and Management and Administration budget is 2.9% of the total District Budget.

**NORTHWEST FLORIDA WATER MANAGEMENT DISTRICT
FY 2024-2025 TENTATIVE BUDGET COMPARISON
BY FUND**

DESCRIPTION	General Fund	Capital Improv & Lands Acq	Special Projects	Lands Management	Regulation	Mitigation	TOTAL
Cash Balances Brought Forward	16,351,474	273,558	3,798,307	889,263	3,987,051	3,516,391	28,816,044
<u>ESTIMATED REVENUES:</u>							
Ad Valorem Taxes 0.0218 mills	1,630,117	0	2,394,883	0	0	0	4,025,000
Land Acquisition Trust Fund	0	10,519,615	42,514,807	3,892,658	4,537,890	0	61,464,970
Water Protection & Sustain. Pgm. Trust Fund	0	0	135,615	0	0	0	135,615
Permitting and Licensing	0	0	0	0	655,000	0	655,000
Federal Grants	0	0	4,429,944	0	0	0	4,429,944
State Funds	0	0	30,113,547	4,110,000	10,750	1,828,494	36,062,791
Local Government Units	0	0	177,820	327	0	0	178,147
Timber Sales	0	0	0	250,000	0	0	250,000
Miscellaneous Revenues	0	813,798	0	111,815	45,000	35,000	1,005,613
Interfund Transfers	<u>2,716,517</u>	<u>0</u>	<u>4,488,313</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,204,830</u>
Total Estimated Revenues, Transfers and Balances	<u>20,698,108</u>	<u>11,606,971</u>	<u>88,053,236</u>	<u>9,254,063</u>	<u>9,235,691</u>	<u>5,379,885</u>	<u>144,227,954</u>
<u>ESTIMATED EXPENDITURES:</u>							
Salaries & Benefits	3,033,222	126,337	3,521,842	2,168,157	3,507,979	337,141	12,694,678
Other Personal Services	18,216	0	34,552	233,658	68,610	835	355,871
Contractual Services	361,250	310,991	15,710,880	3,337,658	204,820	1,179,863	21,105,462
Operating Expenses	711,555	1,300	860,656	1,175,927	791,375	126,443	3,667,256
Capital Outlay	224,989	10,931,071	235,146	985,985	244,067	142,448	12,763,706
Grants and Aids	0	0	63,083,559	0	0	0	63,083,559
Reserves	11,334,116	208,558	3,798,307	889,263	3,605,957	3,516,391	23,352,592
Interfund Transfers	<u>5,014,760</u>	<u>28,714</u>	<u>808,294</u>	<u>463,415</u>	<u>812,883</u>	<u>76,764</u>	<u>7,204,830</u>
Total Operating Expenditures, Transfers and Reserves	<u>20,698,108</u>	<u>11,606,971</u>	<u>88,053,236</u>	<u>9,254,063</u>	<u>9,235,691</u>	<u>5,379,885</u>	<u>144,227,954</u>

**NORTHWEST FLORIDA WATER MANAGEMENT DISTRICT
FY 2024-2025 TENTATIVE BUDGET COMPARISON
REVENUE CATEGORIES**

	FY 2022-23	FY 2023-24	FY 2024-25	Tentative O/(U)	
	Actuals	Amended Budget	Tentative	Amended Budget	
Ad Valorem Tax	3,796,543	3,900,000	4,025,000	125,000	3.2%
Federal Revenue	1,300,312	5,791,742	4,429,944	(1,361,798)	-23.5%
State Revenue	31,320,013	108,024,587	97,663,376	(10,361,211)	-9.6%
Local Revenue	120,339	161,853	178,147	16,294	10.1%
Permit Fees	719,670	655,000	655,000	0	0.0%
Timber Sales	97,504	250,000	250,000	0	0.0%
Miscellaneous	2,085,865	1,051,397	1,005,613	(45,784)	-4.4%
w/o Fund Balance	39,440,246	119,834,579	108,207,080	(11,627,499)	-9.7%
Fund Balance	(1,684,607)	5,558,077	5,463,452	(94,625)	-1.7%
w/Fund Balance	37,755,639	125,392,656	113,670,532	(11,722,124)	-9.3%

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

	FY 2022-23	FY 2023-24	FY 2024-25	Tentative O/(U)	
	Actuals	Amended Budget	Tentative	Amended Budget	
Salaries & Benefits	9,446,277	12,139,261	12,694,678	555,417	4.6%
Other Personal Services	66,507	189,696	355,871	166,175	87.6%
Contracted Services	6,534,185	22,685,784	21,105,462	(1,580,322)	-7.0%
Operating Expense	2,644,486	2,999,058	3,667,256	668,198	22.3%
Operating Capital Outlay	865,791	1,005,874	967,635	(38,239)	-3.8%
Operating Categories	19,557,247	39,019,673	38,790,902	(228,771)	-0.6%
Fixed Capital Outlay	208,477	12,135,085	11,796,071	(339,014)	-2.8%
Grants	17,989,916	74,237,898	63,083,559	(11,154,339)	-15.0%
Non-Operating Categories	18,198,393	86,372,983	74,879,630	(11,493,353)	-13.3%
GRAND TOTAL	37,755,639	125,392,656	113,670,532	(11,722,124)	-9.3%

**NORTHWEST FLORIDA WATER MANAGEMENT DISTRICT
FY 2024-2025 TENTATIVE BUDGET COMPARISON
PROGRAM LEVEL**

Program	FY 2022-23	FY 2023-24	FY 2024-25	FY 2024-25	Tentative O/(U)		Tentative O/(U)	
	Actuals	Amended Budget	Preliminary	Tentative	Amended Budget		Preliminary	
1 Water Resource Plan/Monitoring	3,790,372	7,000,363	7,434,118	9,228,582	2,228,219	31.8%	1,794,464	24.1%
2 Land Acq/Restoration/Public Works	21,205,402	100,180,547	78,446,608	85,847,047	(14,333,500)	-14.3%	7,400,439	9.4%
3 Operations & Maint Land & Works	6,803,742	10,573,016	7,387,180	10,462,419	(110,597)	-1.0%	3,075,239	41.6%
4 Regulation	3,644,974	4,718,462	4,892,496	4,816,851	98,389	2.1%	(75,645)	-1.5%
5 Outreach	143,943	158,662	160,844	165,926	7,264	4.6%	5,082	3.2%
6 District Management & Admin	2,167,205	2,761,606	2,711,634	3,149,707	388,101	14.1%	438,073	16.2%
GRAND TOTAL	37,755,639	125,392,656	101,032,880	113,670,532	(11,722,124)	-9.3%	12,637,652	12.5%

Combined Outreach and Management & Administration as a Percent of Total Budget² 3,315,633 2.9%

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