



Florida Department of Environmental Protection

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FROM: Jon Steverson, Special Counsel on Policy & Legislative Affairs

DATE: June 16, 2011

SUBJECT: WMD Budget Direction

There is much to appreciate about the work of our water management districts (districts) and their conscientious and diligent staffs. The commitment of the districts to our water resources is without question. However, we cannot ask Floridians who are struggling to find work and provide for their families to continue to support the mission of the Department of Environmental Protection (DEP) or the districts if we are not spending their tax dollars wisely. Therefore, it is imperative that we reexamine the structure and activities of each district to ensure that we are meeting all of our core mission responsibilities without exceeding the means of our citizens. We must be able to make the districts more focused, more effective, and newly dedicated to the accomplishment of our core mission.

The following guidelines shall provide the foundation upon which your district budgets will be evaluated by DEP and the Executive Office of the Governor (EOG) in the weeks following the approval of your tentative budgets. While the guidelines do cover some of the individual budget items you are now deliberating, they are not intended to be all-inclusive.

Debt

Spending less than we take in is a fundamental principle of good budgeting. Floridians count on us to be good stewards of their tax dollars, and it is our responsibility to ensure that districts are meeting that expectation. Therefore, no additional debt is to be accrued by districts without the approval of the Governor and the Secretary. Such debt can include, but is not limited to, bonding and certificates of participation.

Land Acquisition

The state of Florida has been home to some of the most prolific land buying programs in the world. However, prioritizing our spending requires us to take a much harder look at whether the dollars we spend are congruent with the core mission of the districts. Therefore, until an official process for systematic review of district land acquisitions is developed, no new land purchases should be made unless the district is already legally obligated by contract, or the district has received the authorization of DEP, to complete the purchase. All current purchase obligations should be submitted to DEP for review.

Salaries and Benefits

Over the years, salaries and benefit structures at many of the districts have become significantly out of line with the rest of our state's employees and the state as a whole. Many of the districts have also become top-heavy in their organizational structures. Therefore, the districts are directed to analyze their staffing and adjust their personnel and administrative structures, as well as their salary and benefits schedules, to reflect a reduction in unnecessary levels of administration and to more closely mirror the benefits currently enjoyed by state employees throughout Florida.

Benefits that should be made consistent with other districts and other state employees include, but are not limited to: health, dental, vision, disability and life insurance; pensions; deferred compensation; leave payouts; education benefits and; bonuses and awards. Subsequent to finalizing the consistency effort between the districts and the state regarding benefits and services to employees, the districts should be prepared to quantify proactive efforts that will be taken in the coming fiscal year to analyze the financial benefit of consolidating "back office" functions of the districts.

Core Mission

Districts should be seeking to eliminate non-core activities. For example, mitigation administration and banking is done by most of the districts, but it is a service that is currently, cost-effectively, offered in the private sector. Also, outreach programs tend to be duplicative with local government and utility efforts and can be unnecessarily costly to the districts. Districts should begin the process of paring down or eliminating these functions. Additionally, the districts should eliminate participation in non-vital organizations and associations and should limit participation as vendors or sponsors of professional conferences or other events unless it is imperative to the core mission of the district.

Regulatory Staffing

Taxpayers and the regulated community become frustrated when government grows in size and scope but does not improve its level of service. The size of regulatory staff should be consistent with the changing regulatory workload of the districts. Districts should be able to demonstrate the measurable and tangible benefits of their staffing decisions to the taxpayers through a more efficient process. Therefore, districts should make all necessary adjustments to regulatory staffing levels and should quantify a specific plan to develop new benchmarks by which the level of service can be evaluated in a manner consistent with the other districts while meeting the standards set forth by the Secretary and the Governor.

Cooperation

In advance of our review and analysis of the district budgets, we ask that you work with EOG and DEP staff to provide necessary clarification of district Capital Improvement Plans, including new documentation for the review and analysis of Fixed Capital Outlay Projects, their costs, and their progress. These projects will be evaluated individually by DEP and EOG based on their direct correlation to the core mission of the five districts. Districts will also need to provide a coherent explanation of the relationship between funds held in reserve and their relationship to the districts' short, intermediate, and long-term water supply plans.

The task ahead of us is not easy, but I am confident that if we work together, we can make significant strides in building and sustaining the trust of our fellow Floridians. Thank you all for your cooperation and continued hard work. If you have any questions about specific budget items or policies, please do not hesitate to contact me.

cc: George Roberts, Chair, NFWWMD
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