



June 26, 2024

Mr. Jeff Rogers
Hernando County Administrator
20 N. Main Street, Rm 263
Brooksville, Florida 34601

RECEIVED

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HERNANDO COUNTY
BOARD OF
COUNTY COMMISSIONERS

Subject: WRWSA Budget for FY 2024-25

Dear Mr. Rogers:

The Withlacoochee Regional Water Supply Authority draft budget for Fiscal Year (FY) 2024-25 was presented at its May 15, 2024 meeting. Enclosed is a copy of the budget and the Authority's FY 2024-25 Work Program. The budget is based upon, in part, maintaining the current \$0.19 per capita contribution from each County, resulting in Hernando County contributing \$38,811 in per capita revenues. The other counties will contribute a total of \$137,091 in per capita contributions and Citrus County will contribute an additional minimum amount of \$312,000 for the purchase of water from the Authority's Charles A. Black wellfield.

The Authority's Work Program for the fiscal year calls for continued development and implementation of its regional work program to ensure our member governments' long-range water supply needs are met in a cost-effective and sustainable manner. We have maintained our local government grants program and our residential irrigation audit program to assist our member governments in water conservation. We continue to monitor and engage with the water management districts, the Florida Department of Environmental Protection and other state agencies, and the State Legislature to stay abreast of water management activities that may affect this region and to advocate for the interests of our member governments and public supply water needs within our region.

I hope this information is sufficient for your budgetary needs. If you need further information, please don't hesitate to contact me.

Sincerely,

Suzannah J. Folsom, PE, PMP
Executive Director

cc: WRWSA Board of Directors
Tobey Phillips, Deputy County Administrator
Toni Brady, Office of Management and Budget Director
Gordon Onderdonk, PE, Utilities Director
Grace Sheppard, Finance Manager, HCUD
Alys Brockway, Water Resource Manager

WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY

Fiscal Year 2024-25 Budget

Draft April 30, 2024

	4/1/2023 Population Estimate	Comments	Fiscal Year 2024-25	Fiscal Year 2023-24	\$ Change	% Change
Revenues: Administrative						
Assessments:		Official BEBR Population Estimates				
Citrus	162,240	4,231 person increase	\$30,826	\$30,022	\$804	2.7%
Hernando	204,265	5,058 person increase	\$38,811	\$37,850	\$961	2.5%
Marion	403,966	11,983 person increase	\$76,754	\$74,477	\$2,277	3.1%
Sumter	155,318	13,898 person increase	\$29,511	\$26,870	\$2,641	9.8%
Total Population/Assessments @ 19¢/Capita	925,789		\$175,902	\$169,219	\$6,683	3.9%
Administrative Revenue from Citrus Contract		Based on Citrus County contract and Board direction	\$24,453	\$26,519	-\$2,066	-7.8%
Subtotal			\$200,355	\$195,738	\$4,617	2.4%
Carryover Administration Reserve Funds (FYE 23/24 Estimate) (SBA1)		See Attachment 2	\$828,609	\$804,562	\$24,047	3.0%
Total Administrative Revenue Available			\$1,028,964	\$1,000,300	\$28,664	2.9%
Revenues: Water Resource Development (WRD) Projects						
2024 RWSP Update Matching Funds		50% of Remaining Project Budget (25%)	\$43,750	131,250	-\$87,500	-66.7%
SJRWMD Irrigation Audit Program SJRWMD Matching Funds		0% of Total Project Budget	\$0	\$15,000	-\$15,000	100.0%
SJRWMD Irrigation Audit Program Cooperator Matching Funds		0% of Total Project Budget	\$0	\$22,500	-\$22,500	100.0%
Phase 8 Irrigation Audit Program SWFWMD Matching Funds		0% of Total Project Budget	\$20,000	\$0	\$20,000	N/A
Phase 8 Irrigation Audit Program Cooperator Matching Funds		0% of Total Project Budget	\$11,970	\$0	\$11,970	N/A
Phase 7 Irrigation Audit Program SWFWMD Matching Funds		0% of Remaining Project Budget	\$0	\$25,500	-\$25,500	-100.0%
Phase 7 Irrigation Audit Program Cooperator Matching Funds		0% of Remaining Project Budget	\$0	\$12,750	-\$12,750	-100.0%
Annual Citrus WRD Payments (SBA2)		Based on CAB wellfield monthly average revenues of \$26,000 minus funds allocated to administrative revenue above	\$287,547	\$249,481	\$38,066	15.3%
Subtotal			\$363,267	\$456,481	-\$93,214	-20.4%
Carryover WRD Reserve Funds (FYE 23/24 Estimate) (SBA2)		See Attachment 2	\$1,366,310	\$1,267,326	\$98,984	7.8%
Total Water Resource Development Revenue Available			\$1,729,577	\$1,723,807	\$5,770	0.3%
Total Revenues Available			\$2,758,541	\$2,724,107	\$34,434	1.3%

WITHLACOOCHEE REGIONAL WATER SUPPLY AUTHORITY

Fiscal Year 2024-25 Budget

Draft April 30, 2024

		Fiscal Year 2024-25	Fiscal Year 2023-24	\$ Change	% Change
Expenditures: General Administration					
Executive Director	3% increase	\$94,716	\$91,956	\$2,760	3.0%
Administrative Assistant	3% increase	\$42,216	\$40,980	\$1,236	3.0%
Legal Services	Based on annual contract:				
Monthly Meetings @ \$235/hr	6 meetings/year, 3 hrs/meeting = 18 hrs	\$4,230	\$4,230	\$0	0.0%
Other Services @ \$235/hr.	6 hrs/month = 72 hrs	\$16,920	\$16,920	\$0	0.0%
Advertising	Based on FY 2022-23 actual	\$700	\$700	\$0	0.0%
Audit	Engagement Letter Email 05/31/23	\$14,500	\$14,500	\$0	0.0%
Bookkeeping Services	3x \$750/quarter per Engagement Letter email	\$2,250	\$2,250	\$0	0.0%
Liability Insurance	FY 21-22 actual plus 5%	\$5,000	\$4,879	\$121	2.5%
Office Supplies	Based on FY 2022-23 actual	\$1,250	\$1,250	\$0	0.0%
Postage	Based on FY 2022-23 actual	\$800	\$800	\$0	0.0%
Printing and Reproduction	Based on FY 2022-23 actual	\$1,600	\$1,600	\$0	0.0%
Publications/Software	Based on FY 2022-23 actual	\$150	\$150	\$0	0.0%
Rent (Lecanto Gov't Bldg)	Based on Lease Agreement	\$2,048	\$2,048	\$0	0.0%
Registrations/Dues	Based on FY 2022-23 actual	\$1,500	\$1,500	\$0	0.0%
State Fees/Assessments	Based on FY 2022-23 actual	\$175	\$175	\$0	0.0%
Telephone	Based on FY 2022-23 actual	\$1,200	\$1,200	\$0	0.0%
Travel (Board Members & Staff)	Based on FY 2022-23 actual	\$3,000	\$3,000	\$0	0.0%
Web Page / Computer Maintenance / Software	Based on projected needs	\$6,000	\$6,000	\$0	0.0%
Contingencies	@ 5% of non-contract admin costs	\$2,100	\$1,600	\$500	31.3%
Subtotal - General Administration Expenditures		\$200,355	\$195,738	\$4,617	2.4%
Fund Balance for Admin. Reserves FYE 24/25	FYE23/24 Admin Funds Bal + FY24/25 Admin Rev's - FY24/25 Admin Exp's	\$828,609	\$804,562	\$24,047	3.0%
Expenditures: Water Resource Development Projects					
General Services Contracts	As Needed Eng. & Tech. Firms	\$50,000	\$50,000	\$0	0.0%
Local Government Grant Program	Approved 3/20/24	\$180,000	\$180,000	\$0	0.0%
2024 RWSP Update	25% of Project Budget	\$87,500	\$262,500	-\$175,000	-66.7%
SJRWMD Pilot Irrigation Audit Program	0% of project Budget	\$0	\$60,000	-\$60,000	100.0%
SWFWMD Phase 7 Irrigation Audit Program	0% of Project Budget	\$0	\$51,000	-\$51,000	-100.0%
SWFWMD Phase 8 Irrigation Audit Program	100% of Project Budget	\$47,880	\$0	\$47,880	0.0%
Subtotal - Water Resource Development Projects		\$365,380	\$603,500	-\$238,120	-39.5%
Fund Balance for Water Resource Development Reserves FYE 24/25	FYE23/24 WRD Funds Bal + FY24/25 WRD Rev's - FY24/25 WRD Exp's	\$1,364,197	\$1,120,307	\$243,890	21.8%
Total Administration and WRD Expenses		\$565,735	\$799,238	-\$233,503	-29.2%
Total Administration and WRD Fund Balances at FYE 23/24	See Attachment 2 for detail	\$2,192,806	\$1,924,869	\$267,937	13.9%
Combined FYE 24/25 Expenditures and Fund Balances		\$2,758,541	\$2,724,107	\$34,434	1.3%

ATTACHMENT 1

CALCULATION OF REVENUE FOR 2024-25 AND CALCULATION OF AMOUNT OF FUNDS NEEDED FROM RESERVES

Draft April 30, 2024

Revenue	4/1/2022 Population	
LOCAL ASSESSMENTS @ 19¢ PER CAPITA		
Citrus	162,240	\$30,826
Hernando	204,265	\$38,811
Marion	403,966	\$76,754
Sumter	155,318	\$29,511
Subtotal	925,789	\$175,902
CHARLES A. BLACK WATER SUPPLY FACILITY		
\$26,000 per month * 12 months		\$312,000
Subtotal		\$312,000
MATCHING CONTRIBUTIONS FOR STUDIES		
SWFWMD Match for RWSP Update		\$43,750
SWFWMD Match for Phase 7 Irrigation Audit Program		\$0
Local Cooperator Match for Phase 7 Irrigation Audit Program		\$0
SWFWMD Match for Phase 8 Irrigation Audit Program		\$20,000
Local Cooperator Match for Phase 8 Irrigation Audit Program		\$11,970
SJRWMD Match for Irrigation Pilot Evaluation Program		\$0
Local Cooperator Match for Irrigation Pilot Evaluation		\$0
Subtotal		\$75,720
TOTAL REVENUE FOR FY 2023-24		\$563,622
Less: 2024-25 Administration Expense		-\$200,355
Less: 2024-25 WRD Cost		-\$365,380
Funds from WRWSA Reserves (+to, -from)		-\$2,113

ATTACHMENT 2

ANALYSIS OF BEGINNING FUND BALANCES FY 2024 - 2025 Draft April 30, 2024

ESTIMATE OF WATER RESOURCES DEVELOPMENT FUND BALANCE AT END OF FY 2023-24

03/31/24 WRDF Balance (SBA2)	\$1,487,030
FY 2023-24 Remaining WRD Fund Revenues	
6 Citrus Co. Payments @ \$23,000/month minus administrative component below	\$124,740
2024 RWSP SWFWMD Revenue	\$43,750
Phase 6 Irrigation Audit Local Cooperator Revenue	\$0
Phase 6 Irrigation Audit SWFWMD Revenue	\$7,172
Phase 7 Irrigation Audit Local Cooperator Revenue	\$6,625
Phase 7 Irrigation Audit SWFWMD Revenue	\$13,250
SJRWMD Pilot Program Revenue Cooperator Revenue	\$22,500
SJRWMD Pilot Program SJRWMD Revenue	\$15,000
Revenues Subtotal	\$233,037
Less: FY 2023-24 Remaining Contract Expenditures:	
2023-24 Citrus Water Conservation Program	\$40,170
2023-234 Hernando Water Conservation Program	\$46,250
2023-24 Marion Water Conservation Program	\$9,338
2023-24 Sumter County Water Conservation Program	\$80,000
2023-24 General Services Contracts	\$20,000
2024 RWSP	\$87,500
SJRWMD Pilot Program	\$45,000
Phase 7 Irrigation Audit Program	\$25,500
Expenditures Subtotal	\$353,758
Total WRD Funds at end of FY 2023-24	\$1,366,310

ESTIMATE OF ADMINISTRATIVE FUND BALANCE AT END OF FY 2023-24

03/31/24 Admin Bal (SBA1)	\$828,609
Admin Revenue from CAB WSF	\$13,260
Admin Revenue from Per Capita Contributions	\$84,610
Less remaining FY Admin costs for 7 months	-\$97,869
Total Administrative Funds at end of FY 2023-24	\$828,609

ESTIMATE OF TOTAL FUND BALANCE AT END OF FY 2023-24

Total WRD Funds at end of FY 2023-24	\$1,366,310
Total Administrative Funds at end of FY 2023-24	\$828,609
Total Fund Balance at end of FY 2023-24	\$2,194,919

PROJECTED FUND BALANCES AT END OF FY 2023-24

Total Fund Balances beginning of FY 2023-24:	\$2,194,919
Add: 2023-24 Revenues	\$563,622
Deduct 2023-24 Expenses:	-\$565,735
Projected Fund Balances at end of FY 2023-24:	\$2,192,806

Withlacoochee Regional Water Supply Authority

Fiscal Year 2024-2025 Work Program

1. 2024 Regional Water Supply Plan Update

Work will continue on the 2024 Regional Water Supply Plan update. This will include population and demand projections, evaluation of water supply sources, conservation and reuse alternatives, and an evaluation of alternative water supply options. This work is co-funded by SWFWMD, and will be incorporated into their 2025 Northern Region Regional Water Supply Plan, and SJRWMD 2026 Central Springs/East Coast Regional Water Supply Plan update.

2. Joint Funding of Water Conservation Projects with Member Local Governments

The Authority will continue its grant program to assist local governments in improving water supply and conservation within the region in order to extend the use of groundwater as long as possible. Fresh groundwater is the least expensive source available to meet growing demands, however there is a limit to this source due to environmental impacts and impacts on other existing legal users caused by withdrawals. As the limit to fresh groundwater resources is reached, alternative, more expensive water sources will need to be developed. At the present time, water conservation programs are the most appropriate way for the Authority to help local governments extend the use of lower cost groundwater supplies. The 2024-25 proposed budget includes \$180,000 toward local government water supply and conservation projects. Proposals will be considered from local governments and public supply utilities in the Authority's jurisdiction. The grant program guidelines and application package may be found on the Authority's web page at www.wrwsa.org. The water conservation activities co-funded by this grant program help participating utilities meet and surpass the maximum 150 gallons per person per day that is required by the SWFWMD and to meet the SJRWMD conservation requirements.

3. Regional Residential Irrigation Audit Program to Promote Water Conservation within the Region

This ongoing program provides an opportunity for residential water utility customers to obtain site-specific evaluations for optimizing the use of water through landscaping techniques and efficient irrigation systems, and to implement recommendations provided by a professionally certified contractor. Contractors used for the site-specific evaluations are professionals certified by the Florida Irrigation Society (FIS) or another recognized certifying agency in the targeted region. The initiative includes program information, water conservation education, reporting and analysis by a consultant. This continuing project targets existing inefficient landscape and irrigation water use and results in significant water savings and can lead to water quality protection through reduced leaching of fertilizers and lawn chemicals. More than 1500 audits have been conducted as part of Phases 1 to 7. In Phase 4, we began offering enhanced audits that have a more intense implementation of improvements, and have an improved benefit to reduce water usage. An average reduction in total water use of 28% has been achieved for the locations that have been audited. Phase 7 started in January 2023. This program is co-funded by the SWFWMD. Participating utilities incur only 25% of their respective portion of the project, leveraging local dollars with regional funds. This water conservation initiative helps participating utilities meet and surpass the maximum 150 gallons per person per day that is required by the SWFWMD.

In Fiscal Year 2023-24 we began a new program cofunded by SJRWMD that included Marion County and the City of Belleview as cooperating utilities. This pilot program included 60 enhanced evaluations.

4. Continued Cooperation with Citrus County in Operation and Management of the Authority's Charles A. Black Water Supply Facilities

The Authority and Citrus County are parties of a Water Supply Contract governing the operation and maintenance of the CABWSF. The Contract allows for the continued operation of the facilities by Citrus County in a cost-effective manner ensuring a long-term water supply for the County and its customers while also providing for long-term financial stability for the Authority.

WRWSA and Citrus County received a renewed Water Use Permit No. 7121 with an increased capacity of 7,181,900 gallons per day. Citrus County deposits an annual contribution to the Renewal and Replacement Fund of \$270,000 to account for inflation, and additional planned activities, and to maintain a balance the required balance of between \$2,000,000 and \$3,000,000.

5. Participation in Maintenance and Enhancement of the Central Springs Groundwater Model

The Authority will continue to participate in discussions with SJRWMD and SWFWMD on the implementation of the Central Springs Groundwater model. The intent is for both water management districts to utilize this common model for determining the availability of groundwater in the region, particularly in Marion County which is split by the districts' boundaries. The SJRWMD and SWFWMD continue to improve upon the model and seek the engagement of various stakeholders. The model has significant implications for groundwater availability in the region and the Authority's continued participation and coordination with member governments is essential to ensure water supply implications are considered as the model is updated. This model is being used for the 2024 Regional Water Supply Plan update.

6. Springs Protection and Restoration

The Authority continues to work with the SWFWMD on its springs coast initiative. The Authority staff continue to actively participate in the Springs Coast Management Committee as the public supply Representative, and monitor activities of the District and the Steering Committee for implications on water supply in the region. WRWSA is also providing a representative on the Technical Advisory Committee via one of our As-Needed Consultants.

7. Program Development and Technical Assistance

- a) Support efforts to further define the hydrogeology of the region. Continue cooperation with the water management districts on the collection of hydrologic data to further refine the Districts' planning and regulatory models. Coordinate on efforts to better define the lower Floridan aquifer and the extent of fresh and brackish groundwater within the aquifer.
- b) Promote the WRWSA Regional Framework through coordination with WRWSA member governments to facilitate regional and sub-regional cooperation on water supply development and reclaimed water projects. Work with the WMDs in defining strategic priorities for the region and how these priorities may influence the ranking criteria for the Districts' Cooperative Funding Initiatives, including potential District funding for regional and sub-regional traditional and non-traditional water supply development that is consistent with the WRWSA Regional Framework.
- c) Participate in the SWFWMD and SJRWMD minimum flows and levels (MFLs) programs representing the interests of member governments. Provide technical assistance to WRWSA

member governments in determining the potential impact to both the environment and potential water supply development based on proposed MFLs.

- d) Coordinate with FDEP, SJRWMD, SWFWMD and the Florida Department of Agriculture and Consumer Services on policy and rule development. Provide assistance to WRWSA member governments on FDEP and District rule development that may include Water Use Permitting, Environmental Resource Permitting, water conservation and future water supply development, including the statewide consistency initiatives. Monitor water management programs and rule development in other parts of the state, including the Central Florida Water Initiative, for implications to the WRWSA and its member governments.
- e) Monitor and coordinate with the water supply planning and development activities in adjacent communities and regions, including but not limited to Tampa Bay Water, the Central Florida Water Initiative, the Polk Water Cooperative, and Lake and Levy counties for possible implications on water resource availability within the WRWSA region. Provide input to such activities when appropriate.
- f) Monitor applications for significant water use permits and permit modifications within the region for potential impacts on WRWSA and member government existing and planned water supply facilities and engage in the permitting process where appropriate.