



**South Florida Water Management District  
Strategic Planning  
Economic Conditions and Trends**

February 10, 2011

# Purpose of Presentation

- **Purpose:**
  - Lay the groundwork for a future Strategic Planning Session with the Governing Board.
  - No policy decisions required today.
  - Establish realistic expectations for the District FY 2012 budget
- **Presentation Components:**
  - Discussion of Key Economic Indicators.
  - Review strategic trends

# Strategic Planning

- **Determining the optimal future for an organization and the changes required to achieve it.**

New Zealand Government



# Three Guiding Quotes for Strategic Planning...

- **“It is a bad plan that admits of no modification”**  
Publilius Syrus
- **“A good plan today is better than a perfect plan tomorrow”**  
Proverb quotes
- **“One only needs two tools in life: WD-40 to make things go, and duct tape to make them stop.”**  
G. Weilacher

# Strategic Priorities

- **Restore the Northern and Southern Everglades by:**
  - Expanding and improving water storage capacity and water quality treatment
  - **Incorporating the River of Grass land acquisition into restoration efforts**
  - Completing construction of existing key projects
  - **Coordinating with federal partners in considering potential climate change and sea level rise impacts on restoration plans**
  - Implementing the Long Term Plan **and other cost-effective solutions to improve water quality, reduce nutrient loads and achieve water quality standards**

# Strategic Priorities

- Meet the current and future demands of water users and the environment by:
  - **Developing and implementing regional water supply plans in coordination with local governments**
  - Using reservation and allocation authority to protect water for the natural system
  - Creating incentives for alternative water supplies and conservation
  - Utilizing regulatory and compliance authority
  - **Coordinating with local governments and utilities to address potential sea level rise impacts on coastal wellfields**

# Strategic Priorities

- Refurbish, replace, improve, **and manage** the regional water management system by:
  - Implementing the 50 year Plan
  - Incorporating new structures into the system
  - **Inventorying, prioritizing, and retrofitting coastal and other water control structures in response to sea level rise**
  - **Coordinating with the US Army Corps of Engineers on levee inspections and improvements**
  - **Coordinating with the US Army Corps of Engineers to repair the Herbert Hoover Dike**
  - **Considering new water quality standards in all future structure operations**

# Strategic Priorities



- **Retain and recruit a high-quality, diverse workforce by continuing to recognize the value of employees**
  - ▶ *No change*

# Strategic Planning...



... "Violent Execution"

# Restoration Projects Design & Construction



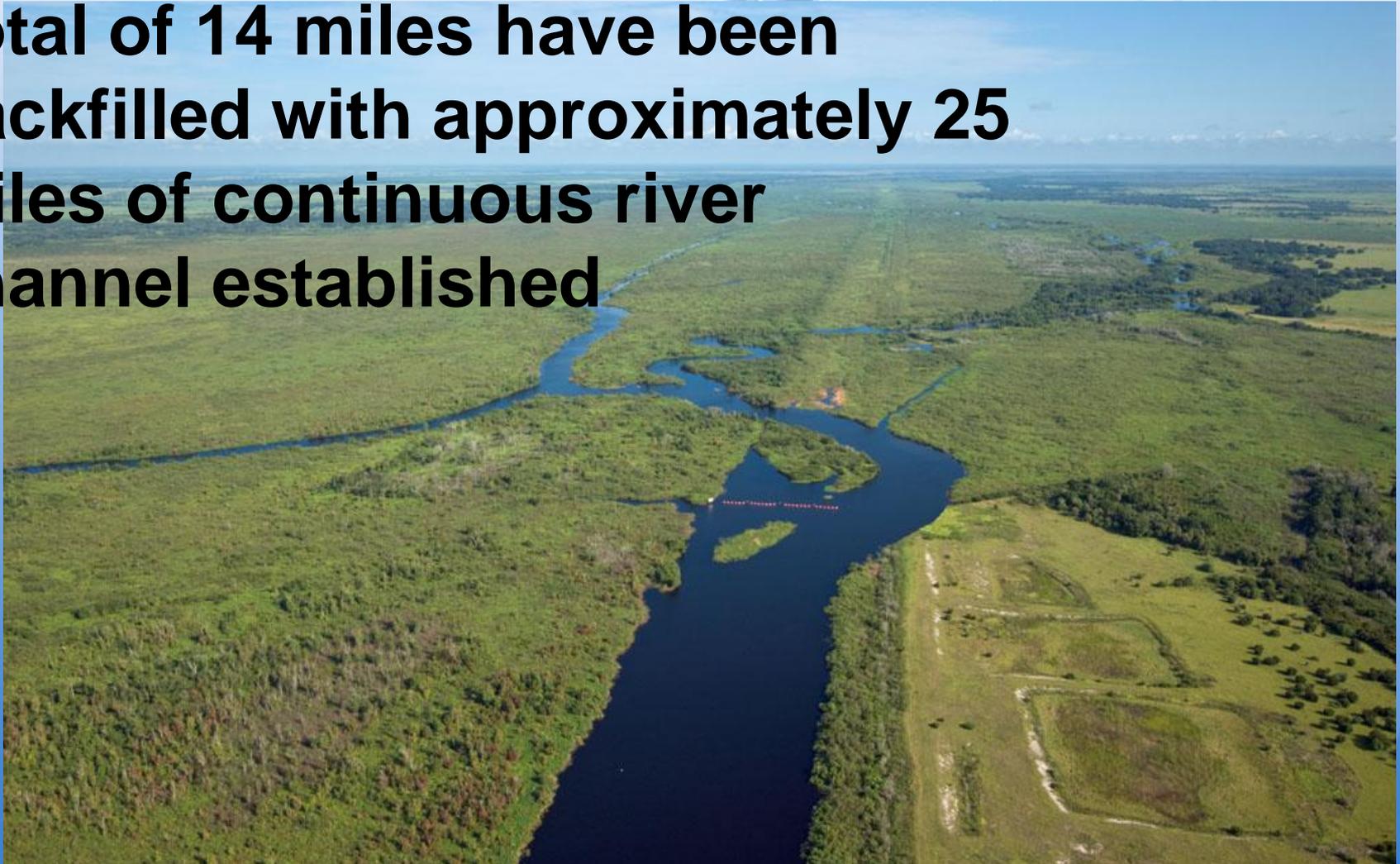
- ▶ **Construction completed:**
  - ▶ **Acme Basin B Phase II**
  - ▶ **Lake Trafford Dredging**
- ▶ **Construction under way:**
  - ▶ **STA Compartments B & C Buildouts**
  - ▶ **C-111 Spreader Canal Phase I**
  - ▶ **Biscayne Bay Coastal Wetlands Phase I – Deering Flow-way**
  - ▶ **Lakeside Ranch STA & Pump Station - Phase I**

# Everglades Water Quality Improvements

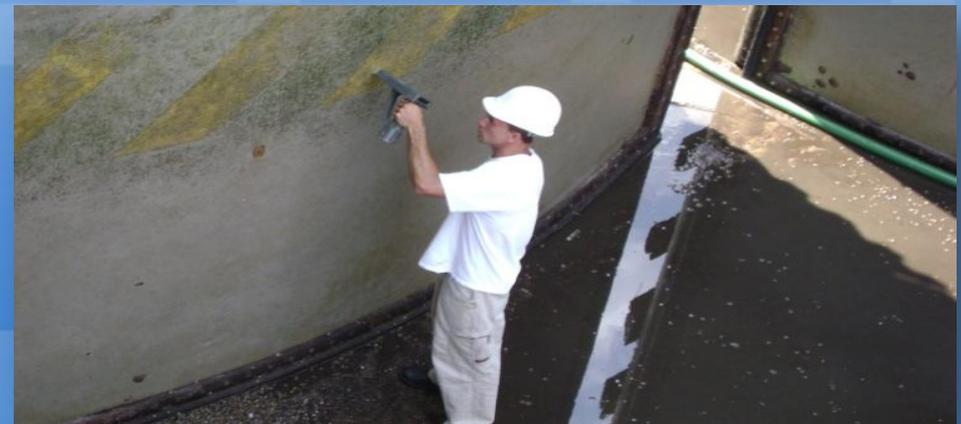


# Kissimmee Watershed

**Total of 14 miles have been backfilled with approximately 25 miles of continuous river channel established**



# Field Operations



# Dispersed Water Management

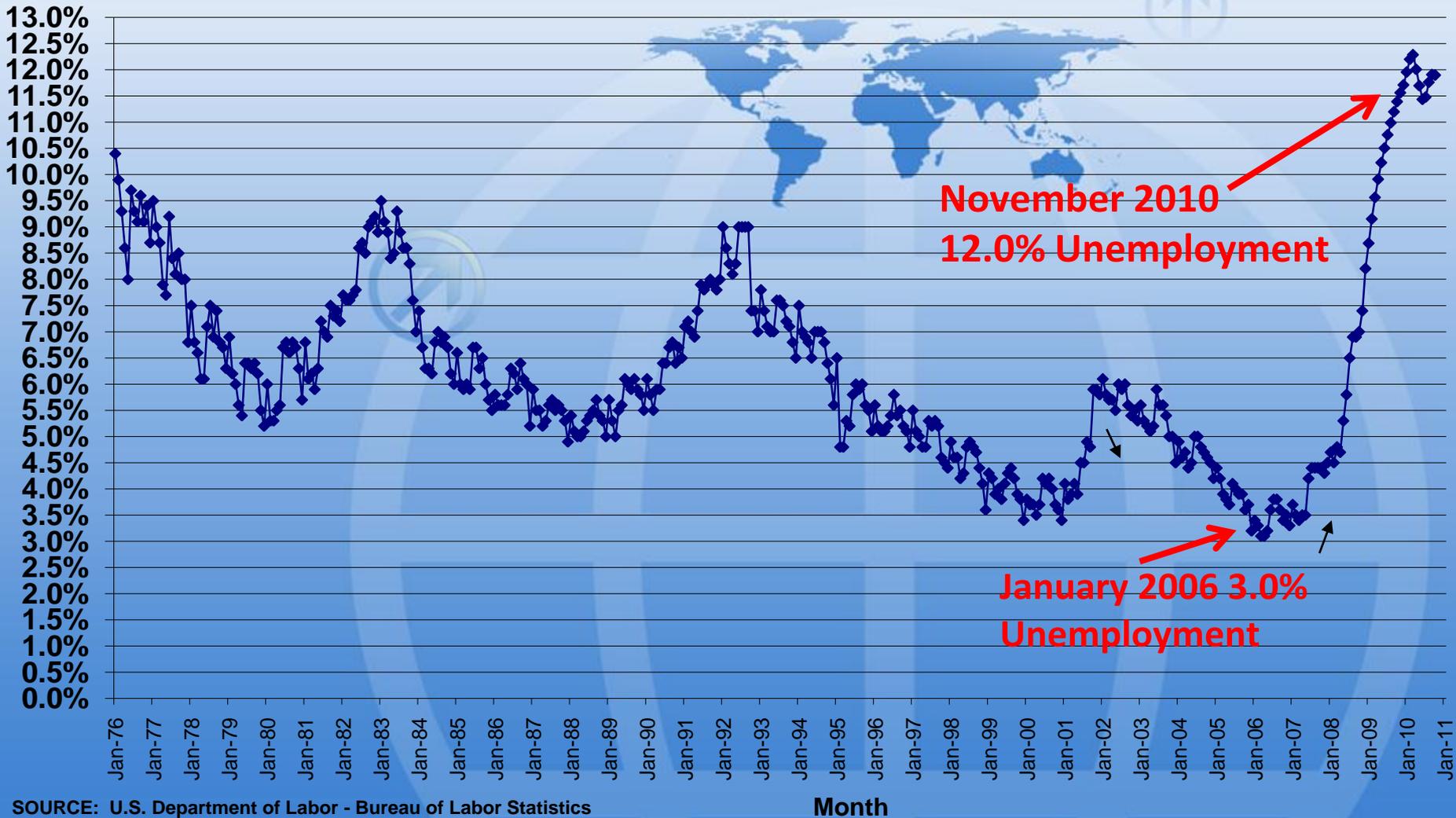


To-date, surface water storage on private, public and tribal lands in the Northern Everglades watershed has expanded by 128,722 acre-feet, with another 15,600 acre-feet under construction.

# Violent Execution of the Plan!

- 62.5% of the budget is dedicated to Environmental Restoration projects
- 21% of the budget is dedicated to Operations and maintenance of the Central and Southern Flood Control System
- 712 private FTEs are currently employed through the District's capital improvement plan

# Florida Monthly Unemployment Rates (Jan. '76 – Nov. '10)

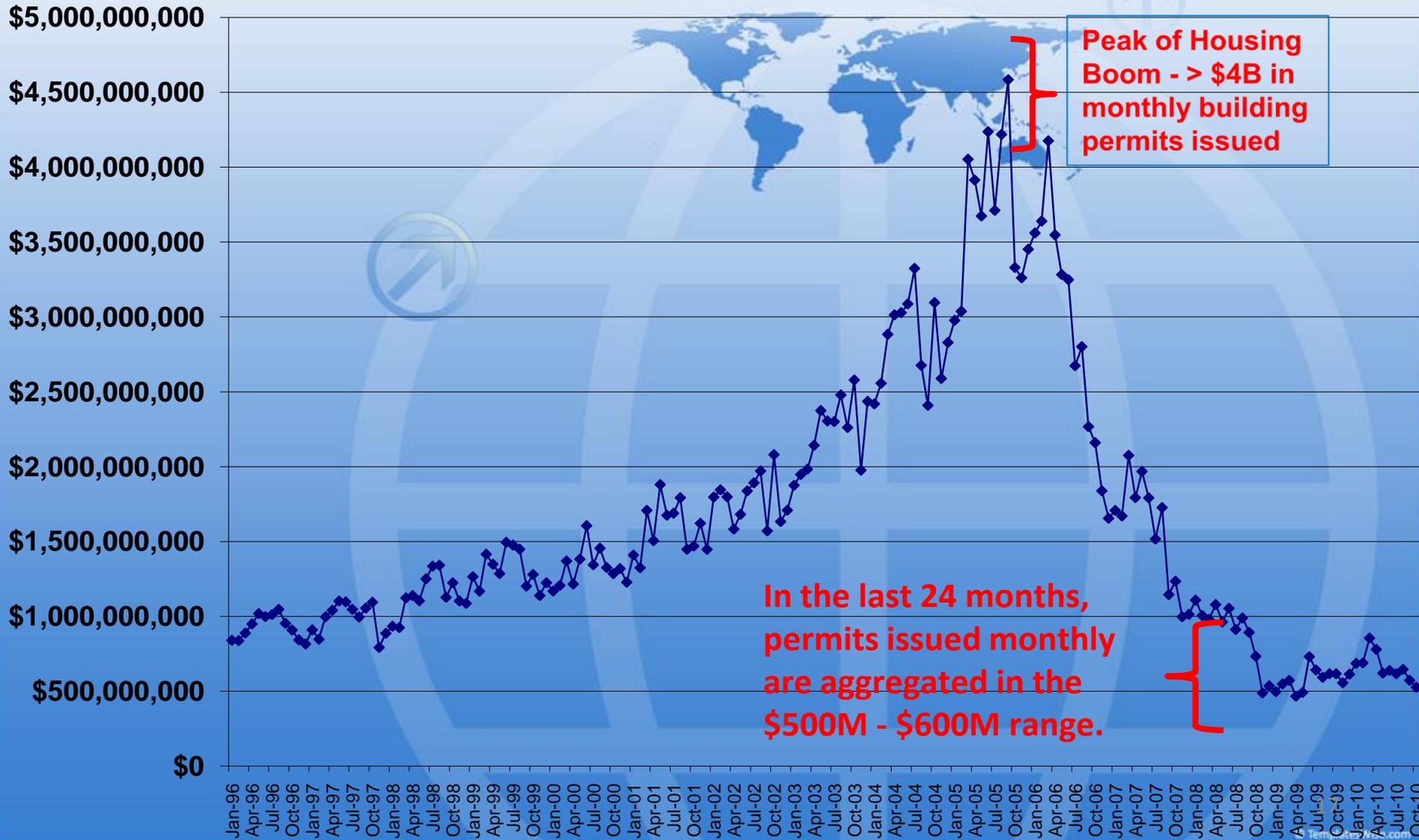


SOURCE: U.S. Department of Labor - Bureau of Labor Statistics

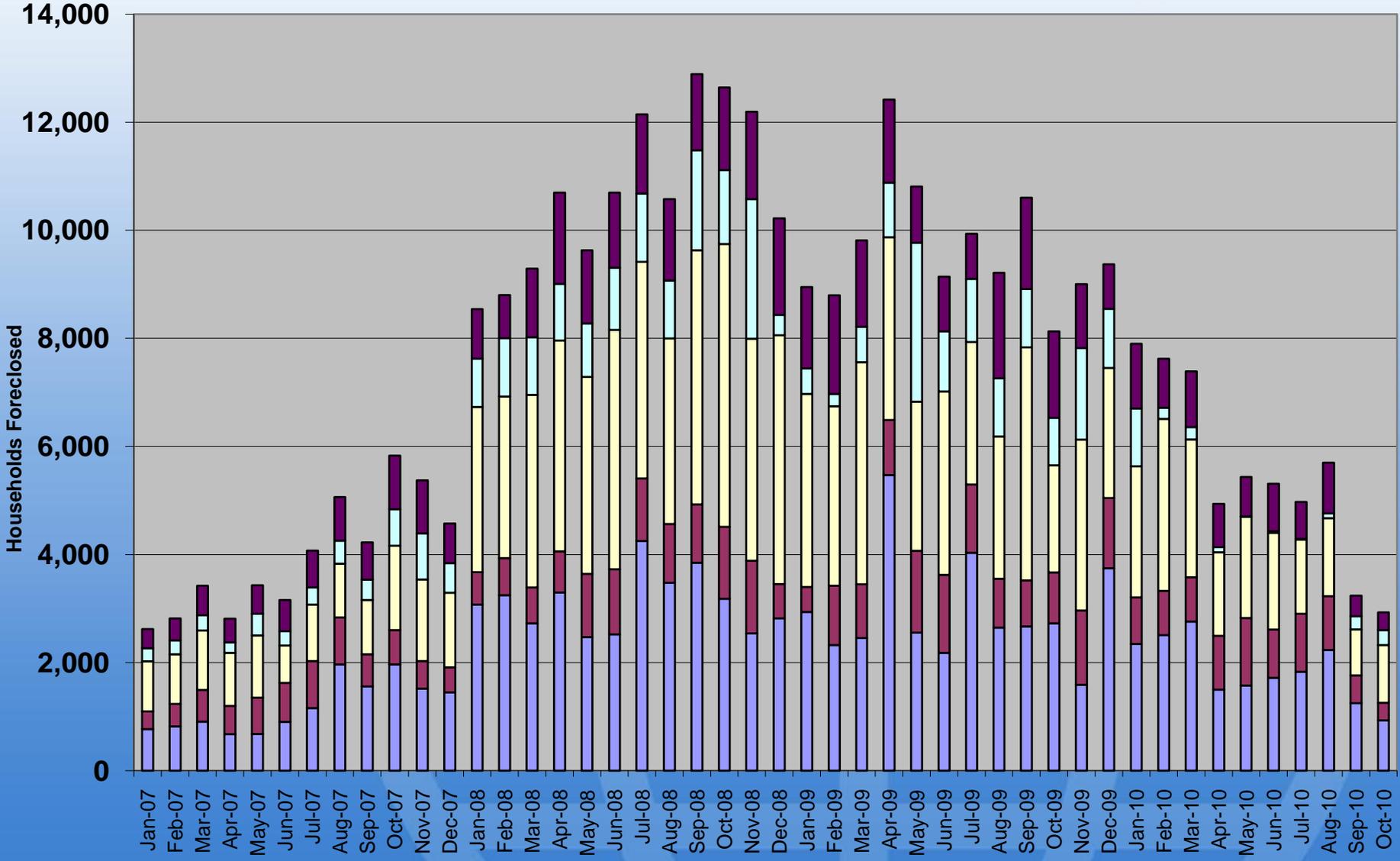
Month

# Value of Building Permits Issued in Florida (Jan. 96 – Oct. 10)

Source: U.S. Census Bureau



# Monthly Foreclosure Data; 5 Major Counties in the SFWMD (Jan. 2007 – Oct. 2010)

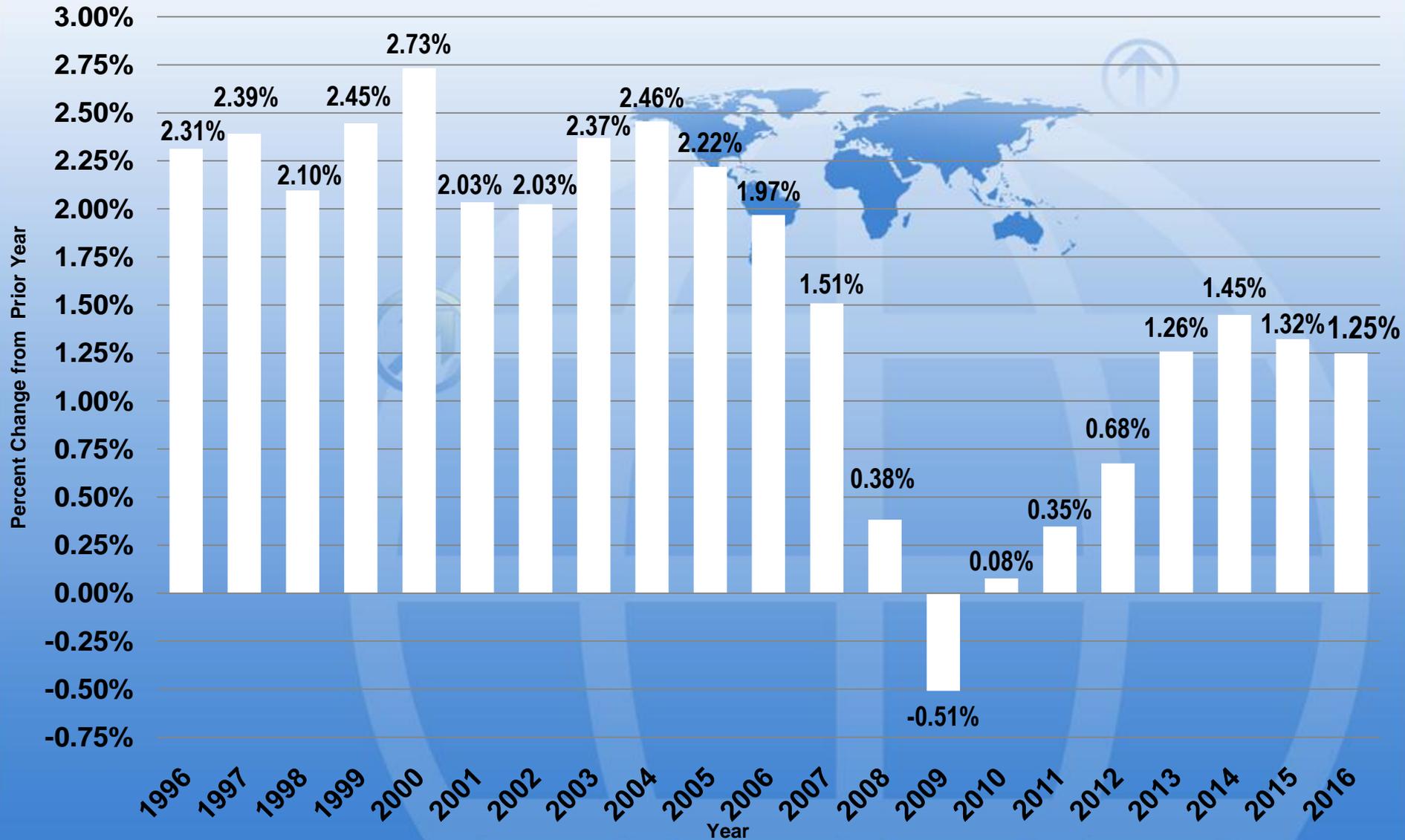


SOURCE: Default Research Inc.



# Annual Percentage Change in SFWMD Population (1996 – 2016)

Source: Florida Demographic Estimating Conference, January 2010



# State Budget Outlook

- **Projected State budget shortfall of \$3.6B due to a host of factors, i.e.:**
  - **Weak tax collections during recession;**
  - **Loss of non-recurring federal stimulus funds;**
  - **Expanding Medicaid rolls.**

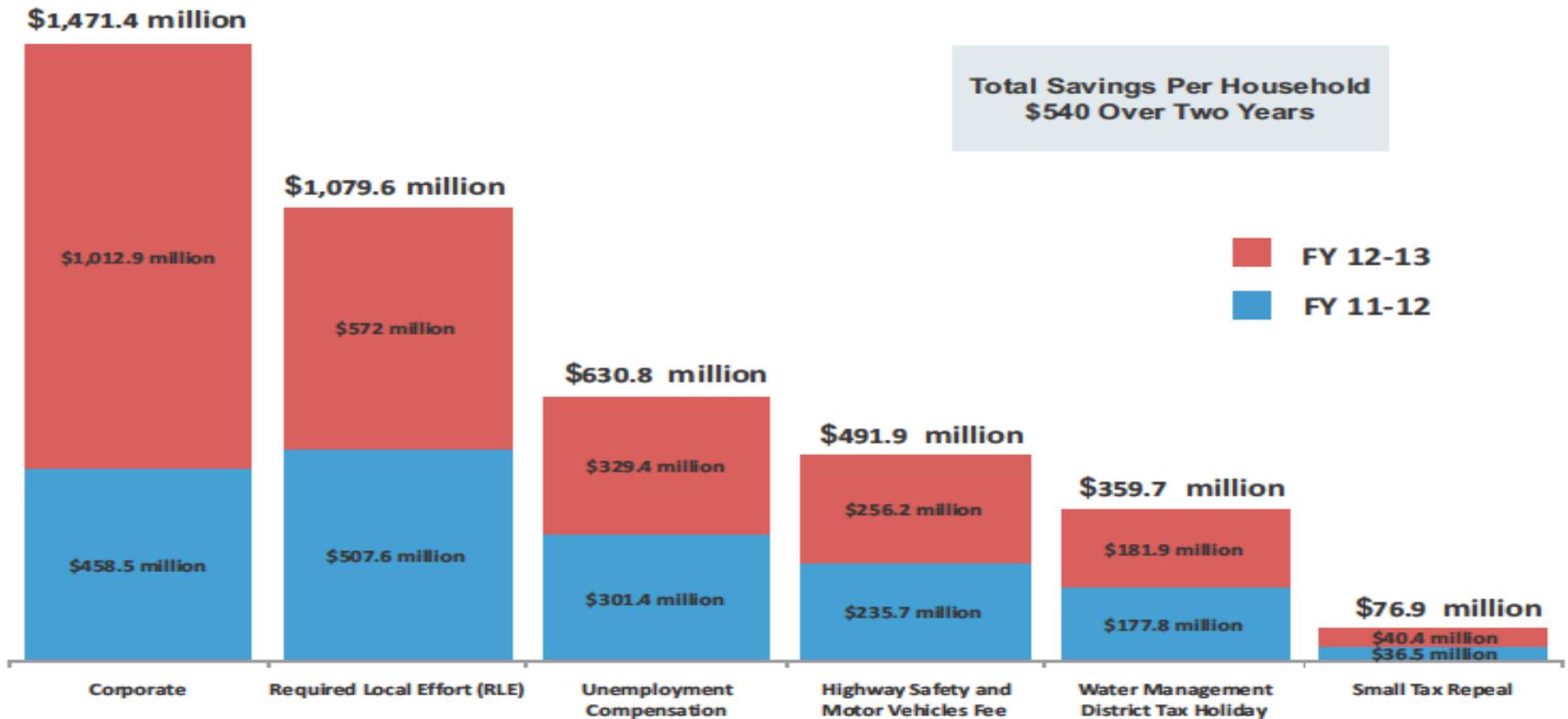
# In Response Governor Scott's budget submittal:

- Reduces the State FY12 budget by \$5B
- Returns \$2B to Florida Taxpayers
- Proposes a 2 year, 25% Water Management District tax “holiday”
- Includes:
  - \$17m in Save Our Everglades Trust Funds
  - Sufficient WMLTF to cover outstanding debt service payments
  - No Florida Forever or Alligator Alley Toll funds

# Governor Scott's 7-7-7 Plan

## Tax Relief – \$4.1 Billion Over Two Years

Total Savings Per Household  
\$540 Over Two Years



# Projected CIP Revenue – Save Our Everglades Trust Fund

<b>FY11 – FY15 CIP</b>		<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>	<b>Total (FY11 – FY15)</b>
<b>SOETF</b>		<b>\$47.0M</b>	<b>\$23.5M</b>	<b>\$47.0M</b>	<b>\$70.0M</b>	<b>\$94.0M</b>	<b>\$282.0M</b>

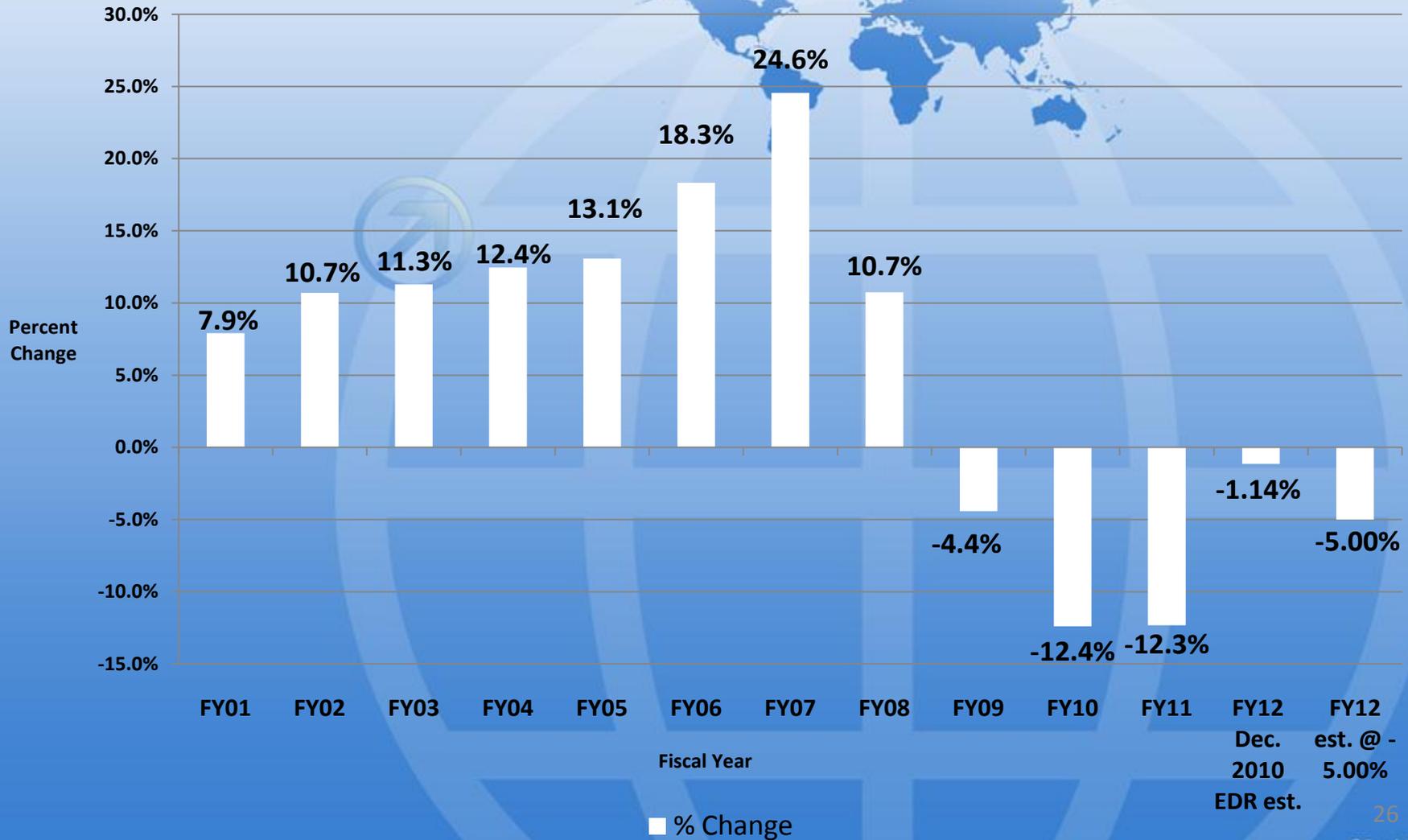
# Projected CIP Revenue – Florida Forever

<b>FY11 – FY15 CIP</b>		<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>	<b>Total (FY11 – FY15)</b>
<b>Florida Forever</b>		<b>\$1.575M</b>	<b>\$2.625M</b>	<b>\$5.250M</b>	<b>\$10.5M</b>	<b>\$21.0M</b>	<b>\$40.95M</b>

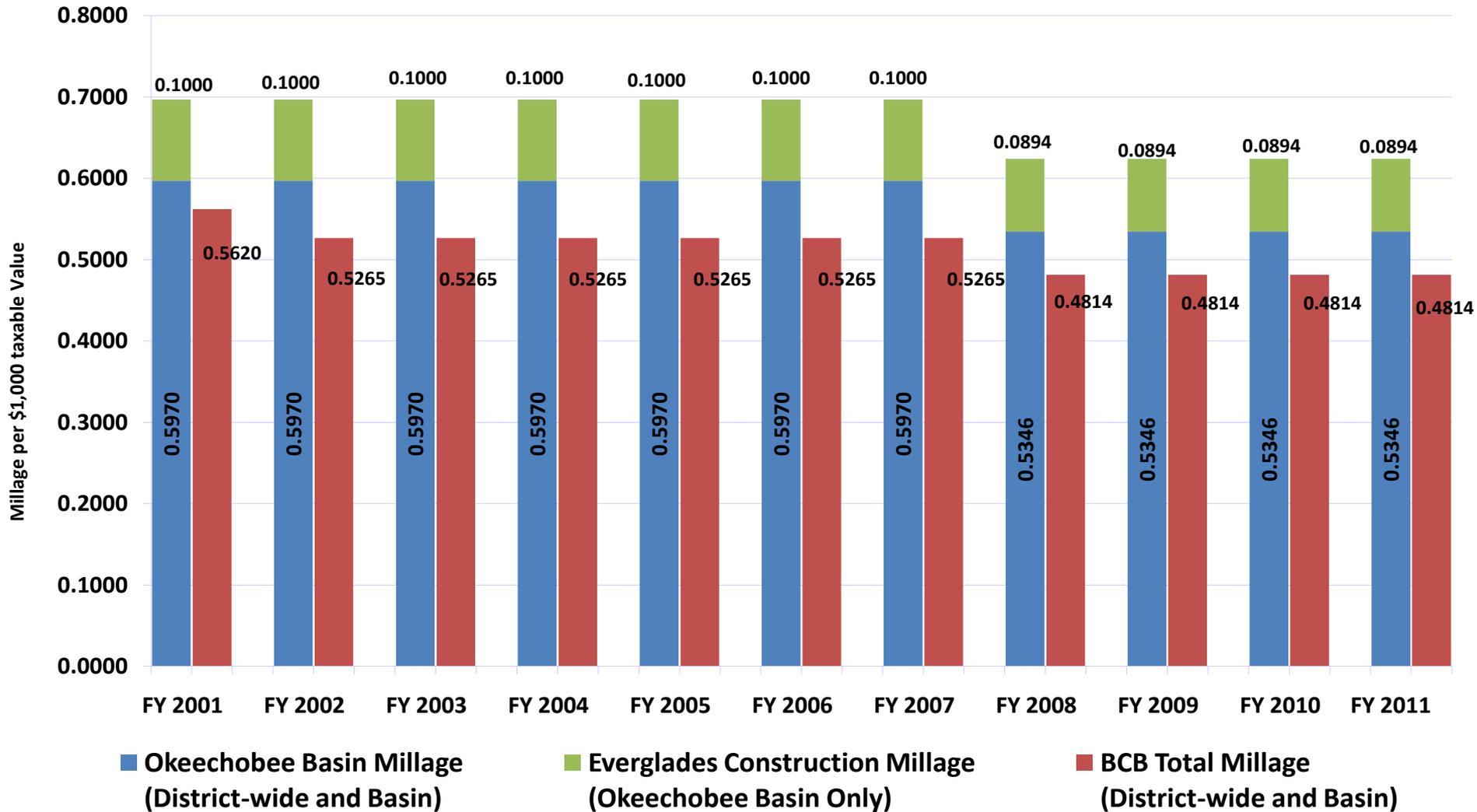
# SFWMD Taxable Value (FY00 – FY 12 est.)



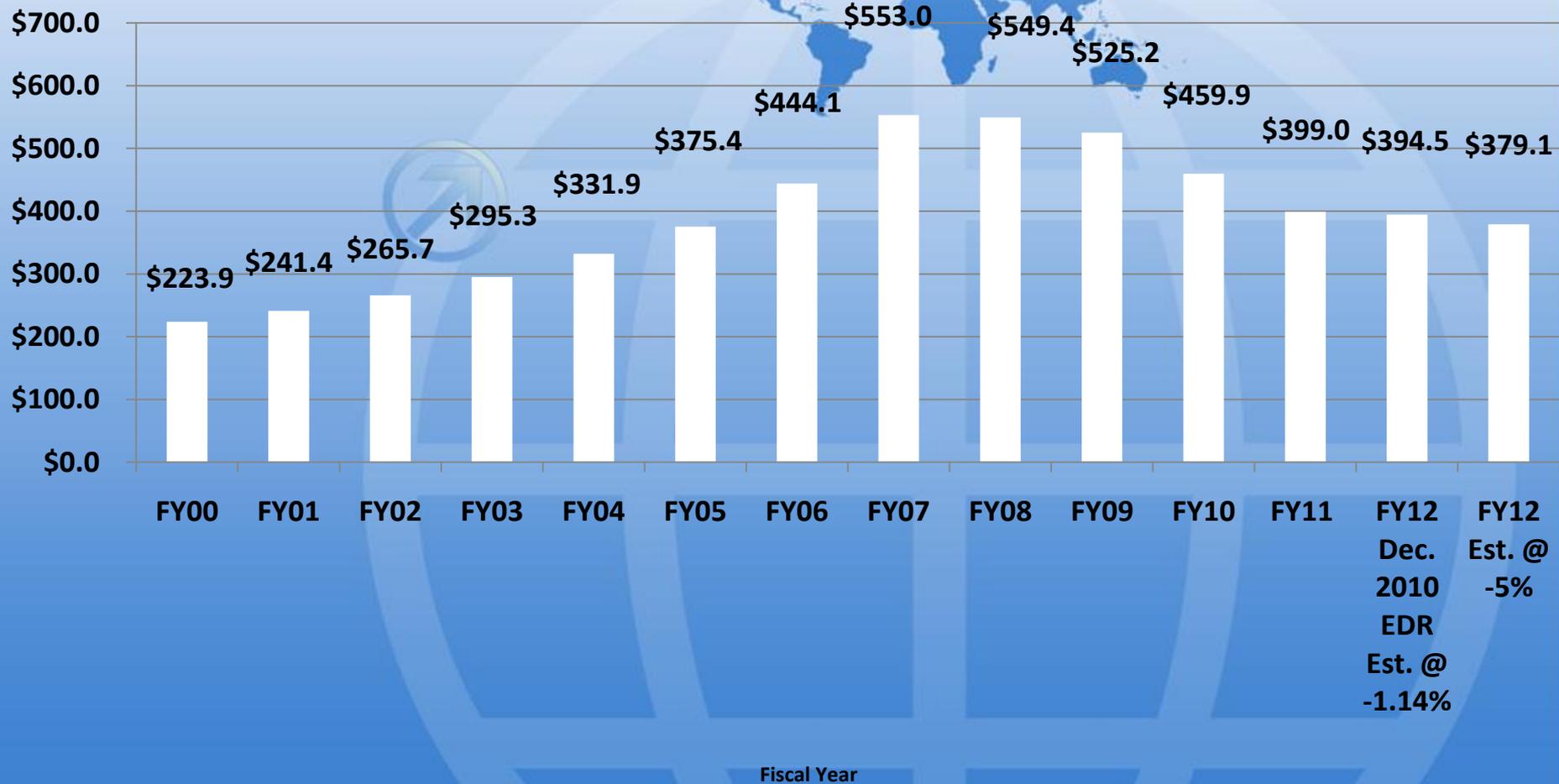
# Percent Change in SFWMD Taxable Value (FY 00 – FY 12 est.)



# Comparison of Total Adopted Millage Rates – Okeechobee Basin & Big Cypress Basin (FY 01 – FY 11)



# SFWMD Total Tax Levies (FY 00 – FY 12 est.)



# (Relative?) Global Trends & Concepts

- **Economic recovery in the US falls short of expectations**
- **Belt tightening and rethinking government**
- **Riding out the Recession**
- **Innovation partnerships**
- **Philanthropy**
- **Blurring of Industries**

# (Relative?) Global Trends & Concepts



- **Urbanization**
- **Sustainability**
- **China's influence continues to grow**
- **US Election 2012 is underway**
- **Electronic reading grows in popularity**
- **The collapse of attention spans**

# Priorities

(from Governor Rick Scott website)

- **Implement accountability budgeting**
- **Streamline state government**
- **Create an environment for job creation**

# Next Steps

- 1. February – March: Strategic Planning**
- 2. Future EDR Revenue Update – should receive at least one additional update, typically in March**
- 3. District Budget Development (April – June)**
- 4. Property Appraiser Preliminary Taxable Values – June 1, 2011**
- 5. Property Appraiser Certified Taxable Values – July 1, 2011**