

Big Cypress Basin Budget and Project Overview

July 5, 2011

Today's Presentation

- DEP Budget Guidance
- FY2011 Accomplishments
- Tentative Millage Rate
- Preliminary Budget review
- Budget Policy Direction

DEP and Legislative Guidance

Senate Bill 2142 - Overview

- Requires Legislature to set maximum amount of ad valorem tax revenue levied by Water Management Districts (WMDs)
- Requires Legislature to annually review WMD millage rates and annual budget
- Governor and Legislative Budget Commission both have line item veto authority
- Requires each WMD to provide a monthly financial statement to its governing board and post on website, starting September 1, 2011 (www.floridahasarighttoknow.com)

Senate Bill 2142 – Fiscal Guidance

- SFWMD FY2011 ad valorem revenue:
 - \$399.0M
- Maximum SFWMD ad valorem tax levy for FY2012:
 - \$284.9M maximum tax levy
 - \$270.7M estimated revenue at ~95% collection rate
- SFWMD FY2012 ad valorem reduction:
 - \$128.3M (-32.2%)

DEP Guidance – received June 16th

- Reexamine structure and activities to ensure core mission is met without exceeding means of Florida citizens to pay
- No additional debt issued
- No new land acquisitions without DEP approval
- Analyze and streamline staffing
 - Review / adjust salary & benefit levels
 - Consistency between WMDs and State
 - Examine and quantify the financial benefit of consolidating “back office” functions of WMDs

DEP Guidance – received June 16th

- Pare down/eliminate non-core activities
 - Mitigation administration & banking
 - Outreach program duplication with local governments & utilities
 - Participation in “non-vital” organizations
 - Limit participation as sponsors of professional conferences
- Ensure regulatory staffing levels reflect changing workload
 - Demonstrate measurable and tangible benefits of a more efficient process
 - Quantify specific plan to develop new benchmarks for measuring level of service

FY11 BCB Successes and Accomplishments



Capital and Restoration Projects

- Golden Gate Weir #3
- Lake Trafford
- Picayune Strand Restoration Project



Picayune Restoration Accomplishments

- Removed 40 miles of trams
- Removed last 20 miles of roads (60 miles total)
- Merritt Pumps Station / Levies and Spreaders canals 50% complete
- Exotic vegetation removal / treatment of 3,200 acres
- Faka Union Pump Station started



BCB Planning Projects

- **Hydrologic/Hydraulic (H&H) Studies**
 - Performed modeling and H&H assessment of capital and ecological restoration projects
 - Golden Gate 6 & 7
 - Miller #3
 - Picayune Strand Restoration Project
 - Updated the BCB Integrated Model
 - Developed a real-time hydrologic monitoring and modeling system with flood forecasting provisions. First in U.S. where surface and groundwater integrated model is applied for real-time hydrologic forecasting
 - Developed Everglades City Water Management System Master Plan and started implementation
 - Developed water level & salinity modeling network for hydrodynamic modeling of Naples Bay

BCB Planning Projects (cont.)

- Provided technical and modeling support for Collier County Watershed Management Plan
- Completed utility revenue study for Everglades City
- Developed Picayune Strand Restoration pump station operating manual with Army Corps of Engineers (ACOE)

Completed Local Government Partnerships

- **Collier County**

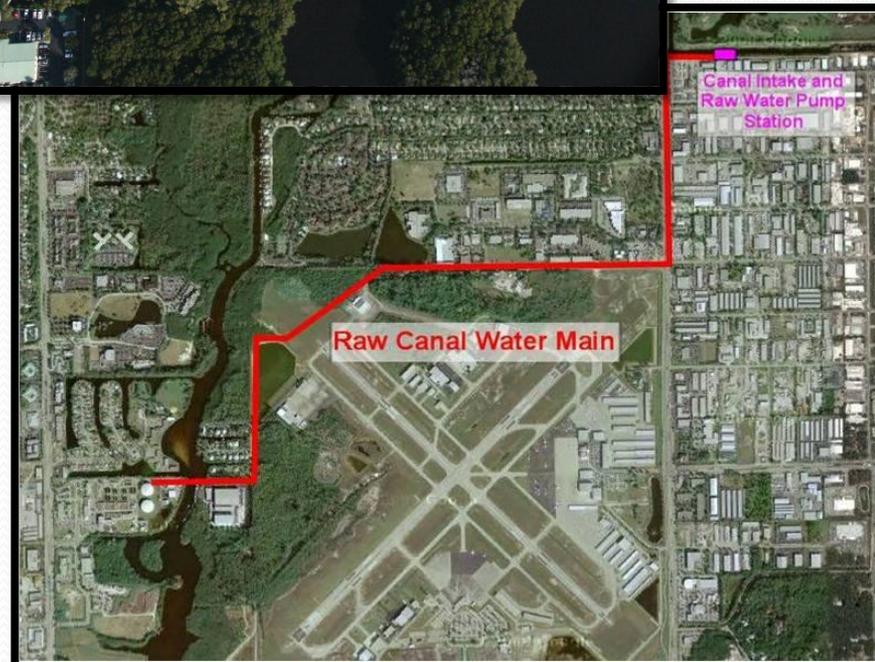
- Lely Area Stormwater Improvement Plan (LASIP)
- Gordon River Water Quality Park
- North Collier County water reclamation facility



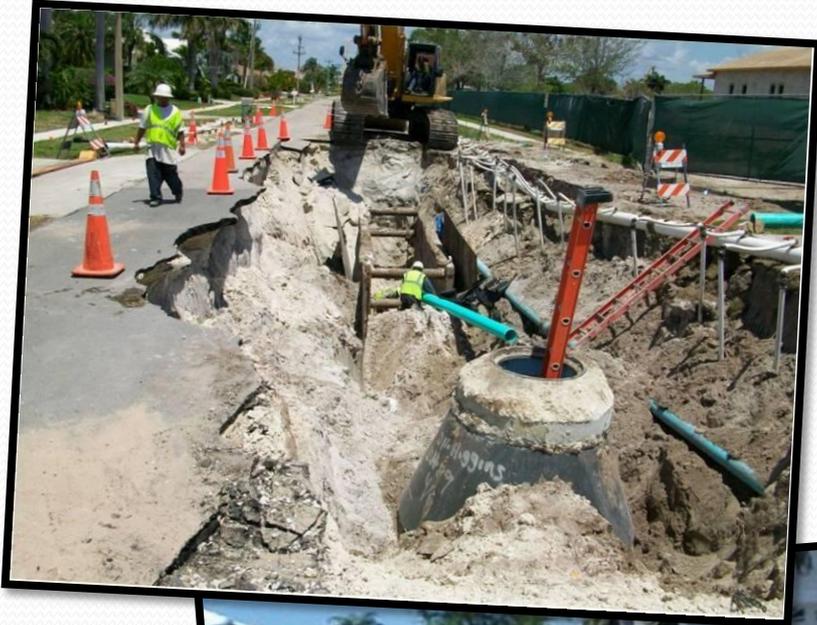
Completed Local Government Partnerships

- **City of Naples**

- Basin III & V Stormwater improvements Phase 1
- Aquifer Storage and Recovery (ASR) wells #1 and #2
- Recycle water distribution system



Completed Local Government Partnerships



- **City of Marco Island**
 - Citywide Stormwater inlet retrofit
 - Collier Blvd Stormwater outfall retrofit
 - Septic tank replacements
 - Reclaimed water facility expansion

FY12 SFWMD Budget Development

Guiding Principles

- **Achieve 32% ad valorem revenue reduction and:**
 - Provide flood control and hurricane response, including maintenance of sufficient contingency reserves
 - Continue progress of Everglades environmental restoration & water quality projects
 - Meet on-going water supply and water resource development needs
 - Streamline existing regulatory programs
 - Meet on-going debt service payments

Guiding Principles

- **Achieve 32% revenue reduction by:**
 - Reengineering organization to effectively support the core functions of the District, starting with management structure
 - Reducing or eliminating non-mandated activities
 - Reevaluating the Level of Service
 - Redefining the Everglades restoration partnership
 - Prioritizing capital projects
 - Prioritizing restoration activities
 - Reducing administrative support functions
 - Utilizing accumulated reserves and fund balances to fund non-recurring mission critical projects

FY12 Basin Budget Development

Projecting Ad Valorem Tax Revenue

$$\text{Taxable Value} \times \text{Millage Rate} = \text{Tax Revenue}$$

Taxable Value



**Values Determined by
County Property
Appraisers**

Millage (Tax) Rate



**Tax Rates Set by Taxing
Authorities
(City Councils, County
Commissions, SFWMD
Governing Board)**

FY2012 Proposed Millage Rate

Millage	FY11 Adopted	FY12 Proposed	% Change
District-at-Large	0.2549	0.1795	-29.58%
Big Cypress Basin	0.2265	0.1633	-27.90%
Total Combined Millage	0.4814	0.3428*	-28.79%

***Represents about 34 cents per \$1,000 of taxable value**

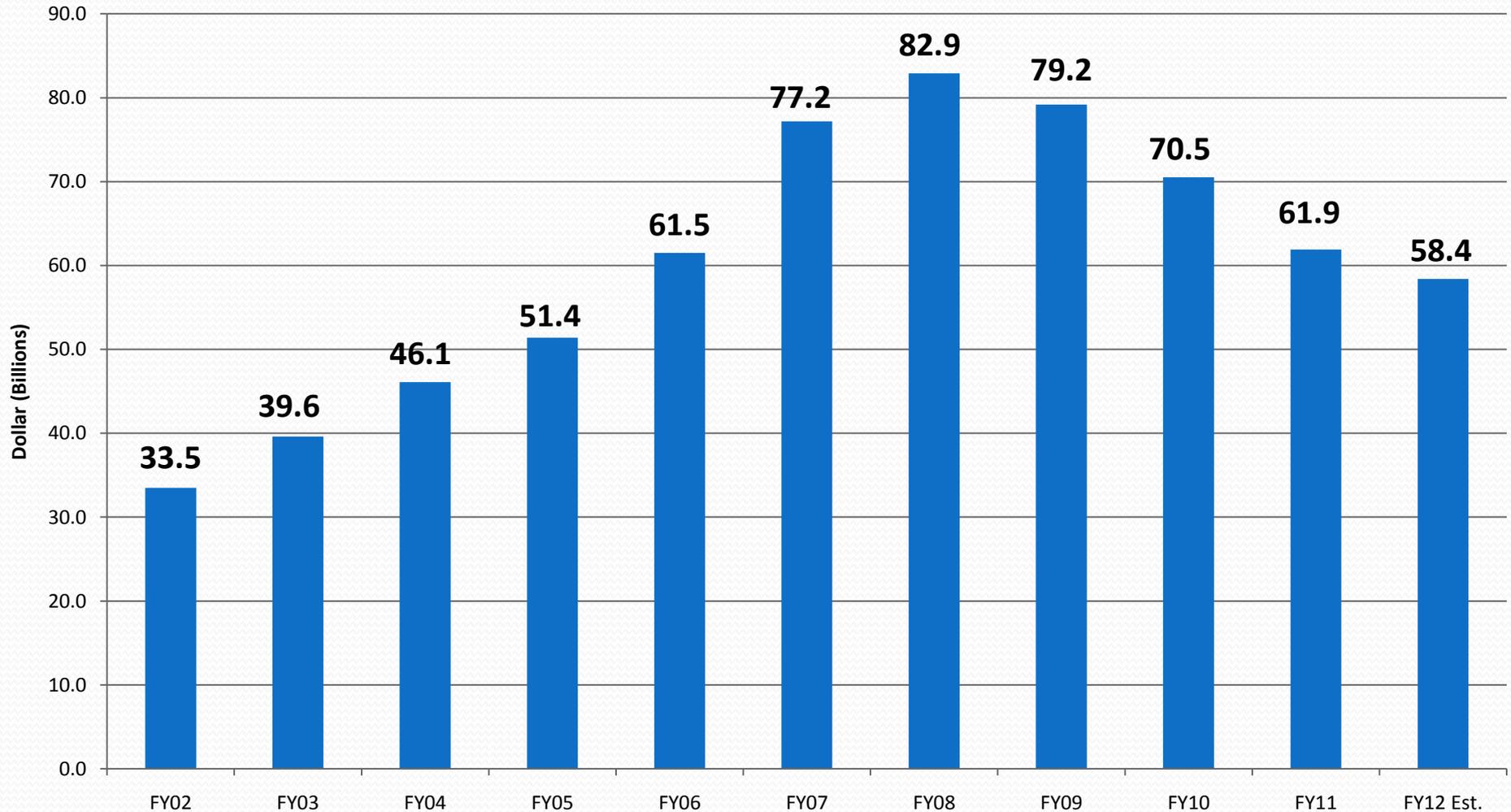
Collier County Millage Rate per \$100,000 of Taxable Value

Collier County Home (Big Cypress Basin)

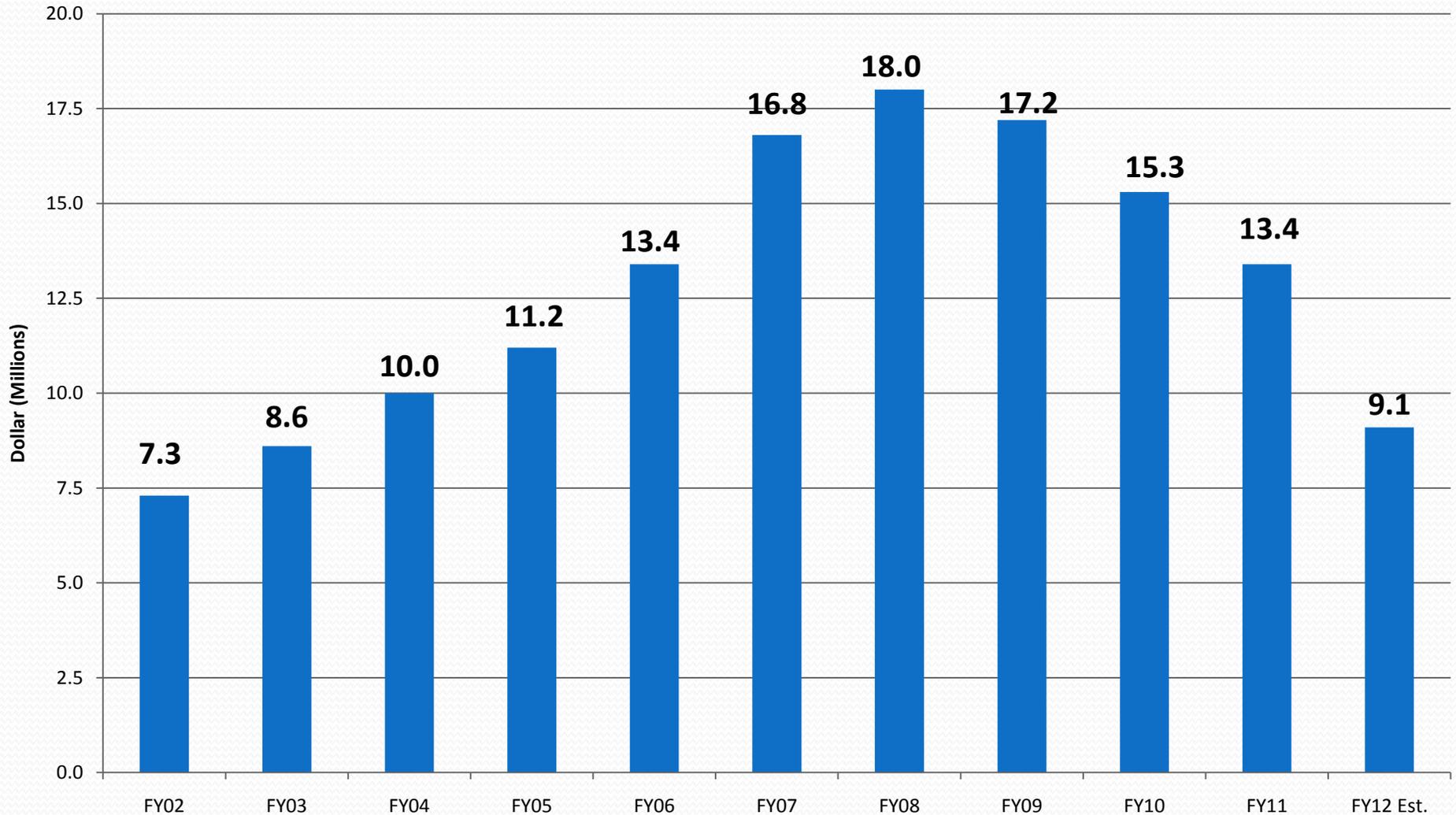
Assessed Value	\$150,000
Less: Homestead Exemption	<u>(\$50,000)</u>
Taxable Value	\$100,000

<u>Taxing Authority</u>	<u>Millage Rate</u>	<u>Taxes Due</u>
SFWMD	0.1795	\$17.95
Big Cypress Basin	0.1633	\$16.33
FY12 Total	0.3428	\$34.28
FY11 Total	0.4814	\$48.14
Difference	-0.1386	-\$13.86

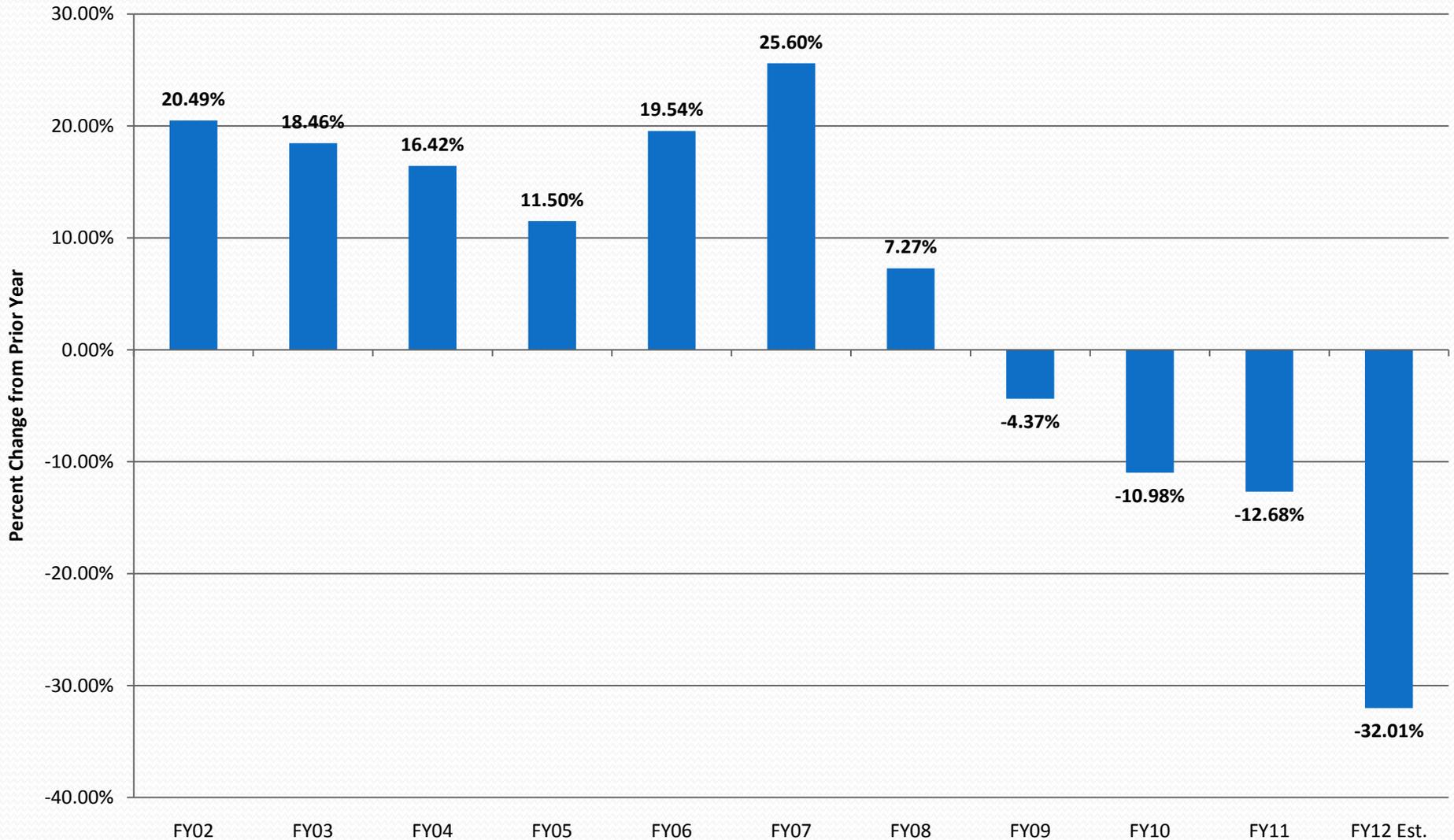
Collier County Taxable Values (FY02 – FY12 Estimate)



Recurring Ad Valorem Revenues for BCB (FY02 – FY12 Estimate)



Change in BCB Revenues (FY02 – FY12 Estimate)



FY2012 Anticipated Recurring Ad Valorem Revenues

	FY2011	FY2012
Ad Valorem Taxes	\$ 13,392,977	\$ 9,105,425
Licenses, Permits & Fees	\$ 19,000	\$ 8,000
Investment Income	\$ 362,000	\$ 115,321
	\$13,773,977	\$ 9,228,746

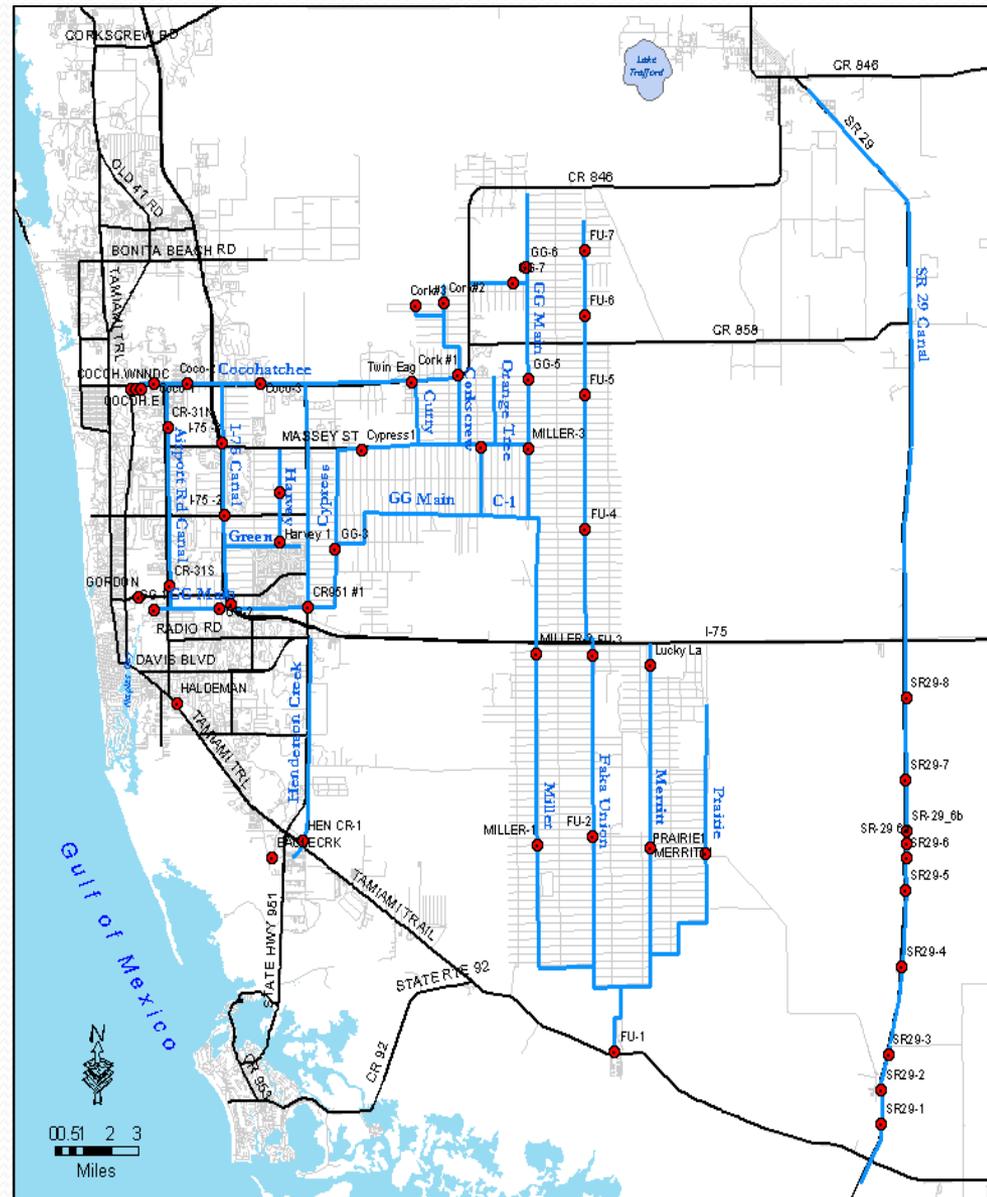
FY2012 Anticipated One-time Ad Valorem Revenues

Big Cypress Basin Fund Balance & Reserves

Fund Balance - Operating Fund	\$	5,966,918
Fund Balance - Capital Projects Fund	\$	9,038,202
Hurricane Reserves	\$	402,611
Contingency Reserves	\$	342,052
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	\$	15,749,783

O & M

- Invest in the infrastructure to ensure the agency can:
 - Provide the day-to-day flood protection for citizens of Collier County
 - Be able to respond to emergency flood conditions and hurricanes
 - Assume operation of the Picayune Strand Restoration facilities



Picayune Restoration Project

Personnel Services	\$440,460
Land Management	\$230,000
Vegetation Management	\$119,766
Planning / Engineering Support	\$21,000
FY12 GRAND TOTAL	\$811,226



FY12 Baseline Costs for Big Cypress Basin

Baseline Costs	Amount
Picayune Strand Restoration - Merritt Pump Station	\$497,112
Big Cypress Basin Operations & Maintenance	\$2,078,125
Golden Gate 6 & 7 Weir Design and Relocation	\$635,914
Big Cypress Basin Service Center	\$622,879
Collier County Secondary System Agreement	\$1,000,000
Picayune Strand Restoration Project	\$811,226
Modeling & Monitoring Support	\$154,869
Engineering & Construction Support	\$99,442
O&M Capital Program Support	\$196,886
Property Appraiser & Tax Collector Fees	\$359,285
Self Insurance	\$76,794
GRAND TOTAL	\$6,532,532

Additional Projects for Funding Consideration

- Provide guidance for use of remaining discretionary funds available from:
 - Tax revenue
 - Reserves
- Provide guidance on funding and level of service for:
 - Local Government Projects
 - Local Partnerships
 - Outreach Partnerships
 - Level of Service / Staff

Basin Intergovernmental Agreements

- **Local Partnerships for Stormwater and Alternative Water Supply projects**

- Collier County
- City of Naples
- City of Marco Island and
- City of Everglades City



Basin Intergovernmental Agreements

- **Criteria for selection for these projects:**
 - Implements BCB Strategic Plan
 - Meets AWS objectives or Lower West Coast Water Supply Plan
 - Water quality and flood protection
 - Consistent with District / Basin mandates & local initiatives
 - Planning, design and permitting completed
 - Land acquisition completed
 - Funding in municipality's budget available
 - Completion feasible within one fiscal year
 - Stormwater meet the objectives identified in the Naples Bay SWIM Plan

Basin Intergovernmental Agreements

	FY11	Proposed FY12
Alternative Water Supply	5	4
Stormwater	7	5
Non-Construction	6	4
TOTAL	18	13

Local Government Cost Share

Construction Projects				
Local Government	Project	Total Project Costs	BCB Stormwater Contribution	BCB AWS Contribution
Collier County	LASIP Naples Manor – North Canal & Ditch Enclosure	\$1,200,000	\$542,500	\$0
	North County Regional Water Treatment Plant – RO Treatment Units Replacement	\$1,250,000	\$0	\$250,000
	Livingston Road ASR Well - Phase 1	\$400,000	\$0	\$100,000
Total		\$2,850,000	\$542,500	\$350,000
Marco Island	Stormwater - Collection System Improvements	\$700,000	\$350,000	\$0
	Reclaimed Water Production Facility – Phase III Expansion	\$3,300,000	\$0	\$490,000
Total		\$4,000,000	\$350,000	\$490,000
City of Naples	Stormwater - Basin III and V Drainage & Water Quality Improvements - Phase 2	\$1,800,000	\$420,000	\$0
	Bembury Dr. Septic Tank Replacement Program	\$1,161,000	\$300,000	\$0
	Intake Structure at Golden Gate Canal & Transmission Pipeline	\$2,100,000	\$0	\$680,000
Total		\$5,061,000	\$720,000	\$680,000
Everglades City	Water Supply System Improvements - Master Plan Implementation	\$600,000	\$300,000	\$0
Total		\$600,000	\$300,000	\$0
GRAND TOTAL		\$12,511,000	\$1,912,500	\$1,520,000

Local Government Cost Share

Non-Construction Projects			
Local Government	Project	Total Project Costs	BCB Amount
	Collier Co Secondary Drainage System MOU		\$1,000,000
Collier County	Collier Co Groundwater Monitoring	\$ 291,920.93	\$116,000
	BCB / CSWCD Urban Mobile Irrigation Lab Project	\$ 63,820.72	\$55,000
	Collier County Surface WQM Project	\$1,034,992.40	\$60,000
GRAND TOTAL			\$1,231,000

Outreach

Education

- Corkscrew Swamp – 1,832*
- FGCU Wings of Hope – 4,000*
- Collier County Public Schools – 5,000*
- Education Foundation
- Naples Bay/Mangrove Restoration
 - Demonstration project monitoring for total water savings
 - Essay contest
 - Workshop

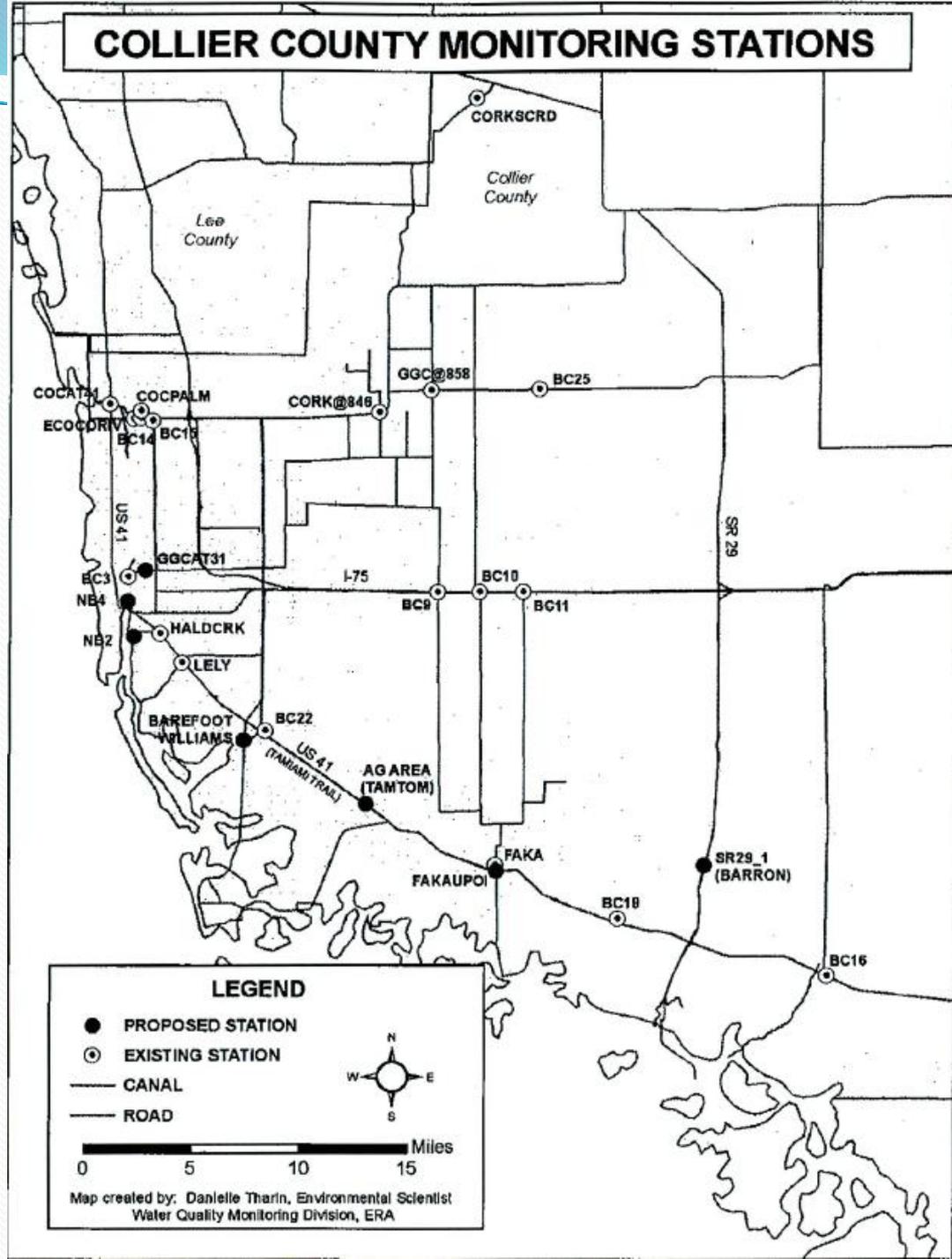


* Number of students reached with program

Other Initiatives

MODELING / MONITORING	FY2011	FY2012
Real Time Monitoring / Modeling	\$25,000	\$25,000
FGCU Lake Trafford Watershed Monitoring Plan	\$50,000	\$50,000
Saltwater Monitoring and Modeling	\$95,500	\$0
East Collier County WQ Monitoring	\$70,000	\$70,000
USGS Coop Agreement Ground Water Monitoring	\$36,000	\$36,000
USGS Naples Bay Hydro-dynamic Modeling	\$40,000	\$75,577
Total	\$316,500	\$256,577
EDUCATION / OUTREACH	FY2011	FY2012
CEEC / Collier Education Foundation	\$7,800	\$2,000
Corkscrew Swamp	\$3,000	\$3,000
City of Naples Mangrove Restoration	\$3,000	\$3,000
Wings of Hope	\$20,000	\$15,000
Water Symposium	\$5,000	\$5,000
Total	\$38,800	\$28,000
GRAND TOTAL	\$355,300	\$284,577

26 Ground Water Monitoring Stations (under District contract)



70 Ground Water Monitoring Stations (under Basin grant)



Questions?

Big Cypress Basin Preliminary Budget and Tentative Millage Rate

FY2012 Revenue & Budget Summary

Recurring Ad Valorem Revenues	\$ 9,228,746
Baseline Costs	<u>\$ 6,532,532</u>
RECURRING BALANCE	<u>\$ 2,696,214</u>
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Staff Recommended Projects / Initiatives	<u>\$ 4,948,077</u>
DIFFERENCE REQUIRING BCB RESERVES	<u>\$ (2,251,863.00)</u>

Staff Recommendations

- Recommendation to GB of SFWMD to adopt a tentative millage rate of 0.1633
- Recommendation to GB of SFWMD to adopt the FY2012 tentative budget

Next Steps and Timeline

- Approve tentative Millage and Budget - July 5th meeting
- Staff will finalize Basin budget and submit for BCB meeting in August
- Approval final Millage for the Basin (SS373.0697); request the governing board to levy ad valorem tax within the Basin; adopt Basin budget and submit to the Governing board for inclusion in the district budget (SS 373.0695(c)) – August BCB meeting
- Governing Board budget hearing / adoption - September 8th & September 20th

Questions?