

## MEMORANDUM

**TO:** Governing Board Members

**FROM:** Sandra Close Turnquest, Deputy Executive Director, Corporate Resources

**DATE:** July 12, 2006

**SUBJECT:** FY2006 Budget Amendment

### **Background**

The District amends its budget during the fiscal year for a variety of reasons. These reasons range from the reflection of more accurate information since budget adoption; modified operating requirements (e.g. additional revenues received or expected revenues not received); and/or year-end accounting adjustments. Budget amendments increase or decrease – by fund type – the adopted or previously amended budget. This amendment includes a series of adjustments to align budget authority with updated revenue and expenditure projections.

### **How this helps meet the District's 10-year Strategic Plan:**

Amending the current budget will allow the District to fund land acquisition for CERP and Kissimmee River Restoration in FY2006 by recognizing FY2007 Save Our Everglades Trust Fund and Florida Forever Trust Fund revenues.

**Funding Sources:** Increase in revenues from Save Our Everglades Trust Fund, Florida Forever Trust Fund and Florida Department of Agriculture and Consumer Services; reductions in anticipated DEP Aquatic Plant Management revenues.

### **This Board item impacts what areas of the District, both resource areas and geography:**

This item will modify the budget of all four resources areas. Corporate Resources will process the transactions.

### **What concerns could this Board item raise?**

None. The District is statutorily required to notice and receive Governing Board approval to increase or decrease its overall budget. This is the second proposed budget amendment for FY2006. If approved, this amendment will increase the District's FY2006 amended budget from \$1,039,756,612 million to \$1,127,016,382 million, an increase of \$87,259,770 million.

### **Why should the Governing Board approve this item?**

By approving this item, the Governing Board will allow staff to update the FY2006 budget with the latest known project and intergovernmental revenue information.

If you have any questions, please do not hesitate to call me at ext. 6351.

SCT/db  
Attachments

## **Budget Amendment Items – Governing Board Memo Attachment July 12, 2006**

### **Adjustments to External Revenue Sources: \$81.5M**

1. Recognize FY07 State Revenues from Save Our Everglades Trust Fund for Land Acquisition of parcels previously approved by the Governing Board: **\$52.3M**
  - \$12.5 million - Putman Groves land acquisition (2,053.6 acres) for the CERP Lake Okeechobee Watershed Project
  - \$12.6 million – Culpepper land acquisition (1,282.6 acres) for the CERP North Palm Beach County project
  - \$27.2 million – includes the pay back of \$17.9M of short-term borrowing needed to close the C-44 land acquisition; Minton (620.2 acres) for \$5.2 million, and Star land acquisition of 320 acres for \$4.1 million
2. Recognize FY07 State Revenues from Florida Forever Fund for Land Acquisition previously approved by the Governing Board:
  - **\$34M** - Lykes land acquisition for the Kissimmee Restoration Program
3. Reduce Budget Authority of DEP's Appropriation for Invasive Plant Mgmt: **\$5.2M**
  - DEP reduced SFWMD's allocation for Kissimmee Chain of Lakes aquatic plant control because hurricane effects have reduced hydrilla growth, and DEP purchased some of the chemicals directly, instead of local cooperators making purchases.
4. Increase Budget Authority for FDACS Funds to support Water Resources Projects: **\$0.4M**
  - Lake Okeechobee Watershed Sub-basin Monitoring Network - \$0.2M
  - Four projects supporting agricultural alternative water supply – water recovery, stormwater irrigation and two reservoirs within the Lake Okeechobee watershed - \$0.2M

### **Accounting Adjustment: \$5.7M**

This adjustment to the budget is necessary to reflect a change in treatment for budgeting indirect costs in the new financial system (SAP). The administrative overhead charge for CERP is being recognized as a revenue to the General Fund instead of being reflected as a reduction to General Fund expenditures.