

Community & Military Affairs Subcommittee

**Wednesday, February 9, 2011
1:00 PM - 4:00 PM
Morris Hall (17 HOB)**

**Dean Cannon
Speaker**

**Ritch Workman
Chair**



The Florida House of Representatives

Community & Military Affairs Subcommittee

A G E N D A

**February 9, 2011
1:00 PM - 4:00 PM
Morris Hall (17 HOB)**

- I. Opening Remarks by Chair Workman**
- II. Consideration of the following bill(s):**
 - HB 107 Local Government Accountability by Rep. Smith**
 - HB 4001 Growth Policy by Rep. Diaz**
 - HB 4031 Local Government Services by Dorworth**
- III. Workshop on Growth Management**
 - Invited Speakers:**
 - Department of Community Affairs, Matt Davis**
 - Consortium of Business Interests, Linda Shelley**
 - Coalition of Conservation Groups, Charles Pattison**
 - Florida Association of Counties, Eric Poole**
 - Florida League of Cities, Rebecca O'Hara**
 - Public Comments**
 - Member Discussion**
- IV. Closing Remarks by Chair**
- V. Adjournment**

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 107 Local Government Accountability

SPONSOR(S): Smith

TIED BILLS: IDEN./SIM. BILLS: SB 224

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Community & Military Affairs Subcommittee		Duncan <i>pdd</i>	Hoagland <i>[Signature]</i>
2) Government Operations Subcommittee			
3) Appropriations Committee			
4) Economic Affairs Committee			

SUMMARY ANALYSIS

The bill requires that budgets and budget amendments of each county, county officer, municipality, special district, water management district and school district be posted on the government entity's website. If the local government entity does not have an official website, the local government must transmit the required budget information to the county or counties in which it is located or to the relevant governing authority.

The bill also requires that budgets be prepared in a similar level of detail required by the annual financial reports under s. 218.32, F.S.

Counties, municipalities, and special districts must file their annual financial reports within nine months of the fiscal year end with the Department of Financial Services and their annual financial audit reports within nine months of the fiscal year end with the Auditor General.

The bill also amends the process used by the Legislative Auditing Committee and the Department of Community Affairs to compel special districts to provide certain information.

The bill is effective October 1, 2011.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

County Budget System

As provided in the State Constitution and state law, counties are political subdivisions of the state that carry out a variety of services and functions through the governing bodies and constitutional officers (sheriff, tax collector, property appraiser, supervisor of elections, and clerk of the circuit court).¹ There are currently 67 counties in Florida. The boards of county commissioners and constitutional officers are participants in the county's budget process.

Florida law establishes a budget system for counties to control finances.² The law provides, among other things, that an annual budget must be prepared, approved, adopted, and executed for each fiscal year³ ending September 30. The budget must be created using sound financial practices and generally accepted accounting principles. The budget controls the levy of taxes and the expenditure of money for all county purposes during the ensuing fiscal year.⁴ Each budget must conform to the following general directions and requirements:⁵

- The budget must be prepared, summarized, and approved by the board of county commissioners of each county.
- The budget must be balanced meaning that the total of the estimated receipts, including balances brought forward, must equal the total amount of appropriations and reserves.
- Provision may be made for:
 - A reserve for contingencies may be provided in a sum not to exceed 10 percent of the total of the budget.
 - A reserve for cash balance to be carried over may be provided for the purpose of paying expenses from October 1 of the ensuing fiscal year until the time when the revenues for that year are expected to be available. This reserve may be not more than 20 percent of the total receipts and balances of the budget.
- An appropriation for "outstanding indebtedness" must be made to provide for the payment of vouchers which have been incurred in and charged against the budget for the current year or a prior year, but which are expected to be unpaid at the beginning of the ensuing year for which the budget is being prepared.
- Any surplus arising from an excess of the estimated cash balance over the estimated amount of unpaid obligations to be carried over in a fund at the end of the current fiscal year may be transferred to any of the other funds of the county, and the amount transferred must be budgeted as a receipt to such other funds. However, a fund for debt services may not be transferred to another fund; and a capital outlay reserve fund may not be transferred to another fund until the projects have been completed and all obligations have been paid.

The general fund budget, the county transportation trust fund budget, the budget for county fine and forfeiture, and the capital outlay reserve fund must contain an estimate of receipts by source.⁶ A bond interest and sinking fund budget must be made for each county and for each special district included within the county budget having bonds outstanding.

¹ Section 1, Article VIII, Fla. Constitution; ch. 125, F.S.

² Section 129.01, F.S.

³ The fiscal year of each county begins on October 1 and ends on September 30 of each year. Section 129.04, F.S.

⁴ Section 129.01(1), F.S.

⁵ Section 129.01(2), F.S.

⁶ See statute text for further specifics.

The budget must contain an estimate of receipts by source, including any taxes authorized by law to be levied for that purpose, and including any balances brought forward and an itemized estimate of expenditures and reserves.⁷ For each special district included within the county budget, the operating fund budget must contain an estimate of receipts by source and balances and an itemized estimate of expenditures that will need to be incurred to carry on all functions and activities of the special district.⁸

Once the tentative budgets have been received and the board has completed its revisions, the board is required to prepare a statement summarizing all of the adopted tentative budgets. This summary statement must show, for each budget and the total of all budgets, the proposed tax millages, the balances, the reserves, and the total of each major classification of receipts and expenditures, classified according to the classification of accounts prescribed by the appropriate state agency.

The board must advertise the summary statement once in a newspaper of general circulation published in the county, or by posting at the courthouse door if there is no such newspaper. The tentative budgets, adopted tentative budgets, and final budgets are required to be filed in the office of the county auditor as a public record.⁹

Each board of county commissioners is authorized to designate a county budget officer to carry out the responsibilities prescribed under the county budget system. Unless the board designates a different officer, the clerk of the circuit court or the county comptroller is directed to act as the budget officer.¹⁰

As defined by law, county fee officers are those county officials who are assigned specialized functions within county government and whose budgets are established independently of the local governing body, even though said budgets may be reported to the local governing body or may be composed of funds either generally or specially available to a local governing authority involved.¹¹ County fee officers are required to prepare an annual budget to reflect the revenues available and the functions for which moneys have been expended. The budget must be balanced and included in the county's annual financial report.¹² Each constitutional officer (sheriff, tax collector, property appraiser, supervisor of elections, and clerk of the circuit court) has budgeting requirements specifically related to their respective offices, as well as the county's budget reporting requirements.¹³

It is unlawful for the board of county commissioners to expend or contract for the expenditure in any fiscal year more than the amount budgeted in each fund's budget without a budget amendment. Any indebtedness contracted in excess of the amount budgeted is deemed null and void and no suit may be prosecuted in any court for the collection of the debt. However, the members of the board of county commissioners voting for the contract amounts and the bonds of the members of the board must be held liable for the indebtedness.¹⁴

Sheriff Budget Requirements

Each sheriff is required to certify to the board of county commissioners a proposed budget of expenditures required to carry out the powers, duties, and operations of the office for the ensuing fiscal year of the county. The fiscal year begins on October 1 and ends on September 30 of each year.¹⁵

The sheriff must submit with the proposed budget, a sworn certificate, stating that the proposed expenditures are reasonable and necessary for the proper and efficient operation of the office for the ensuing year. The proposed budget must show the estimated amounts of all proposed expenditures for operating and equipping the sheriff's office and jail, excluding the cost of construction, repair, or capital improvement of county buildings during the fiscal year.¹⁶

⁷ Section 129.02(5), F.S.

⁸ Section 129.02(6), F.S.

⁹ Section 129.03(3)(c), F.S.

¹⁰ Section 129.025, F.S.

¹¹ Section 218.31(8), F.S.

¹² Section 218.35(1) and (3), F.S.

¹³ Sections 30.49, 195.087, 129.201, 218.35, F.S.

¹⁴ Section 129.07, F.S.

¹⁵ Section 30.49(1), F.S.

¹⁶ Section 30.49(2)(a), F.S.

Expenditures must be itemized within the appropriate fund and functional category in accordance with the uniform chart of accounts prescribed by the Department of Financial Services as follows:¹⁷

- Personal services.
- Operating expenses.
- Capital outlay.
- Debt service.
- Nonoperating disbursements and contingency reserves.

The sheriff is required to provide the board of county commission or the county's budget commission all relevant and pertinent information concerning expenditures made in the previous fiscal years and proposed expenditures deemed necessary.

Supervisor of Elections Budget Requirements

Each supervisor of elections is required to certify to the board of county commissioners or the county's budget commission a proposed budget of expenditures required to carry out the powers, duties, and operations of the office for the ensuing fiscal year of the county. The fiscal year begins on October 1 and ends on September 30 of each year.¹⁸

Expenditures must be itemized as follows:¹⁹

- Compensation for the supervisor of elections and other office personnel.
- Operating expenses.
- Capital outlay.
- Contingencies and transfers.

The budget must be further itemized in conformance with the Uniform Accounting System for Local Governments adopted by rule of the Chief Financial Officer.²⁰ The supervisor of elections must provide the board of county commission or the county's budget commission all relevant and pertinent information determined as necessary by the county.²¹

Property Appraisers and Tax Collectors Budget Requirements

Annually, each property appraiser must submit to the Department of Revenue (DOR) a budget for the operation of the property appraiser's office for the ensuing fiscal year beginning October 1. The report, due annually on or before June 1, must be submitted in the manner and form required by the DOR. A copy of the budget must be provided to the board of county commissioners at the same time. On or before August 15, the DOR must make its final budget amendments or changes to the budget and notify the property appraiser and the board of county commissioners.²²

Annually, each tax collector must submit to the DOR, on or before August 1, a budget for the operation of the tax collector's office for the ensuing fiscal year in the manner and form prescribed by the DOR. A copy of the budget must be provided to the board of county commissioners at the same time. The DOR examines the budget and if it is found adequate, the DOR must approve the budget and certify it back to the tax collector.²³

Clerk of the Circuit Court Budget Requirements

The clerk of the circuit court, functioning as the clerk of the circuit and county courts and as clerk of the board of county commissioners, must prepare the budget in two parts.²⁴

¹⁷ Section 30.49(2)(b), F.S.

¹⁸ Section 129.201(1), F.S.

¹⁹ Section 129.201(2)(a), F.S.

²⁰ Section 129.201(2)(b), F.S.

²¹ Section 129.201(3), F.S.

²² Section 195.087(1)(a), F.S.

²³ Section 195.087(2), F.S.

²⁴ Section 218.35(2), F.S.

- The budget for funds necessary to perform court-related functions, which detail the methodologies used to apportion costs between court-related and non court-related functions performed by the clerk.
- The budget relating to the requirements of the clerk as the clerk of the board of county commissioners, county auditor, and custodian or treasurer of all county funds and other county-related duties.

Municipal Budget Process

The statutory provisions for the municipal budget process are not as defined as the county budget process.²⁵ Each municipality is required to follow the same fiscal year as counties, beginning October 1 of each year and ending September 30 of the following year. The governing body of each municipality is required to adopt a budget each fiscal year. The budget must be adopted by ordinance or resolution unless otherwise specified in the respective municipality's charter. The amount available from taxation and other sources, including amounts carried over from prior fiscal years, must equal the total appropriations for expenditures and reserves. The budget must regulate expenditures of the municipality.²⁶

The governing body of each municipality at any time within a fiscal year or within up to 60 days following the end of the fiscal year may amend a budget for that year as follows:²⁷

- Appropriations for expenditures within a fund may be decreased or increased by motion recorded in the minutes, provided that the total of the appropriations of the fund is not changed.
- The governing body may establish procedures by which the designated budget officer may authorize certain budget amendments within a department, provided that the total of the appropriations of the department is not changed.
- If a budget amendment is required for a purpose not specifically authorized, the budget amendment must be adopted in the same manner as the original budget unless otherwise specified in the charter of the respective municipality.

Special Districts

The Uniform Special District Accountability Act of 1989²⁸ sets forth for the general provisions for the definition, creation, and operation of all special districts.²⁹ Special districts are local units of special purpose government within a limited boundary, created by general law, special act, local ordinance, or by rule of the Governor and Cabinet.³⁰ The term does not include:³¹

- A school district;
- A community college district;
- A Seminole and Miccosukee Tribe special improvement district;³²
- A municipal service taxing or benefit unit; or
- A board which provides electrical service and which is a political subdivision of a municipality or is part of a municipality.

As of February 1, 2011, there were approximately 1,626 special districts.³³

²⁵ See ss. 129.01 and 166.241, F.S.

²⁶ Section 166.241(1) and (2), F.S.

²⁷ Section 166.241(3), F.S.

²⁸ Chapter 89-169, L.O.F.

²⁹ Section 189.402(1), F.S.

³⁰ Section 189.403(1), F.S.

³¹ *Id.*

³² Florida law establishes a special improvement district for each of the areas contained within the reservation set aside for the Seminole and Miccosukee Tribes, respectively. Section 285.17, F.S.

³³ Florida Department of Community Affairs, Division of Housing and Community Development, Special District Information Program, Official List of Special Districts Online, *Special District Statewide Totals*, <http://www.floridaspecialdistricts.org/OfficialList/StateTotals.cfm> (last visited February 1, 2011).

The Act establishes criteria for determining whether a special district is a “dependent special district” or an “independent special district.” A “dependent special district” is a special district that meets at least one of the following criteria:³⁴

- The membership of its governing body is identical to that of the governing body of a single county or single municipality.
- All members of its governing body are appointed by the governing body of a single county or single municipality.
- During their unexpired terms, members of the special district’s governing body are subject to removal at will by the governing body of a single county or single municipality.
- The district has a budget that requires approval through an affirmative vote or can be vetoed by the governing body of a single county or single municipality.

As of February 1, 2011, there were 619 active dependent special districts.³⁵

An “independent special district” is a special district that is not a dependent special district as defined in state law. A district that includes more than one county is an independent special district unless the district lies wholly within the boundaries of a single municipality.³⁶ As of February 1, 2011, there were 1,007 active independent special districts.³⁷

Special District Budget Process

The budget process for special districts is similar to the municipal budget requirements.³⁸ The governing body of each special district must adopt a budget by resolution each fiscal year. The total amount available from taxation and other sources, including amounts carried over from prior fiscal years, must equal the total of appropriations for expenditures and reserves. The adopted budget must regulate expenditures of the special district.³⁹

The proposed budget of a dependent special district must be presented in accordance with generally accepted accounting principles, contained within the general budget of the local governing authority, and be clearly stated as the budget of the dependent district. However, with the concurrence of the local governing authority, a dependent district may be budgeted separately.⁴⁰

The governing body of each special district at any time within a fiscal year or within up to 60 days following the end of the fiscal year may amend a budget for that year. The budget amendment must be adopted by resolution.⁴¹ A local government may, in its discretion, review the budget or tax levy of any special district located solely within its boundaries.⁴²

Special District Information Program

As provided by law, the Special District Information Program (SDIP) is administered by the Department of Community Affairs (DCA).⁴³ The DCA has clearinghouse, technical assistance and monitoring responsibilities with no oversight authority and limited enforcement authority.⁴⁴ The DCA’s specific responsibilities include the following:⁴⁵

³⁴ Section 189.403(2), F.S.

³⁵ See *supra* note 33.

³⁶ Section 189.403(3), F.S.

³⁷ See *supra* note 33.

³⁸ Section 189.418, F.S.

³⁹ Section 189.418(3), F.S.

⁴⁰ Section 189.418(4), F.S.

⁴¹ Section 189.418(5), F.S.

⁴² Section 189.418(6), F.S.

⁴³ Section 189.412, F.S.

⁴⁴ Florida Department of Community Affairs, Division of Housing and Community Development, Special District Information Program, Florida Special District Handbook Online, *The Special District Information Program, Purposes and Responsibilities*, <http://www.floridaspecialdistricts.org/Handbook/1-3SDIP.cfm> (last visited February 1, 2011).

⁴⁵ Section 189.412 (1)-(3), (5) and (8), F.S.

- The collection and maintenance of special noncompliance status reports from the Department of Management Services (DMS), the Department of Financial Services (DFS), the Division of Bond Finance of the State Board of Administration, and the Auditor General.
- The maintenance of a master list of independent and dependent special districts available on DCA's website.
- The publishing and updating of a "Florida Special District Handbook."
- The facilitation of coordination and communication among state agencies regarding special district information.
- Provide assistance to local general-purpose governments and certain state agencies in collecting delinquent reports or information, helping special districts comply with reporting requirements, declaring special districts inactive when appropriate, and, when directed by the Legislative Auditing Committee, initiate enforcement proceedings.

When a new special district is created, the special district must file with DCA its creation document, creation document amendments, a written statement referencing the basis for its independent or dependent status, map, and map amendments.⁴⁶ Other reporting requirements include:⁴⁷

- Annual Fee
- Regular public meeting schedule
- Annual budget
- Annual Financial Audit Report
- Annual Financial Report
- Retirement System Reports
- Bond Financing Reports
- Public Facilities Reports

Upon notification that a special district has failed to file a financial report, DCA is directed to assist the special district to comply with its financial reporting requirements by sending a certified letter to the special district, and a copy of the letter to the chair of the local general-purpose government, which describes the required report, including statutory submission deadlines; contact information for technical assistance; a 60-day extension of time for filing the required report; and an explanation of the penalties⁴⁸ for noncompliance. The DCA may grant an additional 30-day extension, if requested, in writing by the special district.⁴⁹ The Legislative Auditing Committee must notify DCA of those districts that have failed to file the required reports and DCA must then file a petition for writ of certiorari in circuit court.⁵⁰

Inactive Special Districts

Under certain circumstances, DCA may declare a special district inactive and take steps to dissolve a district. In particular, DCA may take steps to dissolve a district if the district fails to file with the appropriate state agency the following:⁵¹

- Retirement related reports - DMS.
- Annual Financial Report – DFS.
- Annual Financial Audit Report - Auditor General and DFS.
- Bond related reports - State Board of Administration, Division of Bond Finance.

Local Government Annual Financial Reports

Local governments must submit to the DFS an Annual Financial Report covering their operations for the preceding fiscal year following accounting principles.⁵² To assure the use of proper accounting and

⁴⁶ Section 189.418(1) and (2), F.S.

⁴⁷ Florida Department of Community Affairs, Division of Housing and Community Development, Special District Information Program, *Special Districts Basic Presentation*, at 25 (Jan. 2011), available at <http://www.floridaspecialdistricts.org/files/SpecialDistrictPresentation.pdf>.

⁴⁸ Sections 189.421, F.S.

⁴⁹ Section 189.421(1), F.S.

⁵⁰ Section 189.421(3), F.S.

⁵¹ Section 189.419(3), F.S.

fiscal management each local government must follow uniform accounting practices and procedures as promulgated by rule of the DFS.⁵³ All Annual Financial Reports are to be electronically produced and submitted through the Bureau of Local Government's web-based Local Government Electronic Reporting System.⁵⁴

Submission of the annual report depends on whether the local government entity is required to have an annual audit. If no audit is required, the deadline is April 30 of each year.⁵⁵ If an audit is required the deadline is within 45 days after completion of the audit report, but no later than 12 months after the end of the entity's fiscal year.⁵⁶ If the DFS does not receive a completed annual financial report from a local government entity, the DFS must notify the Legislative Auditing Committee, which must schedule a hearing.⁵⁷

Local Government Annual Financial Audit Reports

If, by the first day in any fiscal year, a local government entity, district school board, charter school, or charter technical career center has not been notified that a financial audit for that fiscal year will be performed by the Auditor General, each of the following entities must have an annual financial audit of its accounts and records completed within 12 months after the end its fiscal year by an independent certified public accountant retained by it and paid from its public funds:⁵⁸

- Each county, district school board, charter school, or charter technical center.
- Each municipality with revenues or total of expenditures and expenses of more than \$250,000.
- Each special district with revenues or total of expenditures and expenses of more than \$100,000.
- Each municipality with revenues or total of expenditures and expenses between \$100,000 and \$250,000 that has not been audited within the two preceding fiscal years.
- Each special district with revenues or total of expenditures and expenses between \$50,000 and \$100,000 that has not been audited within the two preceding fiscal years.

Actuarial Reports

The "Florida Protection of Public Employee Retirement Benefits Act" establishes minimum standards for operating and funding public employee retirement systems and plans.⁵⁹ The act is applicable to all units of state, county, special district and municipal governments which participate in, operate, or administer a retirement system or plan for public employees, funded in whole or in part by public funds.⁶⁰

The act further provides that a unit of local government may not agree to a proposed change in retirement benefits unless the administrator of the system, prior to adoption of the change by the governing body, and prior to the last public hearing thereon, has issued a statement of the actuarial impact of the proposed change upon the local retirement system, consistent with the actuarial review, and has furnished a copy of such statement to the Division of Retirement (Division) within the DMS.⁶¹

If a local government does not submit complete and adequate data necessary for the division to perform its statutorily required functions, the division may request additional information. Upon completion of its review, the division may notify the local government about concerns it has regarding the actuarial soundness of a plan. If, after a reasonable period of time, a satisfactory adjustment has not been made, the DMS may notify the DOR and the DFS of the noncompliance and those agencies may withhold and funds not pledged for satisfaction of bonds until such adjustment is made. The

⁵² Section 218.32(1), F.S.

⁵³ Section 219.33(2), F.S.

⁵⁴ Rule 69I-51.003, F.A.C.

⁵⁵ Section 218.32(1)(a), F.S.

⁵⁶ Section 218.32(1)(d), F.S.

⁵⁷ Section 218.32(1)(f), F.S.; *see also* s. 11.40(5), F.S.

⁵⁸ Section 218.39, F.S.

⁵⁹ Part VII, ch. 112, F.S.

⁶⁰ Section 112.62, F.S.

⁶¹ Section 112.63(3), F.S.

affected local government may petition for a hearing.⁶² If a special district fails to make the adjustment, the DMS also notifies DCA, which may seek a writ of certiorari in circuit court for noncompliance.⁶³

Effect of Proposed Changes

County Budget System

The bill requires counties to provide, at a minimum, a budget that shows, for each fund, as required by law and sound financial practices, budgeted revenues and expenditures by organizational unit at a level of detail that is at least at the level of detail in the state-required annual financial report. A county's tentative budget must be posted on the county's official website at least 2 days before the public hearing to consider such budget. The final budget must be posted on the website within 30 days after adoption. The bill clarifies county budget amendment provisions and requires budget amendments authorized by resolution or ordinance to be posted on the county's official website within 5 days after adoption. The bill clarifies that it is unlawful for the boards of county commissioners to exceed budgeted appropriations except as provided in s. 129.06, F.S.

The bill also requires budgets of dependent special districts (included within the county's budget) to show budgeted revenues and expenditures by organizational unit at a level of detail that is at least at a level of detail required for the state-required annual financial report. The amount available from taxation and other sources, including balances brought forward from prior fiscal years, must equal the total appropriations for expenditures and reserves. The bill revises provisions specifying how a county fee officer is to prepare and submit a budget.

The bill removes superfluous language and corrects cross references.

Sheriff Budget Requirements

The budget requirements of sheriffs are amended to require each sheriff to annually prepare and submit a proposed budget to the board of county commissioners. The requirements also clarify that personnel services, grants and aid, and other uses must be itemized by the sheriff's office. The sheriff must include expenditures at the subobject code level in accordance with the uniform accounting system prescribed by the Department of Financial Services (DFS). The board of county commissioners or the county budget commission may not amend, modify, increase, or reduce any expenditure at the subobject code level.

Supervisor of Elections Budget Requirements

The bill stipulates that each supervisor of elections is required to prepare and annually submit, rather than certify, to the boards of county commissioners a proposed budget. The bill requires each supervisor of elections to itemize expenditures in accordance with the uniform accounting system prescribed by the DFS into the following categories: personnel services, operating expenses, capital outlay, debt service, grants and aids, and other uses. The supervisor of elections must furnish expenditures to the board at the subobject code level in accordance to the account system prescribed by the DFS. The board or commission may not amend, modify, increase, or reduce any expenditure at the subobject code level.

Property Appraisers and Tax Collectors Budget Requirements

The bill requires property appraisers and tax collectors to post their final approved budget on their official website within 30 days after adoption. Each county's official website must have a link to the websites of the property appraiser or tax collector where the final budget is posted. If the property appraiser or tax collector does not have an official website, the final approved budget must be posted on the county's official website.

Clerk of the Circuit Court Budget Requirements

The bill provides that the budget relating to the requirements of the clerk as the clerk of the board of county commissioners, county auditor, and custodian or treasurer of all county funds must be annually

⁶² Section 112.63(4), F.S.

⁶³ Sections 112.63(4)(b), F.S.

prepare and submitted to the board of county commissioners. The bill requires that expenditures be itemized in accordance with the uniform accounting system prescribed by the DFS using the following categories: personnel services, operating expenses, capital outlay, debt service, grants and aids, and other uses.

The bill requires the clerk of the circuit court to provide the board of county commissioners with all relevant and pertinent information as the board deems necessary, including expenditures at the subobject code level in accordance with the uniform accounting system prescribed by the DFS.

The bill also requires the clerk of the circuit court's final approved budget to be posted on the county's official website within 30 days after adoption. The final approved budget of the clerk of the circuit court may be included in the county's budget.

Municipal Budget Process

The bill requires the tentative budget must be published on the municipality's official website at least 2 days before the budget hearing. The final adopted budget must be posted on the municipality's official website within 30 days after adoption. If the municipality does not have an official website, the municipality must transmit the tentative budget and final budget to the county manager or administrator for posting on the county's website within a reasonable amount of time as determined by the county. Certain budget amendments must be posted within 5 days after adoption or must be transmitted to the county manager or administrator for posting within a reasonable time as determined by the county. As of February 1, 2011, 63 municipalities do not have websites.⁶⁴

Special Districts

The bill authorizes the Department of Community Affairs (DCA) to declare a special district inactive pursuant to the process prescribed by law⁶⁵ for failure to disclose financial reports, or for not having a registered office and agent on file with DCA for one or more years. The Special District Information Program must collect and maintain a special district noncompliance status report prepared by the Legislative Auditing Committee.

The bill requires special districts to provide, at a minimum, a budget that shows, for each fund, as required by law and sound financial practices, revenues and expenditures by organizational unit at a level of detail that is at the level of detail in the state-required annual financial report.

Dependent special districts must provide any budget information requested by the local governing authority. A local general-purpose government or governing authority may request, from any special district located solely within its boundaries, financial information necessary to comply with its reporting requirements for filing state-required annual financial reports and annual financial audit reports. All special districts must comply with these financial reporting requirements.

The tentative budget must be posted on the special district's website at least 2 days before the budget hearing. The final adopted budget must be posted on the special district's official website within 30 after adoption. If the special district does not operate a website, the special district must transmit the tentative budget or final budget to the local general-purpose government in which the special district is located or the local governing authority. The manager or administrator must post the tentative or final budget on the website of the local general-purpose government or the local governing authority.

The bill specifies how special districts may amend their budgets. Certain budget amendment to the adopted budget must be posted on the official website or transmitted to the local general-purpose government or local governing authority within 5 days after adoption. If the special district does not operate a website, the special district must transmit the adopted amendment to the local general-purpose government in which the special district is located or the local governing authority. The manager or administrator must post the adopted amendment on the website of the local general-purpose government or the local governing authority.

⁶⁴ Florida League of Cities, Email from staff regarding HB 107 (February 1, 2011).

⁶⁵ Section 189.4044, F.S.

A local general-purpose government or local governing authority is authorized to request from any special district located solely within its boundaries, financial information in order to comply with its reporting requirements for filing state-required annual financial reports and annual financial audit reports. The special district must cooperate with the request and provide the financial information.

The bill clarifies what occurs when an independent special district fails to file reports or information required under chapter 189, F.S., the Uniform Special District Accountability Act of 1989. If the governing body of a local general-purpose government or governments determines that the failure to file the required reports or information is unjustified, the local general-purpose government may notify DCA which then may proceed according to the procedures⁶⁶ established by law.

If a dependent special district fails to file reports or information with the local governing authority, the local governing authority must take whatever steps it deems necessary to enforce the special district's accountability, including withholding funds; removing governing board members at will; vetoing the special district's budget; conducting the oversight review process;⁶⁷ or amending, merging, or dissolving the special district. State agencies must notify DCA if a special district fails to file certain reports.

The bill also provides procedures for when a special district is unable to meet the 60-day reporting deadline for filing financial reports. When a special district fails to file a report or information required under Chapter 189, or is unable to comply with the 60-day reporting deadline granted by DCA, it must provide a written notice to DCA stating:

- The reason it is unable to comply with the deadline;
- The steps it is taking to prevent the noncompliance from recurring; and
- The estimated date that the special district will file the report with the appropriate agency.

The DCA must forward the written response as follows:

- If the written response refers to the state-required annual financial report or annual financial audit report, then DCA must forward the written response to the Legislative Auditing Committee, which will determine whether state action is needed and notify DCA as to whether they should proceed according to the procedures⁶⁸ established by law.
- If the written response refers to special district reports or information that were not filed⁶⁹ as required by law, then DCA must forward the response to the local general-purpose government for its consideration in determining what actions to take.
- If the written response refers to the reports or information required for meeting the actuarial reporting requirements under Florida Protection of Public Employee Retirement Benefits Act, then DCA must forward the response to the Department of Management Services for its consideration in determining whether the special district should be subject to further action.

The bill deletes the additional 30-day extension and further amends the law to specify that the failure of a special district to comply with actuarial reporting requirements, as well as specified financial reporting requirements, is deemed final action of the special district. The remedy for noncompliance is writ of certiorari. If the Legislative Auditing Committee or DMS notifies DCA that specific special districts have failed to file required reports DCA must initiate a writ of certiorari in the circuit court within 60 days after receiving such notice. Current law gives DCA 30 days.

Water Management Districts and School Districts

The bill requires water management districts to post their tentative budgets on their official website at least 2 days before budget hearings. The final adopted budget must be posted on the website within 30 days after adoption.

⁶⁶ See the Special Districts discussion in the Present Situation section of this bill analysis. See also s. 189.421, F.S.

⁶⁷ Section 189.428, F.S.

⁶⁸ Section 189.421, F.S.

⁶⁹ Section 189.419(1), F.S.

The bill also requires district school boards to post a summary of their tentative budgets on the district's official website within 2 days before the budget hearing. The bill also states that the district school board's final adopted budget must be posted on the district's official website within 30 days after adoption, and any budget amendments must be posted on their official websites within 5 days after adoption.

Local Government Annual Financial Audit Reports and Annual Financial Reports

The bill requires local governmental entities to file their audit with the DFS within 9 months, rather than 12 months, after the end of the fiscal year. Local governments not required to file audits must file annual financial reports no later than 9 months after the end of the fiscal year, rather than April 30 of each year. The bill also requires the DFS to file its report on local government entities that are not in compliance with the annual financial report requirements, with DCA's Special District Information Program. Each local governmental entity's website must provide a link to the DFS website to view the entity's annual financial report submitted to the department. If the local government entity does not have an official website, then the county government's website must provide the required link for the local government entity.

The bill requires certain counties, certain municipalities, certain special districts, district school boards, charter schools, and charter technical career centers, to file their annual financial audit report within 9 months, rather than 12 months, after the end of the fiscal year. The bill specifies that the entity's revenues or total expenditures and expenses are as reported on the fund financial statements.

The bill requires auditors to prepare auditing reports in accordance with the rules of the Auditor General. These reports must be filed with the Auditor General within 45 days after the delivery of the report to the audited entity but no later than 9 months after the end of the fiscal year. The bill also requires the Auditor General to notify the Legislative Auditing Committee (Committee) of any audit report that indicates an audited entity has failed to take full corrective action in response to a recommendation that was included in the two preceding financial audit reports.

The Committee is given the authority to direct a local governmental entity to provide a written statement explaining why full corrective action has not been taken or describing corrective action to be taken and when. If the Committee determines that the written statement is not sufficient, it may require the chair of the governing board of the entity or the chair's designee to appear before the Committee.

The bill further authorizes the Committee to take certain actions⁷⁰ against an audited entity that has failed to take full corrective action and for which there is no justifiable reason for the entity's inaction, or if the entity has failed to comply with the Committee's requests.

The bill clarifies that a deficit in the fund financial statements of entities required to report under governmental financial reporting standards or on not-for-profit financial statements constitutes a financial distress indicator that subjects the entity to review and oversight for financial emergency. The bill replaces the term "fixed or capital assets" with "property, plant, and essential equipment" as types of property that, if necessary, will not be considered resources available to cover the deficit.

B. SECTION DIRECTORY:

Section 1: Amends s. 11.40, F.S., to clarify that the Department of Community Affairs can declare a special district inactive for failure to disclose financial reports.

Section 2: Amends s. 30.49, F.S., to clarify account categories and level of detail required for each account.

Section 3: Amends s. 112.63, F.S., to authorize the Department of Management Services to notify the Department of Community Affairs that a special district has failed to provide requested information or make appropriate adjustments.

⁷⁰ Section 11.40(5), F.S.

Section 4: Amends s. 129.01, F.S., to require county budgets to be prepared in detail consistent with annual financial reports required by s. 218.32(1), F.S.

Section 5: Amends s. 129.02, F.S., to require budgets of special districts included within in the county budget to be in detail consistent with annual financial reports required by s. 218.32(1), F.S.

Section 6: Amends s. 129.021, F.S., to correct cross-reference.

Section 7: Amends s. 129.03, F.S., to require county tentative, adopted tentative, and final adopted budget to be posted on the county's official website.

Section 8: Amends s. 129.06, F.S., to clarify the budget amendment authority of counties.

Section 9: Amends s. 129.07, F.S., to clarify that a board of county commissioners may not exceed budgeted appropriations, except as provided in s. 129.06, F.S.

Section 10: Amends s. 129.201, F.S., to require supervisor of elections to itemize expenditures according to uniform chart of accounts.

Section 11: Amends s. 166.241, F.S., to require municipalities to provide, at a minimum, detail consistent with the annual financial report required by s. 218.32, F.S., publishing of the tentative, adopted, and final adopted budgets, including amendments, on the municipality's website.

Section 12: Amends s. 189.4044, F.S., to allow the Department of Community Affairs to declare any special district inactive if the district has not had a registered office and agent on file with the department with one or more years.

Section 13: Amends s. 189.412, F.S., to require the Department of Community Affairs Special District Information Program to collect and maintain a special district noncompliance state report prepared by the Legislative Auditing Committee.

Section 14: Amends s. 189.418, F.S., to require special districts to prepare budgets in detail consistent with annual financial reports required by s. 218.32(1), F.S., publishing of the tentative, adopted, and final adopted budgets, including amendments, on the special district's website or on the county's website in which the special district is located.

Section 15: Amends s. 189.419, F.S., to provide procedures to follow when a special district fails to provide certain information.

Section 16: Amends s. 189.421, F.S., to provide procedures to follow when a special district fails to provide financial reports.

Section 17: Amends s. 195.087, F.S., to require each tax collector and property appraiser to post his or her budget on the county's official website.

Section 18: Amends s. 218.32, F.S., to require each local governmental entity's website to provide a link to the Department of Financial Services website to view the entity's annual financial report.

Section 19: Amends s. 218.35, F.S., to specify how county fee officers and clerks of court must prepare budget.

Section 20: Amends s. 218.39, F.S., to require certain local government entities to have annual financial audits completed within 9 months after the end of the fiscal year.

Section 21: Amends s. 218.503, F.S., to clarify how to determine a fund balance deficit.

Section 22: Amends s. 373.536, F.S., to require water management districts to post their tentative and final adopted budgets on their website.

Section 23: Amends s. 1011.03, F.S., to require district school boards to post a summary of their tentative and adopted budgets, including amendments, on their website. If the school district does not operate a website the information shall be posted on the county's website.

Section 24: Amends s. 1011.051, F.S., to correct accounting terminology.

Section 25: Amends s. 1011.64, F.S., to correct accounting terminology.

Section 26: Provides an effective date of October 1, 2011.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The Department of Community Affairs may experience increased expenditures resulting from the enhanced enforcement provisions.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

The bill requires local governments to post annual budget and financial reporting information on its or another unit of local governments website. This requirement may have an indeterminate fiscal impact on affected local governments.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill will increase transparency in the budget process of local governments.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The mandates provision appears to apply because the bill requires counties or municipalities to spend funds or take an action requiring the expenditure of funds. However, the amount of the expenditure is insignificant because most local governments have websites, and therefore an exemption applies. Accordingly, the bill does not require a two-thirds vote of the membership of each house.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

N/A.

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A bill to be entitled

An act relating to local government accountability; amending s. 11.40, F.S., relating to the Legislative Auditing Committee; clarifying when the Department of Community Affairs may institute procedures for declaring that a special district is inactive; amending s. 30.49, F.S.; specifying the level of detail required for each fund in the sheriff's proposed budget; revising the categories for expenditures; amending s. 112.63, F.S., relating to the review of the actuarial reports and statements of retirement plans of governmental entities by the Department of Management Services; providing that the failure of a special district to make appropriate adjustments or provide additional information authorizes the department to seek a writ of certiorari; amending s. 129.01, F.S.; revising provisions relating to the preparation of county budgets; specifying the level of detail required for each fund in the budget; amending s. 129.02, F.S.; revising provisions relating to the preparation of special district budgets; specifying the level of detail required for each fund in the budget; amending s. 129.021, F.S.; conforming cross-references; amending s. 129.03, F.S.; deleting a time restriction on preparing and presenting a tentative county budget; requiring tentative county budgets to be posted on the county's website; amending s. 129.06, F.S.; revising provisions relating to the execution and amendment of county budgets; requiring revised budgets to be posted on

29 the county's website; amending s. 129.07, F.S.; revising
 30 provisions relating to the prohibition against exceeding
 31 the county budget; amending s. 129.201, F.S.; conforming
 32 and revising provisions relating to the budget of the
 33 supervisor of elections; specifying the level of detail
 34 required for each fund in the proposed budget; revising
 35 expenditure categories; amending s. 166.241, F.S.;
 36 revising provisions relating to the preparation or
 37 amendment of municipal budgets; specifying the level of
 38 detail for each fund in the budget; requiring such budgets
 39 and amendments to such budgets to be posted on the website
 40 of the municipality or related county; amending s.
 41 189.4044, F.S.; adding failure to file a registered office
 42 or agent with the department for 1 or more years as a
 43 criteria for declaring a special district inactive;
 44 amending s. 189.412, F.S.; adding the Legislative Auditing
 45 Committee to the list of entities that obtain special
 46 district noncompliance status reports; amending s.
 47 189.418, F.S.; revising provisions relating to the
 48 preparation or amendment of special district budgets;
 49 specifying the level of detail for each fund in the
 50 budget; requiring such budgets to be posted on the website
 51 of the special district or related local general-purpose
 52 government or governing authority; specifying how the
 53 budget may be amended under certain circumstances;
 54 requiring special districts to comply with certain
 55 reporting requirements; authorizing a local governing
 56 authority to request certain financial information from

57 special districts located solely within the boundaries of
 58 the authority; requiring special districts to cooperate
 59 with such requests; amending s. 189.419, F.S.; revising
 60 procedures relating to a special district's failure to
 61 file certain reports or information; amending s. 189.421,
 62 F.S.; revising procedures relating to the failure of a
 63 special district to disclose financial reports;
 64 authorizing the Department of Community Affairs to seek a
 65 writ of certiorari; amending s. 195.087, F.S.; requiring
 66 the final approved budget of the property appraiser and
 67 tax collector to be posted on their respective website or,
 68 if not available, the county's website; amending s.
 69 218.32, F.S.; revising the schedule for submitting a local
 70 governmental entity's audit and annual financial reports
 71 to the Department of Financial Services; requiring the
 72 department to notify the Special District Information
 73 Program if it does not receive a financial report from a
 74 local governmental entity; requiring a local governmental
 75 entity to provide a link to the entity's financial report
 76 on the department's website; amending s. 218.35, F.S.;
 77 requiring the budget for certain county-related duties to
 78 be itemized in accordance with the uniform accounting
 79 system of the Department of Financial Services; specifying
 80 the level of detail for each fund in the clerk of the
 81 court's budget; requiring the court clerk's approved
 82 budget to be posted on the county's website; amending s.
 83 218.39, F.S.; revising the timeframe for completing a
 84 local governmental entity's annual financial audit;

85 requiring that an auditor prepare an audit report;
 86 requiring that such report be filed with the Auditor
 87 General within a specified time; requiring that the
 88 Auditor General notify the Legislative Auditing Committee
 89 of any audit report indicating that an audited entity has
 90 failed to take corrective action; requiring that the chair
 91 of a local governmental entity appear before the committee
 92 under certain circumstances; amending s. 218.503, F.S.;
 93 revising provisions relating to oversight by the Governor
 94 when an entity's financial statements show it cannot cover
 95 a deficit of funds; amending s. 373.536, F.S.; requiring
 96 that water management district budgets be posted on the
 97 district website; amending s. 1011.03, F.S.; requiring the
 98 summary of the tentative budget, the tentative budget, and
 99 the budget of a district school board to be posted on the
 100 district's official website; amending s. 1011.051, F.S.;
 101 revising provisions relating to the guidelines for
 102 district school boards to maintain an ending fund balance
 103 for the general fund; amending s. 1011.64, F.S.; updating
 104 obsolete accounting terminology for school districts;
 105 providing an effective date.

106

107 Be It Enacted by the Legislature of the State of Florida:

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109 Section 1. Paragraph (b) of subsection (5) of section
 110 11.40, Florida Statutes, is amended to read:

111 11.40 Legislative Auditing Committee.—

112 (5) Following notification by the Auditor General, the

113 Department of Financial Services, or the Division of Bond
 114 Finance of the State Board of Administration of the failure of a
 115 local governmental entity, district school board, charter
 116 school, or charter technical career center to comply with the
 117 applicable provisions within s. 11.45(5)-(7), s. 218.32(1), or
 118 s. 218.38, the Legislative Auditing Committee may schedule a
 119 hearing. If a hearing is scheduled, the committee shall
 120 determine if the entity should be subject to further state
 121 action. If the committee determines that the entity should be
 122 subject to further state action, the committee shall:

123 (b) In the case of a special district, notify the
 124 Department of Community Affairs that the special district has
 125 failed to comply with the law. Upon receipt of notification, the
 126 Department of Community Affairs shall proceed pursuant to s.
 127 189.4044 or ~~the provisions specified in~~ s. 189.421.

128 Section 2. Subsections (1) through (4) of section 30.49,
 129 Florida Statutes, are amended to read:

130 30.49 Budgets.—

131 (1) Pursuant to s. 129.03(2), each sheriff shall annually
 132 prepare and submit ~~certify~~ to the board of county commissioners
 133 a proposed budget ~~of expenditures~~ for the carrying out ~~of~~ the
 134 powers, duties, and operations of the office for the next
 135 ~~ensuing~~ fiscal year ~~of the county~~. The fiscal year of the
 136 sheriff commences ~~shall henceforth commence~~ on October 1 and
 137 ends ~~end on~~ September 30 of each year.

138 (2) (a) ~~The sheriff shall submit with the proposed budget~~
 139 ~~his or her sworn certificate, stating that the proposed~~
 140 ~~expenditures are reasonable and necessary for the proper and~~

141 ~~efficient operation of the office for the ensuing year.~~ The
 142 proposed budget must ~~shall~~ show the estimated amounts of all
 143 proposed expenditures for operating and equipping the sheriff's
 144 office and jail, excluding the cost of construction, repair, or
 145 capital improvement of county buildings during the ~~such~~ fiscal
 146 year. The expenditures must ~~shall~~ be categorized at the
 147 appropriate fund level in accordance with the following
 148 functional categories:

- 149 1. General law enforcement.
- 150 2. Corrections and detention alternative facilities.
- 151 3. Court services, excluding service of process.

152 (b) The sheriff shall submit a sworn certificate along
 153 with the proposed budget stating that the proposed expenditures
 154 are reasonable and necessary for the proper and efficient
 155 operation of the office for the next fiscal year.

156 (c) Within the appropriate fund and functional category,
 157 expenditures must ~~shall~~ be itemized in accordance with the
 158 uniform accounting system ~~chart of accounts~~ prescribed by the
 159 Department of Financial Services, as follows:

- 160 1. Personnel ~~Personal~~ services.
- 161 2. Operating expenses.
- 162 3. Capital outlay.
- 163 4. Debt service.
- 164 5. Grants and aids ~~Nonoperating disbursements and~~
 165 ~~contingency reserves.~~
- 166 6. Other uses.

167 (d) ~~(e)~~ The sheriff shall submit to the board of county
 168 commissioners for consideration and inclusion in the county

169 budget, as deemed appropriate by the county, requests for
 170 construction, repair, or capital improvement of county buildings
 171 operated or occupied by the sheriff.

172 (3) The sheriff shall furnish to the board of county
 173 commissioners or the budget commission, if there is a budget
 174 commission in the county, all relevant and pertinent information
 175 concerning expenditures made in previous fiscal years and ~~to the~~
 176 proposed expenditures which the ~~such~~ board or commission deems
 177 necessary, including expenditures at the subobject code level in
 178 accordance with the uniform accounting system prescribed by the
 179 Department of Financial Services. The board or commission may
 180 not amend, modify, increase, or reduce any expenditure at the
 181 subobject code level. ~~except that~~ The board or commission may
 182 not require confidential information concerning details of
 183 investigations ~~which. Confidential information concerning~~
 184 ~~details of investigations~~ is exempt from ~~the provisions of~~ s.
 185 119.07(1).

186 (4) The board of county commissioners or the budget
 187 commission, as appropriate ~~the case may be~~, may require the
 188 sheriff to correct mathematical, mechanical, factual, and
 189 clerical errors and errors as to form in the proposed budget. At
 190 the hearings held pursuant to s. 200.065, the board or
 191 commission, ~~as the case may be~~, may amend, modify, increase, or
 192 reduce any or all items of expenditure in the proposed budget,
 193 as certified by the sheriff pursuant to paragraphs (2) (a)-(c),
 194 and shall approve such budget, as amended, modified, increased,
 195 or reduced. The board or commission ~~It~~ must give written notice
 196 of its action to the sheriff and specify in such notice the

197 specific items amended, modified, increased, or reduced. The
 198 budget must ~~shall~~ include the salaries and expenses of the
 199 sheriff's office, cost of operation of the county jail,
 200 purchase, maintenance and operation of equipment, including
 201 patrol cars, radio systems, transporting prisoners, court
 202 duties, and all other salaries, expenses, equipment, and
 203 investigation expenditures of the entire sheriff's office for
 204 the previous year.

205 (a) The sheriff, within 30 days after receiving written
 206 notice of such action by the board or commission, ~~either~~ in
 207 person or in his or her office, may file an appeal by petition
 208 to the Administration Commission. ~~Such appeal shall be by~~
 209 ~~petition to the Administration commission.~~ The petition must
 210 ~~shall~~ set forth the budget proposed by the sheriff, in the form
 211 and manner prescribed by the Executive Office of the Governor
 212 and approved by the Administration Commission, and the budget as
 213 approved by the board of county commissioners or the budget
 214 commission, ~~as the case may be,~~ and shall contain the reasons or
 215 grounds for the appeal. Such petition shall be filed with the
 216 Executive Office of the Governor, and a copy ~~of the petition~~
 217 ~~shall be~~ served upon the board or commission from the decision
 218 of which appeal is taken by delivering the same to the chair or
 219 president thereof or to the clerk of the circuit court.

220 (b) The board ~~of county commissioners or the budget~~
 221 ~~commission, as the case may be,~~ shall have 5 days following from
 222 delivery of a copy of ~~any~~ such petition to file a reply with the
 223 Executive Office of the Governor ~~a reply thereto,~~ and ~~it~~ shall
 224 deliver a copy of such reply to the sheriff.

225 Section 3. Subsection (4) of section 112.63, Florida
 226 Statutes, is amended to read:

227 112.63 Actuarial reports and statements of actuarial
 228 impact; review.—

229 (4) Upon receipt, pursuant to subsection (2), of an
 230 actuarial report, or ~~upon receipt~~, pursuant to subsection (3),
 231 of a statement of actuarial impact, the Department of Management
 232 Services shall acknowledge such receipt, but shall only review
 233 and comment on each retirement system's or plan's actuarial
 234 valuations at least on a triennial basis.

235 (a) If the department finds that the actuarial valuation
 236 is not complete, accurate, or based on reasonable assumptions or
 237 otherwise materially fails to satisfy the requirements of this
 238 part; ~~if the department~~ requires additional material
 239 information necessary to complete its review of the actuarial
 240 valuation of a system or plan or material information necessary
 241 to satisfy the duties of the department pursuant to s.

242 112.665(1); ~~if the department~~ does not receive the actuarial
 243 report or statement of actuarial impact, the department shall
 244 notify the administrator of the affected retirement system or
 245 plan and the affected governmental entity and request
 246 appropriate adjustment, the additional material information, or
 247 the required report or statement. The notification must inform
 248 the administrator ~~of the affected retirement system or plan~~ and
 249 the affected governmental entity of the consequences for failing
 250 ~~failure~~ to comply with the requirements of this subsection.

251 (b) If, after a reasonable period of time, a satisfactory
 252 adjustment is not made or the report, statement, or additional

253 material information is not provided, the department may notify
 254 the Department of Revenue and the Department of Financial
 255 Services of the such noncompliance, and in which case the
 256 Department of Revenue and the Department of Financial Services
 257 shall withhold any funds not pledged for satisfaction of bond
 258 debt service which are payable to the affected governmental
 259 entity until the adjustment is made or the report, statement, or
 260 additional material information is provided to the department.
 261 The Department of Management Services shall specify the date
 262 such action is to begin and notify, ~~and notification by the~~
 263 ~~department must be received by~~ the Department of Revenue, the
 264 Department of Financial Services, and the affected governmental
 265 entity 30 days before the specified date ~~the action begins~~.

266 (c) ~~(a)~~ Within 21 days after receipt of the notice, the
 267 affected governmental entity may petition the Department of
 268 Management Services for a hearing under ss. 120.569 and 120.57
 269 ~~with the Department of Management Services~~. The Department of
 270 Revenue and the Department of Financial Services may not be
 271 parties to the any such hearing, but may request to intervene if
 272 requested by the Department of Management Services or if the
 273 Department of Revenue or the Department of Financial Services
 274 determines its interests may be adversely affected by the
 275 hearing.

276 1. If the administrative law judge recommends in favor of
 277 the department, the department shall perform an actuarial
 278 review, prepare the statement of actuarial impact, or collect
 279 the requested material information. The cost to the department
 280 of performing the such actuarial review, preparing the

281 statement, or collecting the requested material information
 282 shall be charged to the affected governmental entity whose ~~of~~
 283 ~~which the~~ employees are covered by the retirement system or
 284 plan. If payment ~~of such costs~~ is not received by the department
 285 within 60 days after ~~receipt by~~ the affected governmental entity
 286 receives ~~of~~ the request for payment, the department shall
 287 certify to the Department of Revenue and the Department of
 288 Financial Services the amount due, and the Department of Revenue
 289 and the Department of Financial Services shall pay such amount
 290 to the Department of Management Services from ~~any~~ funds not
 291 pledged for satisfaction of bond debt service which are payable
 292 to the affected governmental entity ~~of which the employees are~~
 293 ~~covered by the retirement system or plan.~~

294 2. If the administrative law judge recommends in favor of
 295 the affected governmental entity and the department performs an
 296 actuarial review, prepares the statement of actuarial impact, or
 297 collects the requested material information, the cost to the
 298 department ~~of performing the actuarial review, preparing the~~
 299 ~~statement, or collecting the requested material information~~
 300 shall be paid by the Department of Management Services.

301 ~~(d)(b)~~ In the case of an affected special district, the
 302 Department of Management Services shall also notify the
 303 Department of Community Affairs. Upon receipt of notification,
 304 the Department of Community Affairs shall proceed pursuant to
 305 ~~the provisions of s. 189.421 with regard to the special~~
 306 ~~district.~~

307 1. Failure of a special district to provide a required
 308 report or statement, to make appropriate adjustments, or to

309 provide additional material information after the procedures
 310 specified in s. 189.421(1) are exhausted shall be deemed final
 311 action by the special district.

312 2. The Department of Management Services may notify the
 313 Department of Community Affairs of those special districts that
 314 failed to come into compliance. Upon receipt of notification,
 315 the Department of Community Affairs shall proceed pursuant to s.
 316 189.421(4).

317 Section 4. Section 129.01, Florida Statutes, is amended to
 318 read:

319 129.01 Budget system established. ~~There is hereby~~
 320 ~~established~~ A budget system for the control of the finances of
 321 the boards of county commissioners of the several counties of
 322 the state is established, as follows:

323 (1) A budget ~~There~~ shall be prepared, approved, adopted,
 324 and executed, as prescribed in this chapter, ~~for the fiscal year~~
 325 ~~ending September 30, 1952, and for each fiscal year.~~ At a
 326 minimum, the budget must show for each fund, as thereafter, an
 327 annual budget for such funds as may be required by law and or by
 328 sound financial practices, budgeted revenues and expenditures by
 329 organizational unit which are at least at the level of detail
 330 required for the annual financial report under s. 218.32(1) and
 331 generally accepted accounting principles. The budget shall
 332 ~~control the levy of taxes and the expenditure of money for all~~
 333 ~~county purposes during the ensuing fiscal year.~~

334 (2) The ~~Each~~ budget must ~~shall~~ conform to the following
 335 general directions and requirements:

336 (a) The budget must ~~shall~~ be prepared, summarized, and

337 approved by the board of county commissioners of each county.
 338 (b) The budget must ~~shall~~ be balanced, so that; ~~that is,~~
 339 the total of the estimated receipts available from taxation and
 340 other sources, including balances brought forward from prior
 341 fiscal years, equals ~~shall equal~~ the total of the appropriations
 342 for expenditures and reserves. ~~It shall conform to the uniform~~
 343 ~~classification of accounts prescribed by the appropriate state~~
 344 ~~agency.~~ The budgeted receipts must ~~division of the budget shall~~
 345 include 95 percent of all receipts reasonably ~~to be~~ anticipated
 346 from all sources, including taxes to be levied, provided the
 347 percent anticipated from ad valorem levies is ~~shall be~~ as
 348 specified in s. 200.065(2)(a), and is 100 percent of the amount
 349 of the balances ~~of both cash and liquid securities~~ estimated to
 350 be brought forward at the beginning of the fiscal year. The
 351 appropriations must ~~appropriation division of the budget shall~~
 352 include itemized appropriations for all expenditures authorized
 353 by law, contemplated to be made, or incurred for the benefit of
 354 the county during the ~~said~~ year and the provision for ~~the~~
 355 reserves authorized by this chapter. Both the receipts and
 356 appropriations must ~~appropriation divisions shall~~ reflect the
 357 approximate division of expenditures between countywide
 358 expenditures and noncountywide expenditures and the division of
 359 county revenues derived from or on behalf of the county as a
 360 whole and county revenues derived from or on behalf of a
 361 municipal service taxing unit, special district included within
 362 the county budget, unincorporated area, service area, or program
 363 area, or otherwise not received for or on behalf of the county
 364 as a whole.

365 (c) Provision may be made for the following reserves:

366 1. A reserve for contingencies may be provided which does
 367 ~~in a sum~~ not to exceed 10 percent of the total appropriations of
 368 ~~the budget.~~

369 2. A reserve for cash balance to be carried over may be
 370 provided for the purpose of paying expenses from October 1 of
 371 the next ensuing fiscal year until ~~the time when~~ the revenues
 372 for that year are expected to be available. This reserve may ~~be~~
 373 not be more than 20 percent of the total appropriations.

374 ~~However, receipts and balances of the budget; provided that~~ for
 375 the bond interest and sinking fund budget, this reserve may not
 376 ~~exceed be not more than~~ the total maturities of debt, ~~(both~~
 377 principal and interest), which ~~that~~ will occur during the next
 378 ~~ensuing~~ fiscal year, plus the sinking fund requirements,
 379 computed on a straight-line basis, for any outstanding
 380 obligations to be paid from the fund.

381 (d) An appropriation for "outstanding indebtedness" shall
 382 be made to provide for the payment of vouchers that ~~which~~ have
 383 been incurred in and charged against the budget for the current
 384 year or a prior year, but that ~~which~~ are expected to be unpaid
 385 at the beginning of the next fiscal ~~ensuing~~ year ~~for which the~~
 386 ~~budget is being prepared.~~ The appropriation for the payment of
 387 such vouchers shall be to ~~made in~~ the same fund in which ~~for~~
 388 ~~which~~ the expenses were originally incurred.

389 (e) Any surplus arising from an excess of the estimated
 390 cash balance over the estimated amount of unpaid obligations to
 391 be carried over in a fund at the end of the current fiscal year
 392 may be transferred to any of the other funds of the county, and

393 the amount so transferred shall be budgeted as a receipt to such
 394 other funds. However, a; ~~provided, that no such surplus:~~

395 1. In a fund raised for debt service may not shall be
 396 transferred to another fund until, ~~except to a fund raised for~~
 397 ~~the same purposes in the same territory, unless the debt for~~
 398 which the fund was established of such territory has been
 399 extinguished., ~~in which case it may be transferred to any other~~
 400 ~~fund raised for that territory; provided, further, that no such~~
 401 ~~surplus~~

402 2. In a capital outlay reserve fund may not be transferred
 403 to another fund until ~~such time as~~ the projects for which the
 404 ~~such~~ capital outlay reserve fund was raised have been completed
 405 and all obligations paid.

406 Section 5. Subsection (6) of section 129.02, Florida
 407 Statutes, is amended to read:

408 129.02 Requisites of budgets.—Each budget shall conform to
 409 the following specific directions and requirements:

410 (6) For each special district included within the county
 411 budget, the operating fund budget must show budgeted revenues
 412 and expenditures by organizational unit which are at least at
 413 the level of detail required for the annual financial report
 414 under s. 218.32(1). The amount available from taxation and other
 415 sources, including balances brought forward from prior fiscal
 416 years, must equal the total appropriations for expenditures and
 417 reserves. The budget must include shall contain an estimate of
 418 ~~receipts by source and balances as provided herein, and an~~
 419 ~~itemized estimate of expenditures necessary that will need to be~~
 420 ~~incurred~~ to carry on all functions and activities of the special

421 | district as ~~new or hereafter~~ provided by law, including and of
 422 | the indebtedness of the special district and the provision for
 423 | required reserves; also of the reserves for contingencies and
 424 | ~~the balances, as hereinbefore provided, which should be carried~~
 425 | ~~forward at the end of the year.~~

426 | Section 6. Section 129.021, Florida Statutes, is amended
 427 | to read:

428 | 129.021 County officer budget information.—Notwithstanding
 429 | other provisions of law, the budgets of all county officers, as
 430 | submitted to the board of county commissioners, must shall be in
 431 | sufficient detail and contain such information as the board of
 432 | county commissioners may require in furtherance of their powers
 433 | and responsibilities provided in ss. 125.01(1)(q), and (r), and
 434 | (v), and (6) and 129.01(2)(b).

435 | Section 7. Subsection (3) of section 129.03, Florida
 436 | Statutes, is amended to read:

437 | 129.03 Preparation and adoption of budget.—

438 | (3) ~~No later than 15 days after certification of value by~~
 439 | ~~the property appraiser pursuant to s. 200.065(1),~~ The county
 440 | budget officer, after tentatively ascertaining the proposed
 441 | fiscal policies of the board for the next ensuing fiscal year,
 442 | shall prepare and present to the board a tentative budget for
 443 | the next ensuing fiscal year for each of the funds provided in
 444 | this chapter, including all estimated receipts, taxes to be
 445 | levied, and balances expected to be brought forward and all
 446 | estimated expenditures, reserves, and balances to be carried
 447 | over at the end of the year.

448 | (a) The board of county commissioners shall receive and

449 examine the tentative budget for each fund and, subject to the
 450 notice and hearing requirements of s. 200.065, shall require
 451 such changes to be made as it deems ~~shall deem~~ necessary,[†]
 452 provided the budget remains ~~shall remain~~ in balance. The county
 453 budget officer's estimates of receipts other than taxes, and of
 454 balances to be brought forward, may ~~shall~~ not be revised except
 455 by a resolution of the board, duly passed and spread on the
 456 minutes of the board. However, the board may allocate to any of
 457 the funds of the county any anticipated receipts, other than
 458 taxes levied for a particular fund, except receipts designated
 459 or received to be expended for a particular purpose.

460 (b) Upon receipt of the tentative budgets and completion
 461 of any revisions ~~made by the board~~, the board shall prepare a
 462 statement summarizing all of the adopted tentative budgets. The
 463 ~~This~~ summary statement must ~~shall~~ show, for each budget and the
 464 total of all budgets, the proposed tax millages, ~~the~~ balances,
 465 ~~the~~ reserves, and the total of each major classification of
 466 receipts and expenditures, classified according to the uniform
 467 classification of accounts adopted ~~prescribed~~ by the appropriate
 468 state agency. The board shall cause this summary statement to be
 469 advertised one time in a newspaper of general circulation
 470 published in the county, or by posting at the courthouse door if
 471 there is no such newspaper, and the advertisement must ~~shall~~
 472 appear adjacent to the advertisement required pursuant to s.
 473 200.065.

474 (c) The board shall hold public hearings to adopt
 475 tentative and final budgets pursuant to s. 200.065. The hearings
 476 shall be primarily for the purpose of hearing requests and

477 | complaints from the public regarding the budgets and the
 478 | proposed tax levies and for explaining the budget and any
 479 | proposed or adopted amendments ~~thereto, if any.~~ The tentative
 480 | budget must be posted on the county's official website at least
 481 | 2 days before the public hearing to consider such budget. The
 482 | final budget must be posted on the website within 30 days after
 483 | adoption. The tentative budgets, adopted tentative budgets, and
 484 | final budgets shall be filed in the office of the county auditor
 485 | as a public record. Sufficient reference in words and figures to
 486 | identify the particular transactions shall be made in the
 487 | minutes of the board to record its actions with reference to the
 488 | budgets.

489 | Section 8. Subsection (1) and paragraphs (a) and (f) of
 490 | subsection (2) of section 129.06, Florida Statutes, are amended
 491 | to read:

492 | 129.06 Execution and amendment of budget.—

493 | (1) Upon the final adoption of the budgets as provided in
 494 | this chapter, the budgets so adopted must ~~shall~~ regulate ~~the~~
 495 | expenditures of the county and each special district included
 496 | within the county budget, and the itemized estimates of
 497 | expenditures must ~~shall~~ have the effect of fixed appropriations
 498 | and may ~~shall~~ not be amended, altered, or exceeded except as
 499 | provided in this chapter.

500 | (a) The modified-accrual basis or accrual basis of
 501 | accounting must be followed for all funds in accordance with
 502 | generally accepted accounting principles.

503 | (b) The cost of the investments provided in this chapter,
 504 | or the receipts from their sale or redemption, may ~~must~~ not be

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505 treated as expense or income, and ~~but~~ the investments on hand at
 506 the beginning or end of each fiscal year must be carried as
 507 separate items at cost in the fund balances; however, the
 508 amounts of profit or loss received on their sale must be treated
 509 as income or expense, as applicable ~~the case may be~~.

510 (2) The board at any time within a fiscal year may amend a
 511 budget for that year, and may within the first 60 days of a
 512 fiscal year amend the budget for the prior fiscal year, as
 513 follows:

514 (a) Appropriations for expenditures within ~~in~~ any fund may
 515 be decreased or ~~and other appropriations in the same fund~~
 516 ~~correspondingly~~ increased by motion recorded in the minutes if,
 517 ~~provided that~~ the total ~~of the~~ appropriations of the fund does
 518 not change ~~may not be changed~~. The board of county
 519 commissioners, ~~however,~~ may establish procedures by which the
 520 designated budget officer may authorize ~~certain~~
 521 ~~intradepartmental~~ budget amendments if, ~~provided that~~ the total
 522 appropriations ~~appropriation~~ of the fund does not change
 523 ~~department may not be changed~~.

524 (f) Unless otherwise prohibited by law, if an amendment to
 525 a budget is required for a purpose not specifically authorized
 526 in paragraphs (a)-(e), ~~unless otherwise prohibited by law,~~ the
 527 amendment may be authorized by resolution or ordinance of the
 528 board of county commissioners adopted following a public
 529 hearing.

530 1. The public hearing must be advertised at least 2 days,
 531 but not more than 5 days, before the date of the hearing. The
 532 advertisement must appear in a newspaper of paid general

533 circulation and must identify the name of the taxing authority,
 534 the date, place, and time of the hearing, and the purpose of the
 535 hearing. The advertisement must also identify each budgetary
 536 fund to be amended, the source of the funds, the use of the
 537 funds, and the total amount of each fund's appropriations
 538 ~~budget.~~

539 2. If the board amends the budget pursuant to this
 540 paragraph, the adopted amendment must be posted on the county's
 541 official website within 5 days after adoption.

542 Section 9. Section 129.07, Florida Statutes, is amended to
 543 read:

544 129.07 Unlawful to exceed the budget; ~~certain contracts~~
 545 ~~void; commissioners contracting excess indebtedness personally~~
 546 ~~liable. It is unlawful for~~ The board of county commissioners may
 547 not ~~to~~ expend or enter into a contract requiring expenditures
 548 ~~for the expenditure~~ in any fiscal year for more than the amount
 549 of appropriations budgeted in each fund's budget, except as
 550 provided herein, and ~~in no case shall~~ the total appropriations
 551 of any budget may not be exceeded, except as provided in s.
 552 129.06., ~~and~~ Any indebtedness contracted for any purpose against
 553 either of the funds enumerated in this chapter or for any
 554 purpose, ~~the expenditure for~~ which is chargeable to either of
 555 the said funds, is ~~shall be~~ null and void, and no suit may ~~or~~
 556 ~~suits shall~~ be prosecuted in any court in this state for the
 557 collection of such indebtedness. ~~same, and~~ The members of the
 558 board of county commissioners voting ~~for~~ and contracting for
 559 such indebtedness are ~~amounts and the bonds of such members of~~
 560 ~~said boards also shall be~~ liable for any ~~the~~ excess indebtedness

561 ~~se~~ contracted for.

562 Section 10. Section 129.201, Florida Statutes, is amended
563 to read:

564 129.201 Budget of supervisor of elections; manner and time
565 of preparation and presentation.—

566 (1) Pursuant to ss. 129.01 and s. 129.03(2), each
567 supervisor of elections shall annually prepare and submit
568 ~~certify~~ to the board of county commissioners, or county budget
569 commission if there is one in the county, a proposed budget for
570 carrying out the powers, duties, and operations of income and
571 ~~expenditures to fulfill the duties, responsibilities, and~~
572 ~~operation~~ of the office of the supervisor of elections for the
573 next ensuing fiscal year ~~of the county~~. The fiscal year of the
574 supervisor of elections commences ~~shall commence~~ on October 1 of
575 each year and ends ~~shall end~~ on September 30 of the following
576 year.

577 (2)~~(a)~~ Expenditures must be itemized in accordance with
578 the uniform accounting system prescribed by the Department of
579 Financial Services ~~Each expenditure item in the budget for the~~
580 ~~supervisor of elections shall be itemized generally as follows:~~

581 ~~(a)1. Personnel services. Compensation for the supervisor~~
582 ~~of elections and all other personnel of the office.~~

583 ~~(b)2. Operating expenses.~~

584 ~~(c)3. Capital outlay.~~

585 ~~(d) Debt service.~~

586 ~~(e)4. Grants and aids. Contingencies and transfers.~~

587 ~~(f) Other uses.~~

588 ~~(b) To the extent appropriate, the budget shall be further~~

589 ~~itemized in conformance with the Uniform Accounting System for~~
 590 ~~Local Units of Government in Florida adopted by rule of the~~
 591 ~~Chief Financial Officer.~~

592 (3) The supervisor of elections shall furnish to the board
 593 of county commissioners or the county budget commission all
 594 relevant and pertinent information that the ~~which such~~ board or
 595 commission deems shall deem necessary, including expenditures at
 596 the subobject code level in accordance with the uniform
 597 accounting system prescribed by the Department of Financial
 598 Services. The board or commission may not amend, modify,
 599 increase, or reduce any expenditure at the subobject code level.

600 (4) The board or commission, as appropriate ~~the case may~~
 601 ~~be~~, may require the supervisor of elections to correct
 602 mathematical, mechanical, factual, and clerical errors and
 603 errors of form in the proposed budget. At the hearings held
 604 pursuant to s. 200.065, the board or commission may amend,
 605 modify, increase, or reduce any or all items of expenditure in
 606 the proposed budget as submitted under subsections (1) and (2);
 607 and, as amended, modified, increased, or reduced, such budget
 608 shall be approved by the board or commission, which must provide
 609 ~~giving~~ written notice of its action to specific items amended,
 610 modified, increased, or reduced.

611 (5) The board or commission shall include in the county
 612 budget the items of proposed expenditures ~~as~~ set forth in the
 613 budget which are required by this section to be submitted, after
 614 the budget has been reviewed and approved. The board or
 615 commission shall include the supervisor of elections' reserve
 616 for contingencies ~~provided herein~~ in the general county budget's

617 reserve for contingencies account ~~in the general county budget.~~

618 (6) The supervisor of elections' reserve for contingencies
 619 ~~is in the budget of a supervisor of elections shall be governed~~
 620 by the same provisions governing the amount and use of the
 621 reserve for contingencies appropriated in the county budget.

622 (7) The proposed budget shall be submitted to the board of
 623 county commissioners or county budget commission pursuant to s.
 624 129.03(2), ~~and the budget shall be included by the board or~~
 625 commission in the general county budget.

626 (8) The items placed in the budget of the board are
 627 ~~pursuant to this act shall be~~ subject to the same provisions of
 628 law as the county annual budget; however, an ~~no~~ amendment ~~may be~~
 629 ~~made~~ to the appropriations of the office of the supervisor of
 630 elections may not be made without due notice of the change to
 631 the supervisor of elections.

632 (9) The budget of the supervisor of elections may be
 633 increased by the board of county commissioners to cover ~~such~~
 634 expenses for emergencies and unanticipated expenses as are
 635 recommended and justified by the supervisor of elections.

636 Section 11. Section 166.241, Florida Statutes, is amended
 637 to read:

638 166.241 Fiscal years, ~~appropriations,~~ budgets, and budget
 639 amendments.—

640 (1) Each municipality shall establish ~~make provision for~~
 641 ~~establishing~~ a fiscal year beginning October 1 of each year and
 642 ending September 30 of the following year.

643 (2) The governing body of each municipality shall adopt a
 644 budget each fiscal year. The budget must be adopted by ordinance

645 or resolution unless otherwise specified in the respective
 646 municipality's charter. The amount available from taxation and
 647 other sources, including balances brought forward ~~amounts~~
 648 ~~carried over~~ from prior fiscal years, must equal the total
 649 appropriations for expenditures and reserves. At a minimum, the
 650 adopted budget must show for each fund, as required by law and
 651 sound financial practices, budgeted revenues and expenditures by
 652 organizational unit which are at least at the level of detail
 653 required for the annual financial report under s. 218.32(1). The
 654 adopted budget must regulate expenditures of the municipality,
 655 and an it is unlawful for any officer of a municipal government
 656 may not ~~to~~ expend or contract for expenditures in any fiscal
 657 year except pursuant to the adopted budget ~~in pursuance of~~
 658 ~~budgeted appropriations.~~

659 (3) The tentative budget must be posted on the
 660 municipality's official website at least 2 days before the
 661 budget hearing, held pursuant to s. 200.065 or other law, to
 662 consider such budget. The final adopted budget must be posted on
 663 the municipality's official website within 30 days after
 664 adoption. If the municipality does not operate an official
 665 website, the municipality must, within a reasonable period of
 666 time as established by the county or counties in which the
 667 municipality is located, transmit the tentative budget and final
 668 budget to the manager or administrator of such county or
 669 counties who shall post the budgets on the county's website.

670 (4) ~~(3)~~ The governing body of each municipality at any time
 671 within a fiscal year or within ~~up to~~ 60 days following the end
 672 of the fiscal year may amend a budget for that year as follows:

673 (a) Appropriations for expenditures within a fund may be
 674 decreased or increased by motion recorded in the minutes if
 675 ~~provided that~~ the total ~~of the~~ appropriations of the fund is not
 676 changed.

677 (b) The governing body may establish procedures by which
 678 the designated budget officer may authorize ~~certain~~ budget
 679 amendments if ~~within a department, provided that~~ the total ~~of~~
 680 ~~the~~ appropriations of the fund ~~department~~ is not changed.

681 (c) If a budget amendment is required for a purpose not
 682 specifically authorized in paragraph (a) or paragraph (b), the
 683 budget amendment must be adopted in the same manner as the
 684 original budget unless otherwise specified in the municipality's
 685 charter ~~of the respective municipality~~.

686 (5) If the governing body of a municipality amends the
 687 budget pursuant to paragraph (4)(c), the adopted amendment must
 688 be posted on the official website of the municipality within 5
 689 days after adoption. If the municipality does not operate an
 690 official website, the municipality must, within a reasonable
 691 period of time as established by the county or counties in which
 692 the municipality is located, transmit the adopted amendment to
 693 the manager or administrator of such county or counties who
 694 shall post the adopted amendment on the county's website.

695 Section 12. Paragraph (a) of subsection (1) of section
 696 189.4044, Florida Statutes, is amended to read:

697 189.4044 Special procedures for inactive districts.—

698 (1) The department shall declare inactive any special
 699 district in this state by documenting that:

700 (a) The special district meets one of the following

701 criteria:

702 1. The registered agent of the district, the chair of the
 703 governing body of the district, or the governing body of the
 704 appropriate local general-purpose government notifies the
 705 department in writing that the district has taken no action for
 706 2 or more years;

707 2. Following an inquiry from the department, the
 708 registered agent of the district, the chair of the governing
 709 body of the district, or the governing body of the appropriate
 710 local general-purpose government notifies the department in
 711 writing that the district has not had a governing board or a
 712 sufficient number of governing board members to constitute a
 713 quorum for 2 or more years or the registered agent of the
 714 district, the chair of the governing body of the district, or
 715 the governing body of the appropriate local general-purpose
 716 government fails to respond to the department's inquiry within
 717 21 days; ~~or~~

718 3. The department determines, pursuant to s. 189.421, that
 719 the district has failed to file any of the reports listed in s.
 720 189.419; or

721 4. The district has not had a registered office and agent
 722 on file with the department for 1 or more years.

723 Section 13. Subsection (1) of section 189.412, Florida
 724 Statutes, is amended to read:

725 189.412 Special District Information Program; duties and
 726 responsibilities.—The Special District Information Program of
 727 the Department of Community Affairs is created and has the
 728 following special duties:

729 (1) The collection and maintenance of special district
 730 noncompliance status reports from the Department of Management
 731 Services, the Department of Financial Services, the Division of
 732 Bond Finance of the State Board of Administration, ~~and~~ the
 733 Auditor General, and the Legislative Auditing Committee, for the
 734 reporting required in ss. 112.63, 218.32, 218.38, and 218.39.
 735 The noncompliance reports must list those special districts that
 736 did not comply with the statutory reporting requirements.

737 Section 14. Subsections (3) through (7) of section
 738 189.418, Florida Statutes, are amended to read:

739 189.418 Reports; budgets; audits.—

740 (3) The governing body of each special district shall
 741 adopt a budget by resolution each fiscal year. The total amount
 742 available from taxation and other sources, including balances
 743 brought forward ~~amounts carried over~~ from prior fiscal years,
 744 must equal the total of appropriations for expenditures and
 745 reserves. At a minimum, the adopted budget must show for each
 746 fund, as required by law and sound financial practices, budgeted
 747 revenues and expenditures by organizational unit which are at
 748 least at the level of detail required for the annual financial
 749 report under s. 218.32(1). The adopted budget must regulate
 750 expenditures of the special district, and an it is unlawful for
 751 any officer of a special district may not ~~to~~ expend or contract
 752 for expenditures in any fiscal year except pursuant to the
 753 adopted budget in pursuance of budgeted appropriations.

754 (4) The tentative budget must be posted on the special
 755 district's official website at least 2 days before the budget
 756 hearing, held pursuant to s. 200.065 or other law, to consider

757 such budget. The final adopted budget must be posted on the
 758 special district's official website within 30 days after
 759 adoption. If the special district does not operate an official
 760 website, the special district must, within a reasonable period
 761 of time as established by the local general-purpose government
 762 or governments in which the special district is located or the
 763 local governing authority to which the district is dependent,
 764 transmit the tentative budget or final budget to the manager or
 765 administrator of the local general-purpose government or the
 766 local governing authority. The manager or administrator shall
 767 post the tentative budget or final budget on the website of the
 768 local general-purpose government or governing authority. This
 769 subsection and subsection (3) do not apply to water management
 770 districts as defined in s. 373.019.

771 (5)~~(4)~~ The proposed budget of a dependent special district
 772 must ~~shall~~ be ~~presented in accordance with generally accepted~~
 773 ~~accounting principles,~~ contained within the general budget of
 774 the local governing authority to which it is dependent, and be
 775 clearly stated as the budget of the dependent district. However,
 776 with the concurrence of the local governing authority, a
 777 dependent district may be budgeted separately. The dependent
 778 district must provide any budget information requested by the
 779 local governing authority at the time and place designated by
 780 the local governing authority.

781 (6)~~(5)~~ The governing body of each special district at any
 782 time within a fiscal year or within ~~up to~~ 60 days following the
 783 end of the fiscal year may amend a budget for that year as
 784 follows:-

785 (a) Appropriations for expenditures within a fund may be
 786 decreased or increased by motion recorded in the minutes if the
 787 total appropriations of the fund do not change.

788 (b) The governing body may establish procedures by which
 789 the designated budget officer may authorize certain budget
 790 amendments if the total appropriations of the fund is not
 791 changed.

792 (c) If a budget amendment is required for a purpose not
 793 specifically authorized in paragraph (a) or paragraph (b), the
 794 budget amendment must be adopted by resolution.

795 (7) If the governing body of a special district amends the
 796 budget pursuant to paragraph (6)(c), the adopted amendment must
 797 be posted on the official website of the special district within
 798 5 days after adoption. If the special district does not operate
 799 an official website, the special district must, within a
 800 reasonable period of time as established by the local general-
 801 purpose government or governments in which the special district
 802 is located or the local governing authority to which the
 803 district is dependent, transmit the adopted amendment to the
 804 manager or administrator of the local general-purpose government
 805 or governing authority. The manager or administrator shall post
 806 the adopted amendment on the website of the local general-
 807 purpose government or governing authority.

808 (8)-(6) A local general-purpose government governing
 809 authority may, ~~in its discretion,~~ review the budget or tax levy
 810 of any special district located solely within its boundaries.

811 (9) All special districts must comply with the financial
 812 reporting requirements of ss. 218.32 and 218.39. A local

813 general-purpose government or governing authority may request,
 814 from any special district located solely within its boundaries,
 815 financial information in order to comply with its reporting
 816 requirements under ss. 218.32 and 218.39. The special district
 817 must cooperate with such request and provide the financial
 818 information at the time and place designated by the local
 819 general-purpose government or governing authority.

820 ~~(10)(7)~~ All reports or information required to be filed
 821 with a local general-purpose government or governing authority
 822 under ss. 189.415, 189.416, and 189.417 and subsection (8) must
 823 ~~this section shall:~~

824 (a) If ~~When~~ the local general-purpose government or
 825 governing authority is a county, be filed with the clerk of the
 826 board of county commissioners.

827 (b) If ~~When~~ the district is a multicounty district, be
 828 filed with the clerk of the county commission in each county.

829 (c) If ~~When~~ the local general-purpose government or
 830 governing authority is a municipality, be filed at the place
 831 designated by the municipal governing body.

832 Section 15. Section 189.419, Florida Statutes, is amended
 833 to read:

834 189.419 Effect of failure to file certain reports or
 835 information.—

836 (1) If an independent ~~a~~ special district fails to file the
 837 reports or information required under s. 189.415, s. 189.416, ~~or~~
 838 s. 189.417, or s. 189.418(9) with the local general-purpose
 839 government or governments in which it is located ~~governing~~
 840 ~~authority~~, the person authorized to receive and read the reports

841 or information or the local general-purpose government shall
 842 notify the district's registered agent ~~and the appropriate local~~
 843 ~~governing authority or authorities~~. If requested by the
 844 district, the local general-purpose government governing
 845 ~~authority~~ shall grant an extension of ~~time of~~ up to 30 days for
 846 filing the required reports or information.

847 ~~(2)~~ If the governing body of at any time the local
 848 general-purpose government or governments governing authority or
 849 ~~authorities or the board of county commissioners~~ determines that
 850 there has been an unjustified failure to file these ~~the~~ reports
 851 or information ~~described in subsection (1)~~, it may notify the
 852 department, and the department may proceed pursuant to s.
 853 189.421(1).

854 (2) If a dependent special district fails to file the
 855 reports or information required under s. 189.416, s. 189.417, or
 856 s. 189.418(9) with the local governing authority to which it is
 857 dependent, the local governing authority shall take whatever
 858 steps it deems necessary to enforce the special district's
 859 accountability. Such steps may include, as authorized,
 860 withholding funds, removing governing board members at will,
 861 vetoing the special district's budget, conducting the oversight
 862 review process set forth in s. 189.428, or amending, merging, or
 863 dissolving the special district in accordance with the
 864 provisions contained in the ordinance that created the dependent
 865 special district.

866 (3) If a special district fails to file the reports or
 867 information required under ~~s. 112.63, s. 218.32, s. 218.38, or~~
 868 ~~s. 218.39~~ with the appropriate state agency, the agency shall

869 notify the department, and the department shall send a certified
 870 technical assistance letter to the special district which
 871 summarizes the requirements and encourages the special district
 872 to take steps to prevent the noncompliance from reoccurring
 873 ~~proceed pursuant to s. 189.421.~~

874 (4) If a special district fails to file the reports or
 875 information required under s. 112.63 with the appropriate state
 876 agency, the agency shall notify the department and the
 877 department shall proceed pursuant to s. 189.421(1).

878 (5) If a special district fails to file the reports or
 879 information required under s. 218.32 or s. 218.39 with the
 880 appropriate state agency or office, the state agency or office
 881 shall, and the Legislative Auditing Committee may, notify the
 882 department and the department shall proceed pursuant to s.
 883 189.421.

884 Section 16. Section 189.421, Florida Statutes, is amended
 885 to read:

886 189.421 Failure of district to disclose financial
 887 reports.-

888 (1)(a) If ~~When~~ notified pursuant to s. 189.419(1), (4), or
 889 (5) 189.419, the department shall attempt to assist a special
 890 district in complying to comply with its financial reporting
 891 requirements by sending a certified letter to the special
 892 district, and, if the special district is dependent, sending a
 893 copy of that ~~the~~ letter to the chair of the ~~governing body of~~
 894 ~~the~~ local governing authority. The letter must include general-
 895 ~~purpose government, which includes the following:~~ a description
 896 of the required report, including statutory submission

897 deadlines, a contact telephone number for technical assistance
 898 to help the special district comply, a 60-day deadline extension
 899 ~~of time~~ for filing the required report with the appropriate
 900 entity, the address where the report must be filed, and an
 901 explanation of the penalties for noncompliance.

902 (b) A special district that is unable to meet the 60-day
 903 reporting deadline must provide written notice to the department
 904 before the expiration of the deadline stating the reason the
 905 special district is unable to comply with the deadline, the
 906 steps the special district is taking to prevent the
 907 noncompliance from reoccurring, and the estimated date that the
 908 special district will file the report with the appropriate
 909 agency. The district's written response does not constitute an
 910 extension by the department; however, the department shall
 911 forward the written response to:

912 1. If the written response refers to the reports required
 913 under s. 218.32 or s. 218.39, the Legislative Auditing Committee
 914 for its consideration in determining whether the special
 915 district should be subject to further state action in accordance
 916 with s. 11.40(5)(b).

917 2. If the written response refers to the reports or
 918 information requirements listed in s. 189.419(1), the local
 919 general-purpose government or governments for its consideration
 920 in determining whether the oversight review process set forth in
 921 s. 189.428 should be undertaken.

922 3. If the written response refers to the reports or
 923 information required under s. 112.63, the Department of
 924 Management Services for its consideration in determining whether

925 the special district should be subject to further state action
 926 in accordance with s. 112.63(4)(d)2. ~~The department may grant an~~
 927 ~~additional 30-day extension of time if requested to do so in~~
 928 ~~writing by the special district. The department shall notify the~~
 929 ~~appropriate entity of the new extension of time. In the case of~~
 930 ~~a special district that did not timely file the reports or~~
 931 ~~information required by s. 218.38, the department shall send a~~
 932 ~~certified technical assistance letter to the special district~~
 933 ~~which summarizes the requirements and encourages the special~~
 934 ~~district to take steps to prevent the noncompliance from~~
 935 ~~reoccurring.~~

936 (2) Failure of a special district to comply with the
 937 actuarial and financial reporting requirements under s. 112.63,
 938 s. 218.32, or s. 218.39 after the procedures of subsection (1)
 939 are exhausted shall be deemed final action of the special
 940 district. The actuarial and financial reporting requirements are
 941 declared to be essential requirements of law. Remedy for
 942 noncompliance shall be by writ of certiorari as set forth in
 943 subsection (4) ~~(3)~~.

944 (3) Pursuant to s. 11.40(5)(b), the Legislative Auditing
 945 Committee shall notify the department of those districts that
 946 fail ~~failed~~ to file the required reports ~~report~~. If the
 947 procedures described in subsection (1) have not yet been
 948 initiated, the department shall initiate such procedures upon
 949 receiving the notice from the Legislative Auditing Committee.
 950 Otherwise, within 60 ~~30~~ days after receiving such ~~this~~ notice,
 951 or within 60 ~~30~~ days after the expiration of the 60-day deadline
 952 extension date provided in subsection (1), whichever occurs

953 later, the department, ~~shall proceed as follows:~~ notwithstanding
 954 the provisions of chapter 120, ~~the department~~ shall file a
 955 petition for writ of certiorari with the circuit court. Venue
 956 for all actions pursuant to this subsection is ~~shall be~~ in Leon
 957 County. The court shall award the prevailing party attorney's
 958 fees and costs ~~in all cases filed pursuant to this section~~
 959 unless affirmatively waived by all parties. A writ of certiorari
 960 shall be issued unless a respondent establishes that the
 961 notification of the Legislative Auditing Committee was issued as
 962 a result of material error. Proceedings under this subsection
 963 are ~~shall~~ otherwise ~~be~~ governed by the Rules of Appellate
 964 Procedure.

965 (4) Pursuant to s. 112.63(4)(d)2., the Department of
 966 Management Services may notify the department of those special
 967 districts that have failed to file the required adjustments,
 968 additional information, or report or statement after the
 969 procedures of subsection (1) have been exhausted. Within 60 days
 970 after receiving such notice or within 60 days after the 60-day
 971 deadline provided in subsection (1), whichever occurs later, the
 972 department, notwithstanding chapter 120, shall file a petition
 973 for writ of certiorari with the circuit court. Venue for all
 974 actions pursuant to this subsection is in Leon County. The court
 975 shall award the prevailing party attorney's fees and costs
 976 unless affirmatively waived by all parties. A writ of certiorari
 977 shall be issued unless a respondent establishes that the
 978 notification of the Department of Management Services was issued
 979 as a result of material error. Proceedings under this subsection
 980 are otherwise governed by the Rules of Appellate Procedure.

981 Section 17. Subsection (6) is added to section 195.087,
 982 Florida Statutes, to read:

983 195.087 Property appraisers and tax collectors to submit
 984 budgets to Department of Revenue.—

985 (6) Each property appraiser and tax collector must post
 986 their final approved budget on their official website within 30
 987 days after adoption. Each county's official website must have a
 988 link to the websites of the property appraiser or tax collector
 989 where the final approved budget is posted. If the property
 990 appraiser or tax collector does not have an official website,
 991 the final approved budget must be posted on the county's
 992 official website.

993 Section 18. Paragraphs (d), (e), and (f) of subsection (1)
 994 of section 218.32, Florida Statutes, are amended, and paragraph
 995 (g) is added to that subsection, to read:

996 218.32 Annual financial reports; local governmental
 997 entities.—

998 (1)

999 (d) Each local governmental entity that is required to
 1000 provide for an audit under ~~in accordance with~~ s. 218.39(1) must
 1001 submit ~~the annual financial report with the audit report.~~ a copy
 1002 of the audit report and annual financial report ~~must be~~
 1003 ~~submitted~~ to the department within 45 days after the completion
 1004 of the audit report but no later than 9 ~~12~~ months after the end
 1005 of the fiscal year.

1006 (e) Each local governmental entity that is not required to
 1007 provide for an audit under ~~report in accordance with~~ s. 218.39
 1008 must submit the annual financial report to the department no

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1009 later than 9 months after the end of the fiscal ~~April 30 of each~~
 1010 year. The department shall consult with the Auditor General in
 1011 the development of the format of annual financial reports
 1012 submitted pursuant to this paragraph. The format must ~~shall~~
 1013 include balance sheet information used to be utilized by the
 1014 Auditor General pursuant to s. 11.45(7)(f). The department must
 1015 forward the financial information contained within the ~~these~~
 1016 ~~entities'~~ annual financial reports to the Auditor General in
 1017 electronic form. This paragraph does not apply to housing
 1018 authorities created under chapter 421.

1019 (f) If the department does not receive a completed annual
 1020 financial report from a local governmental entity within the
 1021 required period, it shall notify the Legislative Auditing
 1022 Committee and the Special District Information Program of the
 1023 Department of Community Affairs of the ~~local governmental~~
 1024 entity's failure to comply with the reporting requirements. The
 1025 committee shall proceed in accordance with s. 11.40(5).

1026 (g) Each local governmental entity's website must provide
 1027 a link to the department's website to view the entity's annual
 1028 financial report submitted to the department pursuant to this
 1029 section. If the local governmental entity does not have an
 1030 official website, the county government's website must provide
 1031 the required link for the local governmental entity.

1032 Section 19. Section 218.35, Florida Statutes, is amended
 1033 to read:

1034 218.35 County fee officers; financial matters.—

1035 (1) Each county fee officer shall establish an annual
 1036 budget for carrying out the powers, duties, and operations of

1037 his or her office for the next county fiscal year ~~which shall~~
 1038 ~~clearly reflect the revenues available to said office and the~~
 1039 ~~functions for which money is to be expended.~~ The budget must
 1040 ~~shall~~ be balanced so that, ~~that is,~~ the total of estimated
 1041 receipts, including balances brought forward, equals ~~shall equal~~
 1042 the total of estimated expenditures and reserves. The budgeting
 1043 of segregated funds must ~~shall~~ be made in a ~~such~~ manner that
 1044 retains the relation between program and revenue source, as
 1045 provided by law ~~is retained.~~

1046 (2) The clerk of the circuit court, functioning in his or
 1047 her capacity as clerk of the circuit and county courts and as
 1048 clerk of the board of county commissioners, shall prepare his or
 1049 her budget in two parts:

1050 (a) The budget for funds necessary to perform court-
 1051 related functions as provided ~~for~~ in s. 28.36, ~~which shall~~
 1052 ~~detail the methodologies used to apportion costs between court-~~
 1053 ~~related and non-court-related functions performed by the clerk.~~

1054 (b) The budget relating to the requirements of the clerk
 1055 as clerk of the board of county commissioners, county auditor,
 1056 and custodian or treasurer of all county funds and other county-
 1057 related duties, which shall be annually prepared and submitted
 1058 to the board of county commissioners pursuant to s. 129.03(2),
 1059 for each fiscal year. Expenditures must be itemized in
 1060 accordance with the uniform accounting system prescribed by the
 1061 Department of Financial Services as follows:

- 1062 1. Personnel services.
- 1063 2. Operating expenses.
- 1064 3. Capital outlay.

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1065 4. Debt service.
 1066 5. Grants and aids.
 1067 6. Other uses.
 1068 (3) The clerk of the circuit court shall furnish to the
 1069 board of county commissioners or the county budget commission
 1070 all relevant and pertinent information that the board or
 1071 commission deems necessary, including expenditures at the
 1072 subobject code level in accordance with the uniform accounting
 1073 system prescribed by the Department of Financial Services.

1074 (4) The final approved budget of the clerk of the circuit
 1075 court must be posted on the county's official website within 30
 1076 days after adoption. The final approved budget of the clerk of
 1077 the circuit court may be included in the county's budget.

1078 (5)~~(3)~~ Each county fee officer shall establish ~~make~~
 1079 ~~provision for establishing~~ a fiscal year beginning October 1 and
 1080 ending September 30 of the following year, and shall report his
 1081 or her finances annually upon the close of each fiscal year to
 1082 the county fiscal officer for inclusion in the annual financial
 1083 report by the county.

1084 (6)~~(4)~~ The proposed budget of a county fee officer shall
 1085 be filed with the clerk of the county governing authority by
 1086 September 1 preceding the fiscal year for the budget, except for
 1087 the budget prepared by the clerk of the circuit court for court-
 1088 related functions as provided in s. 28.36.

1089 Section 20. Section 218.39, Florida Statutes, is amended
 1090 to read:

1091 218.39 Annual financial audit reports.—

1092 (1) If, by the first day in any fiscal year, a local

1093 governmental entity, district school board, charter school, or
 1094 charter technical career center has not been notified that a
 1095 financial audit for that fiscal year will be performed by the
 1096 Auditor General, each of the following entities shall have an
 1097 annual financial audit of its accounts and records completed
 1098 within 9 ~~12~~ months after the end of its fiscal year by an
 1099 independent certified public accountant retained by it and paid
 1100 from its public funds:

1101 (a) Each county.

1102 (b) Any municipality with revenues or the total of
 1103 expenditures and expenses in excess of \$250,000, as reported on
 1104 the fund financial statements.

1105 (c) Any special district with revenues or the total of
 1106 expenditures and expenses in excess of \$100,000, as reported on
 1107 the fund financial statements.

1108 (d) Each district school board.

1109 (e) Each charter school established under s. 1002.33.

1110 (f) Each charter technical center established under s.
 1111 1002.34.

1112 (g) Each municipality with revenues or the total of
 1113 expenditures and expenses between \$100,000 and \$250,000, as
 1114 reported on the fund financial statements, which ~~that~~ has not
 1115 been subject to a financial audit pursuant to this subsection
 1116 for the 2 preceding fiscal years.

1117 (h) Each special district with revenues or the total of
 1118 expenditures and expenses between \$50,000 and \$100,000, as
 1119 reported on the fund financial statement, which ~~that~~ has not
 1120 been subject to a financial audit pursuant to this subsection

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1121 | for the 2 preceding fiscal years.

1122 | (2) The county audit report must ~~shall~~ be a single
 1123 | document that includes a financial audit of the county as a
 1124 | whole and, for each county agency other than a board of county
 1125 | commissioners, an audit of its financial accounts and records,
 1126 | including reports on compliance and internal control, management
 1127 | letters, and financial statements as required by rules adopted
 1128 | by the Auditor General. In addition ~~to such requirements~~, if a
 1129 | board of county commissioners elects to have a separate audit of
 1130 | its financial accounts and records in the manner required by
 1131 | rules adopted by the Auditor General for other county agencies,
 1132 | the ~~such~~ separate audit must ~~shall~~ be included in the county
 1133 | audit report.

1134 | (3) (a) A dependent special district may provide ~~make~~
 1135 | ~~provision~~ for an annual financial audit by being included in
 1136 | ~~within~~ the audit of the ~~another~~ local governmental entity upon
 1137 | which it is dependent. An independent special district may not
 1138 | make provision for an annual financial audit by being included
 1139 | in ~~within~~ the audit of another local governmental entity.

1140 | (b) A special district that is a component unit, as
 1141 | defined by generally accepted accounting principles, of a local
 1142 | governmental entity shall provide the local governmental entity,
 1143 | within a reasonable time period as established by the local
 1144 | governmental entity, with financial information necessary to
 1145 | comply with this section. The failure of a component unit to
 1146 | provide this financial information must be noted in the annual
 1147 | financial audit report of the local governmental entity.

1148 | (4) A management letter shall be prepared and included as

1149 a part of each financial audit report.

1150 (5) At the conclusion of the audit, the auditor shall
 1151 discuss with the chair of the governing body of the ~~each~~ local
 1152 governmental entity or the chair's designee, ~~or with~~ the elected
 1153 official of each county agency or ~~with~~ the elected official's
 1154 designee, ~~or with~~ the chair of the district school board or the
 1155 chair's designee, ~~or with~~ the chair of the board of the charter
 1156 school or the chair's designee, or ~~with~~ the chair of the board
 1157 of the charter technical career center or the chair's designee,
 1158 as appropriate, all of the auditor's comments that will be
 1159 included in the audit report. If the officer is not available to
 1160 discuss the auditor's comments, their discussion is presumed
 1161 when the comments are delivered in writing to his or her office.
 1162 The auditor shall notify each member of the governing body of a
 1163 local governmental entity, district school board, charter
 1164 school, or charter technical career center for which
 1165 deteriorating financial conditions exist that may cause a
 1166 condition described in s. 218.503(1) to occur if actions are not
 1167 taken to address such conditions.

1168 (6) The officer's written statement of explanation or
 1169 rebuttal concerning the auditor's findings, including corrective
 1170 action to be taken, must be filed with the governing body of the
 1171 local governmental entity, district school board, charter
 1172 school, or charter technical career center within 30 days after
 1173 the delivery of the auditor's findings.

1174 (7) All audits conducted pursuant to this section must be
 1175 conducted in accordance with the rules of the Auditor General
 1176 adopted pursuant to s. 11.45. Upon completion of the audit, the

1177 auditor shall prepare an audit report in accordance with the
 1178 rules of the Auditor General. The audit report shall be filed
 1179 with the Auditor General within 45 days after delivery of the
 1180 audit report to the governing body of the audited entity, but no
 1181 later than 9 months after the end of the audited entity's fiscal
 1182 year. The audit report must include a written statement
 1183 describing corrective actions to be taken in response to each of
 1184 the auditor's recommendations included in the audit report.

1185 (8) The Auditor General shall notify the Legislative
 1186 Auditing Committee of any audit report prepared pursuant to this
 1187 section which indicates that an audited entity has failed to
 1188 take full corrective action in response to a recommendation that
 1189 was included in the two preceding financial audit reports.

1190 (a) The committee may direct the governing body of the
 1191 audited entity to provide a written statement to the committee
 1192 explaining why full corrective action has not been taken or, if
 1193 the governing body intends to take full corrective action,
 1194 describing the corrective action to be taken and when it will
 1195 occur.

1196 (b) If the committee determines that the written statement
 1197 is not sufficient, it may require the chair of the governing
 1198 body of the local governmental entity or the chair's designee,
 1199 the elected official of each county agency or the elected
 1200 official's designee, the chair of the district school board or
 1201 the chair's designee, the chair of the board of the charter
 1202 school or the chair's designee, or the chair of the board of the
 1203 charter technical career center or the chair's designee, as
 1204 appropriate, to appear before the committee.

1205 (c) If the committee determines that an audited entity has
 1206 failed to take full corrective action for which there is no
 1207 justifiable reason for not taking such action, or has failed to
 1208 comply with committee requests made pursuant to this section,
 1209 the committee may proceed in accordance with s. 11.40(5).

1210 (9)-(7) The predecessor auditor of a district school board
 1211 shall provide the Auditor General access to the prior year's
 1212 working papers in accordance with the Statements on Auditing
 1213 Standards, including documentation of planning, internal
 1214 control, audit results, and other matters of continuing
 1215 accounting and auditing significance, such as the working paper
 1216 analysis of balance sheet accounts and those relating to
 1217 contingencies.

1218 ~~(8) All audits conducted in accordance with this section~~
 1219 ~~must be conducted in accordance with the rules of the Auditor~~
 1220 ~~General promulgated pursuant to s. 11.45. All audit reports and~~
 1221 ~~the officer's written statement of explanation or rebuttal must~~
 1222 ~~be submitted to the Auditor General within 45 days after~~
 1223 ~~delivery of the audit report to the entity's governing body, but~~
 1224 ~~no later than 12 months after the end of the fiscal year.~~

1225 (10)-(9) Each charter school and charter technical career
 1226 center must file a copy of its audit report with the sponsoring
 1227 entity; the local district school board, if not the sponsoring
 1228 entity; the Auditor General; and with the Department of
 1229 Education.

1230 (11)-(10) This section does not apply to housing
 1231 authorities created under chapter 421.

1232 (12)-(11) Notwithstanding the provisions of any local law,

1233 the provisions of this section shall govern.

1234 Section 21. Paragraph (e) of subsection (1) of section
1235 218.503, Florida Statutes, is amended to read:

1236 218.503 Determination of financial emergency.—

1237 (1) Local governmental entities, charter schools, charter
1238 technical career centers, and district school boards shall be
1239 subject to review and oversight by the Governor, the charter
1240 school sponsor, the charter technical career center sponsor, or
1241 the Commissioner of Education, as appropriate, when any one of
1242 the following conditions occurs:

1243 (e) A ~~An unreserved or total~~ fund balance ~~or retained~~
1244 ~~earnings~~ deficit in total or for that portion of a fund balance
1245 not classified as restricted, committed, or nonspendable, or a
1246 ~~unrestricted or total~~ or unrestricted net assets deficit, as
1247 reported on the ~~balance sheet or statement of net assets on the~~
1248 ~~general purpose or~~ fund financial statements of entities
1249 required to report under governmental financial reporting
1250 standards or on the basic financial statements of entities
1251 required to report under not-for-profit financial reporting
1252 standards, for which sufficient resources of the local
1253 governmental entity, charter school, charter technical career
1254 center, or district school board, as reported on the ~~balance~~
1255 ~~sheet or statement of net assets on the general purpose or~~ fund
1256 financial statements, are not available to cover the deficit.
1257 Resources available to cover reported deficits include fund
1258 balance or net assets that are not otherwise restricted by
1259 federal, state, or local laws, bond covenants, contractual
1260 agreements, or other legal constraints. Property, plant, and

1261 equipment ~~Fixed or capital assets~~, the disposal of which would
 1262 impair the ability of a local governmental entity, charter
 1263 school, charter technical career center, or district school
 1264 board to carry out its functions, are not considered resources
 1265 available to cover reported deficits.

1266 Section 22. Paragraph (c) of subsection (5) of section
 1267 373.536, Florida Statutes, is amended, and paragraph (c) is
 1268 added to subsection (6) of that section, to read:

1269 373.536 District budget and hearing thereon.—

1270 (5) TENTATIVE BUDGET CONTENTS AND SUBMISSION; REVIEW AND
 1271 APPROVAL.—

1272 (c) Each water management district shall, by August 1 of
 1273 each year, submit for review a tentative budget to the Governor,
 1274 the President of the Senate, the Speaker of the House of
 1275 Representatives, the chairs of all legislative committees and
 1276 subcommittees with substantive or fiscal jurisdiction over water
 1277 management districts, as determined by the President of the
 1278 Senate or the Speaker of the House of Representatives as
 1279 applicable, the secretary of the department, and the governing
 1280 body of each county in which the district has jurisdiction or
 1281 derives any funds for the operations of the district. The
 1282 tentative budget must be posted on the water management
 1283 district's official website at least 2 days before budget
 1284 hearings held pursuant to s. 200.065 or other law.

1285 (6) FINAL BUDGET; ANNUAL AUDIT; CAPITAL IMPROVEMENTS PLAN;
 1286 WATER RESOURCE DEVELOPMENT WORK PROGRAM.—

1287 (c) The final adopted budget must be posted on the water
 1288 management district's official website within 30 days after

1289 adoption.

1290 Section 23. Subsections (1) and (4) of section 1011.03,
 1291 Florida Statutes, are amended, and subsection (5) is added to
 1292 that section, to read:

1293 1011.03 Public hearings; budget to be submitted to
 1294 Department of Education.—

1295 (1) Each district school board shall ~~must~~ cause a summary
 1296 of its tentative budget, including the proposed millage levies
 1297 as provided for by law, to be posted on the district's official
 1298 website ~~online~~ and advertised once ~~one time~~ in a newspaper of
 1299 general circulation published in the district or to be posted at
 1300 the courthouse if there be no such newspaper.

1301 (4) The board shall hold public hearings to adopt
 1302 tentative and final budgets pursuant to s. 200.065. The hearings
 1303 shall be primarily for the purpose of hearing requests and
 1304 complaints from the public regarding the budgets and the
 1305 proposed tax levies and for explaining the budget and proposed
 1306 or adopted amendments thereto, if any. The tentative budget must
 1307 be posted on the district's official website at least 2 days
 1308 before the budget hearing held pursuant to s. 200.065 or other
 1309 law. The final adopted budget must be posted on the district's
 1310 official website within 30 days after adoption. The ~~district~~
 1311 ~~school~~ board shall ~~then~~ require the superintendent to transmit
 1312 ~~forthwith~~ two copies of the adopted budget to the Department of
 1313 Education for approval as prescribed by law and rules of the
 1314 State Board of Education.

1315 (5) If the governing body of a district amends the budget,
 1316 the adopted amendment must be posted on the official website of

1317 | the district within 5 days after adoption.

1318 | Section 24. Section 1011.051, Florida Statutes, is amended
 1319 | to read:

1320 | 1011.051 Guidelines for general funds.—The district school
 1321 | board shall maintain a an-unreserved general fund ending fund
 1322 | balance that is sufficient to address normal contingencies.

1323 | (1) If at any time the portion of the unreserved general
 1324 | fund's ending fund balance not classified as restricted,
 1325 | committed, or nonspendable in the district's approved operating
 1326 | budget is projected to fall ~~during the current fiscal year~~ below
 1327 | 3 percent of projected general fund revenues during the current
 1328 | fiscal year, the superintendent shall provide written
 1329 | notification to the district school board and the Commissioner
 1330 | of Education.

1331 | (2) If at any time the portion of the unreserved general
 1332 | fund's ending fund balance not classified as restricted,
 1333 | committed, or nonspendable in the district's approved operating
 1334 | budget is projected to fall ~~during the current fiscal year~~ below
 1335 | 2 percent of projected general fund revenues during the current
 1336 | fiscal year, the superintendent shall provide written
 1337 | notification to the district school board and the Commissioner
 1338 | of Education. Within 14 days after receiving such notification,
 1339 | if the commissioner determines that the district does not have a
 1340 | plan that is reasonably anticipated to avoid a financial
 1341 | emergency as determined pursuant to s. 218.503, the commissioner
 1342 | shall appoint a financial emergency board that shall operate
 1343 | under ~~consistent with~~ the requirements, powers, and duties
 1344 | specified in s. 218.503(3)(g).

1345 Section 25. Paragraph (a) of subsection (3) of section
 1346 1011.64, Florida Statutes, is amended to read:

1347 1011.64 School district minimum classroom expenditure
 1348 requirements.—

1349 (3)(a) Annually the Department of Education shall
 1350 calculate for each school district:

1351 1. Total K-12 operating expenditures, which are defined as
 1352 the amount of total general fund expenditures for K-12 programs
 1353 ~~as~~ reported in accordance with the accounts and codes prescribed
 1354 in the most recent issuance of the Department of Education
 1355 publication entitled "Financial and Program Cost Accounting and
 1356 Reporting for Florida Schools" and ~~as~~ included in the most
 1357 recent annual financial report submitted to the Commissioner of
 1358 Education, less the student transportation revenue allocation
 1359 from the state appropriation for that purpose, amounts
 1360 transferred to other funds, and increases to the amount of the
 1361 general fund's fund-unreserved ending fund balance not
 1362 classified as restricted, committed, or nonspendable if ~~when~~ the
 1363 total ~~unreserved~~ ending fund balance not classified as
 1364 restricted, committed, or nonspendable is in excess of 5 percent
 1365 of the total general fund revenues.

1366 2. Expenditures for classroom instruction, which equal
 1367 ~~shall be~~ the sum of the general fund expenditures for K-12
 1368 instruction and instructional staff training.

1369 Section 26. This act shall take effect October 1, 2011.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 4001 Growth Policy

SPONSOR(S): Diaz

TIED BILLS: IDEN./SIM. BILLS:

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Community & Military Affairs Subcommittee		Shuler <i>SSB</i>	Hoagland <i>HA</i>
2) Economic Affairs Committee			

SUMMARY ANALYSIS

This bill repeals s. 163.2523, F.S., and thus eliminates the Urban Infill and Redevelopment Assistance Program. The program was created as part of the 1999 "Growth Policy Act" to help local governments revitalize distressed urban areas. The Legislature appropriated \$2.5 million in fiscal year 2000-2001 to the program, but has not appropriated funds in subsequent years. The bill also corrects several statutory references.

This bill has an effective date of July 1, 2011.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Created as part of the "Growth Policy Act"¹ in 1999 to help local governments revitalize distressed urban core areas, the Urban Infill and Redevelopment Assistance Program has not been funded since fiscal year 2000-2001. The program is administered by the Division of Housing and Community Development of the Department of Community Affairs.

Two main types of grants are offered under the program. Planning grants aid local governments in developing urban infill and redevelopment plans. The other type of grant money is used for implementing projects under existing urban infill and redevelopment plans. The statute requires that thirty percent of all revenue appropriated to the program be used for planning grants. Sixty percent of appropriated funds must be used in fifty-fifty matching grants for implementing projects. The remaining ten percent is to be used in outright grants for implementing projects requiring expenditures of less than \$50,000. Local government grant recipients may allocate the money to special districts, including community redevelopment agencies and nonprofit community development organizations to implement projects consistent with an urban infill and redevelopment plan.

The Legislature appropriated \$2.5 million in fiscal year 2000-2001 to the program, but has not appropriated funds since then.² The Department of Community Affairs divided these funds among 22 local government grant applicants.

Section 163.2526 directed OPPAGA to report on the effectiveness of the designation of urban infill and redevelopment areas by 2004. OPPAGA's 2004 Status Report stated that evaluating the impact of the grants was difficult because little data and few evaluating criteria were available, yet the local government grant recipients described the funds as useful in addressing local issues. Because its directive was complete, the OPPAGA review and evaluation requirement embodied in section 163.2526 was repealed in 2010.³

Effect of Proposed Changes

By repealing s. 163.2523, F.S., this bill eliminates the Urban Infill and Redevelopment Assistance Program which has not been funded since fiscal year 2000-2001. The bill also corrects several statutory cross-references.

Regardless of whether this repeal is enacted, local governments may still designate urban infill and redevelopment areas and implement plans for these areas under the statute if they so choose. Additionally, economic incentives, such as the power to finance redevelopment plans through revenue bonds or tax increment financing, remain available to local governments.⁴

¹ Currently sections 163.2511-163.2523, F.S.

² Office of Program Policy Analysis, Report No. 04-14, Status Report: Urban Infill and Redevelopment Areas Have Uncertain Impact But Perceived as Useful, p.2 (2004), available at <http://www.oppaga.state.fl.us/MonitorDocs/Reports/pdf/0414rpt.pdf>.

³ See ch. 2010-102, L.O.F.; SB 1412 (2010).

⁴ See section 163.2520. Other incentives available under 163.2520 include the authority to levy special assessments and prioritization in the allocation of private activity bonds from the state pool.

B. SECTION DIRECTORY:

Section 1: Repeals s. 163.2523, F.S., relating to the Urban Infill and Redevelopment Assistance Grant Program.

Section 2: Amends s. 163.065 to correct for references to repealed section.

Section 3: Amends s. 163.2511 to correct for references to repealed section.

Section 4: Amends s. 163.2514 to correct for references to repealed section.

Section 5: Sets an effective date of July 1, 2011.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

No direct fiscal impact. This repeals a grant program that has not been funded since fiscal year 2000-2001.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to: require counties or municipalities to spend funds or to take an action requiring the expenditure of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

1 A bill to be entitled
 2 An act relating to growth policy; repealing s. 163.2523,
 3 F.S., relating to the Urban Infill and Redevelopment
 4 Assistance Grant Program, to terminate the program;
 5 amending ss. 163.065, 163.2511, and 163.2514, F.S.;
 6 conforming cross-references to changes made by the act;
 7 providing an effective date.

8
 9 Be It Enacted by the Legislature of the State of Florida:

10
 11 Section 1. Section 163.2523, Florida Statutes, is
 12 repealed.

13 Section 2. Paragraph (a) of subsection (4) of section
 14 163.065, Florida Statutes, is amended to read:

15 163.065 Miami River Improvement Act.—

16 (4) PLAN.—The Miami River Commission, working with the
 17 City of Miami and Miami-Dade County, shall consider the merits
 18 of the following:

19 (a) Development and adoption of an urban infill and
 20 redevelopment plan, under ss. 163.2511-163.2520 ~~163.2511-~~
 21 ~~163.2523~~, which participating state and regional agencies shall
 22 review for the purposes of determining consistency with
 23 applicable law.

24 Section 3. Subsection (1) of section 163.2511, Florida
 25 Statutes, is amended to read:

26 163.2511 Urban infill and redevelopment.—

27 (1) Sections 163.2511-163.2520 ~~163.2511-163.2523~~ may be
 28 cited as the "Growth Policy Act."

HB 4001

2011

29 Section 4. Section 163.2514, Florida Statutes, is amended
 30 to read:

31 163.2514 Growth Policy Act; definitions.—As used in ss.
 32 163.2511-163.2520 ~~163.2511-163.2523~~, the term:

33 (1) "Local government" means any county or municipality.

34 (2) "Urban infill and redevelopment area" means an area or
 35 areas designated by a local government where:

36 (a) Public services such as water and wastewater,
 37 transportation, schools, and recreation are already available or
 38 are scheduled to be provided in an adopted 5-year schedule of
 39 capital improvements;

40 (b) The area, or one or more neighborhoods within the
 41 area, suffers from pervasive poverty, unemployment, and general
 42 distress as defined by s. 290.0058;

43 (c) The area exhibits a proportion of properties that are
 44 substandard, overcrowded, dilapidated, vacant or abandoned, or
 45 functionally obsolete which is higher than the average for the
 46 local government;

47 (d) More than 50 percent of the area is within 1/4 mile
 48 of a transit stop, or a sufficient number of transit stops will
 49 be made available concurrent with the designation; and

50 (e) The area includes or is adjacent to community
 51 redevelopment areas, brownfields, enterprise zones, or Main
 52 Street programs, or has been designated by the state or Federal
 53 Government as an urban redevelopment, revitalization, or infill
 54 area under empowerment zone, enterprise community, or brownfield
 55 showcase community programs or similar programs.

56 Section 5. This act shall take effect July 1, 2011.

HB 4031

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 4031 Local Government Services

SPONSOR(S): Dorworth

TIED BILLS: IDEN./SIM. BILLS:

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Community & Military Affairs Subcommittee		Nelson <i>JN</i>	Hoagland <i>HK</i>
2) Economic Affairs Committee			

SUMMARY ANALYSIS

HB 4031 repeals a section of law created in 1999 that provides a process for counties and municipalities to develop and adopt plans to improve the efficiency, accountability and coordination of the delivery of local government services. Local governments may accomplish the same results by entering into interlocal agreements, and do not use the procedure provided in this law.

There is no fiscal impact associated with the repeal.

The bill provides an effective date of July 1, 2011.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Section 163.07, F.S., was created by ch. 99-378, L.O.F., relating to community revitalization. This legislation outlines an optional process for counties and municipalities to develop and adopt a plan to improve the delivery of local government services. Specifically, it provides for the initiation of an efficiency and accountability process:

- by resolution adopted by a majority vote of the governing body of each of the counties involved;
- by resolutions adopted by a majority vote of the governing bodies of a majority of the municipalities within each county; or
- by a combination of resolutions adopted by a majority vote of the governing bodies of the municipality or combination of municipalities representing a majority of the municipal population of each county.

The resolution is required to create a commission which is responsible for developing the plan, and to specify the composition of the commission, which must include representatives of:

- county and municipal governments;
- any affected special districts; and
- any relevant local government agencies.

The resolution must include a proposed timetable for the development of the plan and specify the local government support and personnel services that will be made available to representatives developing the plan.

When a resolution is adopted, the designated representatives must develop a plan for the delivery of local government services. This plan must:

- designate the areawide and local government services that are the subject of the plan;
- describe the existing organization of these services and the means of financing the services, and create a reorganization of such services and the financing to meet the goals of the section;
- designate the local agency that should be responsible for the delivery of each service;
- designate the services that should be delivered regionally or countywide;
- provide means to reduce the cost of providing local services and enhance the accountability of service providers;
- include a multi-year capital outlay plan for infrastructure;
- describe any expansion of municipal boundaries that would further the goals of the section;

- meet the standards for annexation provided in ch. 171, F.S, for any area proposed to be annexed;
- prohibit any provisions for contraction of municipal boundaries or elimination of any municipality;
- provide specific procedures for modification or termination of the plan; and
- specify the effective date of the plan.

A plan must be approved by a majority vote of the governing body of each county involved and by a majority vote of the governing bodies of a majority of the municipalities in each county, and by a majority vote of the governing bodies of the municipality or municipalities that represent a majority of the municipal population of each county.

After approval by the county and municipal governing bodies, a plan must be submitted for referendum approval in a countywide election in each county involved. A plan does not take effect unless approved by a majority of the electors of each county who vote in the referendum, and also by a majority of the municipal electors of the municipalities that represent a majority of the municipal population of each county.

Effect of Proposed Changes

HB 4031 repeals s. 163.07, F.S., relating to efficiency and accountability in local government services, and providing a process that allows any county or combination of counties, and the municipalities therein, to develop and adopt a plan to improve the efficiency, accountability and coordination of the delivery of local government services. Local governments do not require the authority provided in this law, and have not elected to use the complicated procedure.

Local governments may accomplish the same results by entering into interlocal agreements pursuant to s.163.01, F.S., the "Florida Interlocal Cooperation Act of 1969." The stated purpose of that section is to enable local governmental units to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage and thereby to provide services and facilities in a manner and pursuant to forms of governmental organization that will accord best with geographic, economic, population, and other factors influencing the needs and development of local communities. Public agencies are thereby authorized to exercise jointly power, privilege or authority which such agencies share in common and which each can exercise separately. This joint exercise of power is made by contract in the form of an interlocal agreement which is filed with the clerk of the circuit court of each county where a party to the agreement is located. The entire process is perceived as straightforward and flexible.

The bill provides an effective date of July 1, 2011.

B. SECTION DIRECTORY:

Section 1: Repeals s. 163.07, F.S., relating to efficiency and accountability in local government.

Section 2: Provides an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. The bill does not appear to: require the counties or cities to spend funds or take an action requiring the expenditure of funds; reduce the authority that cities or counties have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with cities or counties.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

HB 4031

2011

1 A bill to be entitled
2 An act relating to local government services; repealing s.
3 163.07, F.S., relating to efficiency and accountability in
4 local government services; providing an effective date.
5

6 Be It Enacted by the Legislature of the State of Florida:
7

8 Section 1. Section 163.07, Florida Statutes, is repealed.
9 Section 2. This act shall take effect July 1, 2011.

**Department of Community Affairs
Secretary Billy Buzzett**

**Overview of DCA's Proposed Growth
Management Reforms**

Presented to the House Community and Military Affairs Subcommittee
Wednesday, February 9, 2011

Introduction

- Overview of Florida's growth management structure, 1970-present
- How Florida has changed since the Growth Management Act was enacted
- What role should the State play in growth management
- What State interest(s) is served by growth management from a State level?
- Define the new role of the State regarding growth management

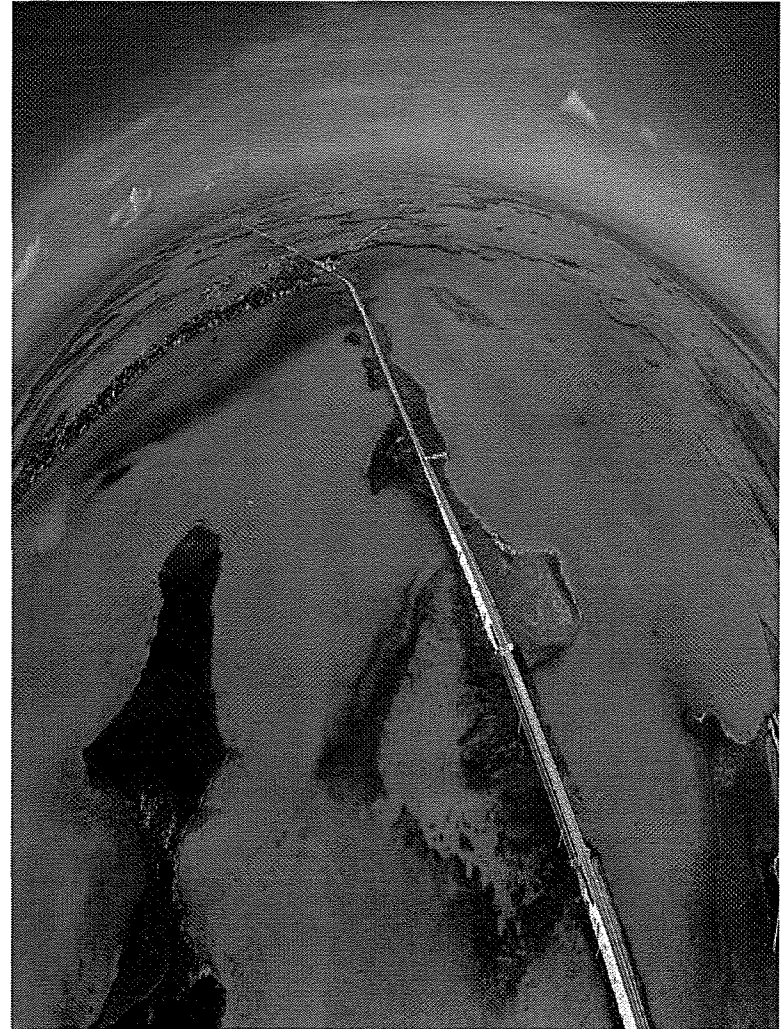
Overview of Florida's Growth Management Structure, 1970-Present



- What necessitated the Legislature to create land use and environmental regulations?
 - Governor's conference on Water Management in South Florida, found that a severe water shortage and water quality problems in South Florida would only worsen without land use and environmental controls .

Overview of Florida's Growth Management Structure, 1970-Present

- *Environmental Land and Water Management Act of 1972* (Fla. Stat. 380.12-380.07)
 - Provided for creation of Areas of Critical State Concern
 - Created and defined Developments of Regional Impact
- *Florida Water Resources Act of 1972* (Fla. Stat. 373)
 - Established five water management districts
 - Required state and district water management plans



Overview of Florida's Growth Management Structure, 1970-Present

- *Florida State Comprehensive Planning Act of 1972 (Fla. Stat. 186.001)*
- *Local Government Comprehensive Planning Act of 1975*
- *State and Regional Planning Act of 1984*
 - *Called for development of State Comprehensive Plan*
 - *Required 11 Regional Planning Council's to develop Regional Policy Plans*

Overview of Florida's Growth Management Structure, 1970-Present

- *Local Government Comprehensive Planning and Land Development Act of 1985* (Fla. Stat. 163.3161)
 - Substantially amended the *1975 Local Government Comprehensive Planning Act*
 - Required State review and approval of local plans, which were to meet minimum criteria
 - Directed DCA to promulgate rules defining the minimum criteria
 - While amended over the years, the 1985 Act serves as the basis for today's *Growth Management Act*.

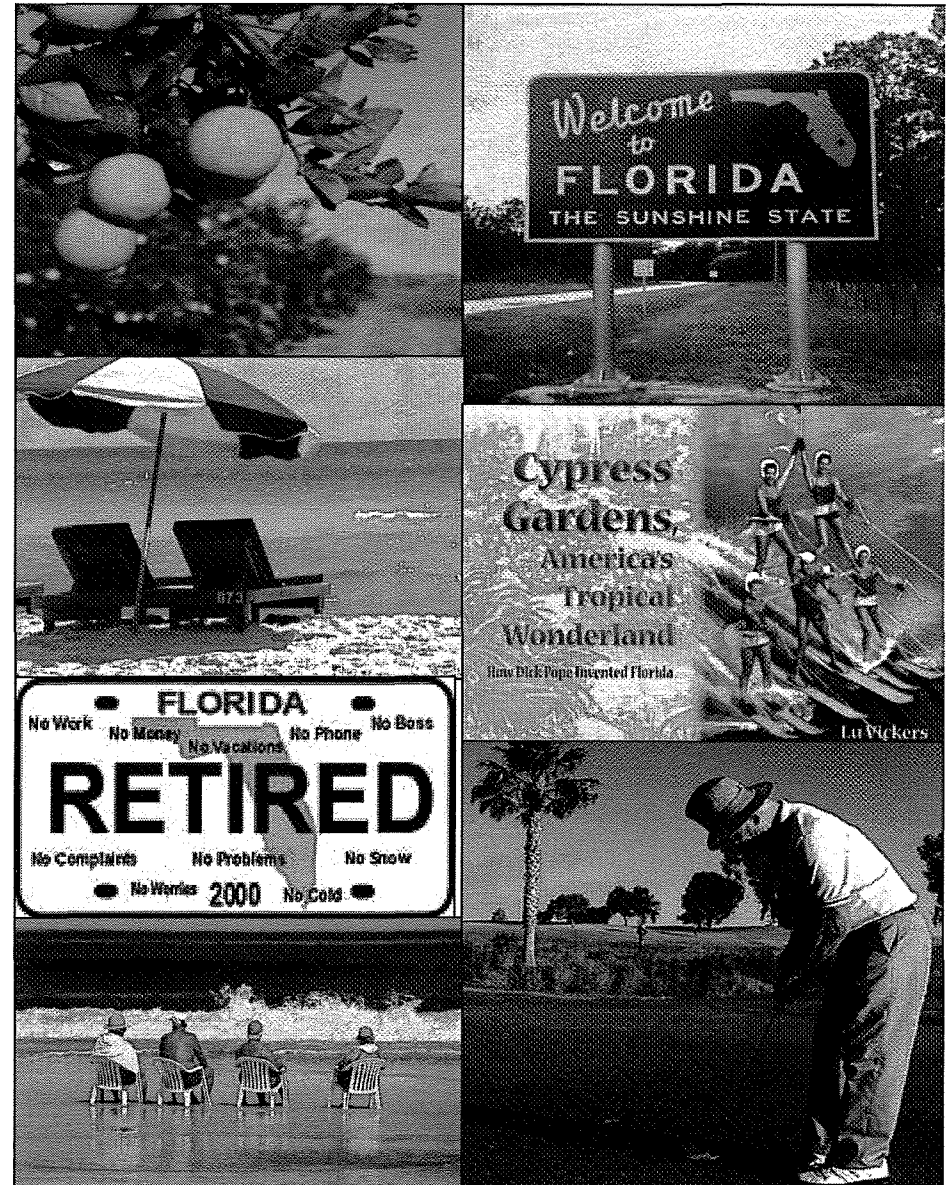
What's Changed Since 1985?

Comprehensive Planning

- Every local government has an adopted "in compliance" comprehensive plan
- In the last three years about 2500 amendment packages have been sent to the Department for review and over 93% have been found "in compliance"

Demographics

- For the first time ever, the majority of people worldwide live in urban areas, and this trend holds true in Florida
- Compared with 1985, Florida has a bigger, older, more urban, mobile and diverse population, but continues to face challenges balancing population growth, job creation, efficient provision of services, and environmental protection





Key Questions?



- What role should the State continue to play in Growth Management going forward?
- What interest should the State be promoting or protecting through Growth Management at the State level?



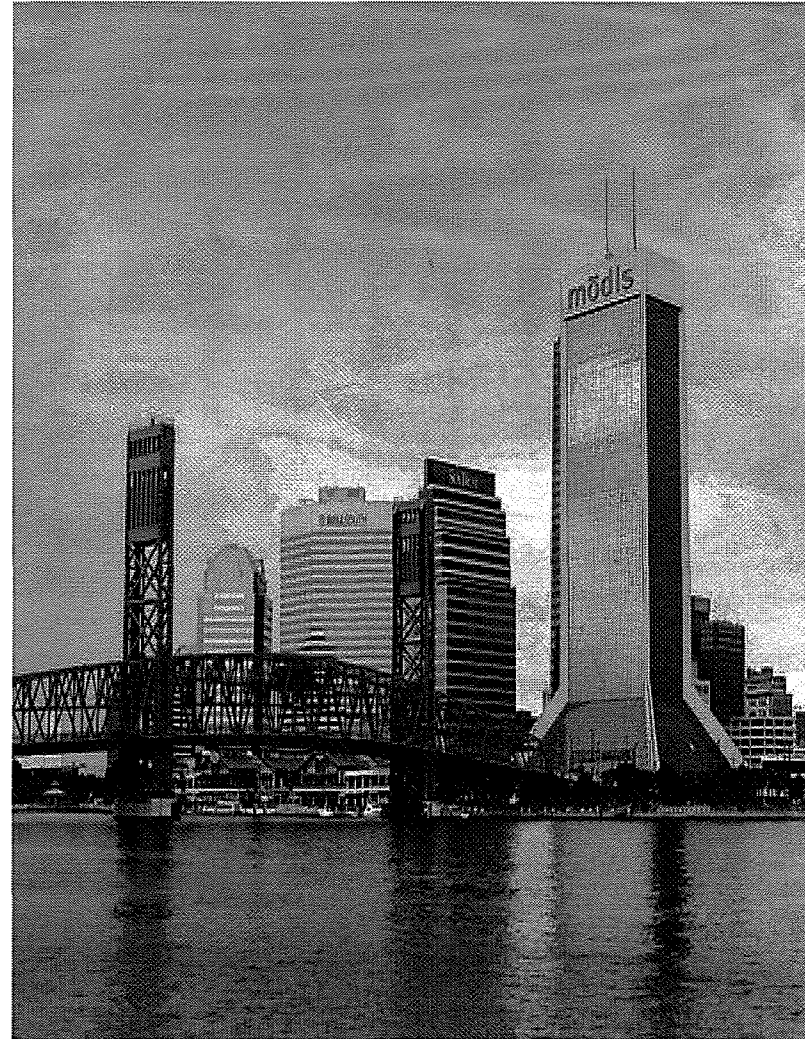
What role should the State play?

- It is clear that local governments have become more sophisticated in planning and managing growth
- As such, a streamlined approach to amending comprehensive plans is desirable
- Such a legislative vehicle already exists, the Alternative State Review Process (s. 163.32465)

Alternative State Review Process

Current Status

- The 2007 Florida Legislature adopted s. 163.32465 as a Pilot Program available to certain urban areas
 - Pinellas and Broward Counties and their municipalities, Jacksonville, Miami, Tampa, and Hialeah
- Alternative, Expedited Review is much faster than the normal review process
 - Under conventional process the time period for state review is 136 days
 - Under alternative, expedited review the time period for state review is 65 days
 - **This saves 71 days for a comprehensive plan amendment**



Alternative State Review Process

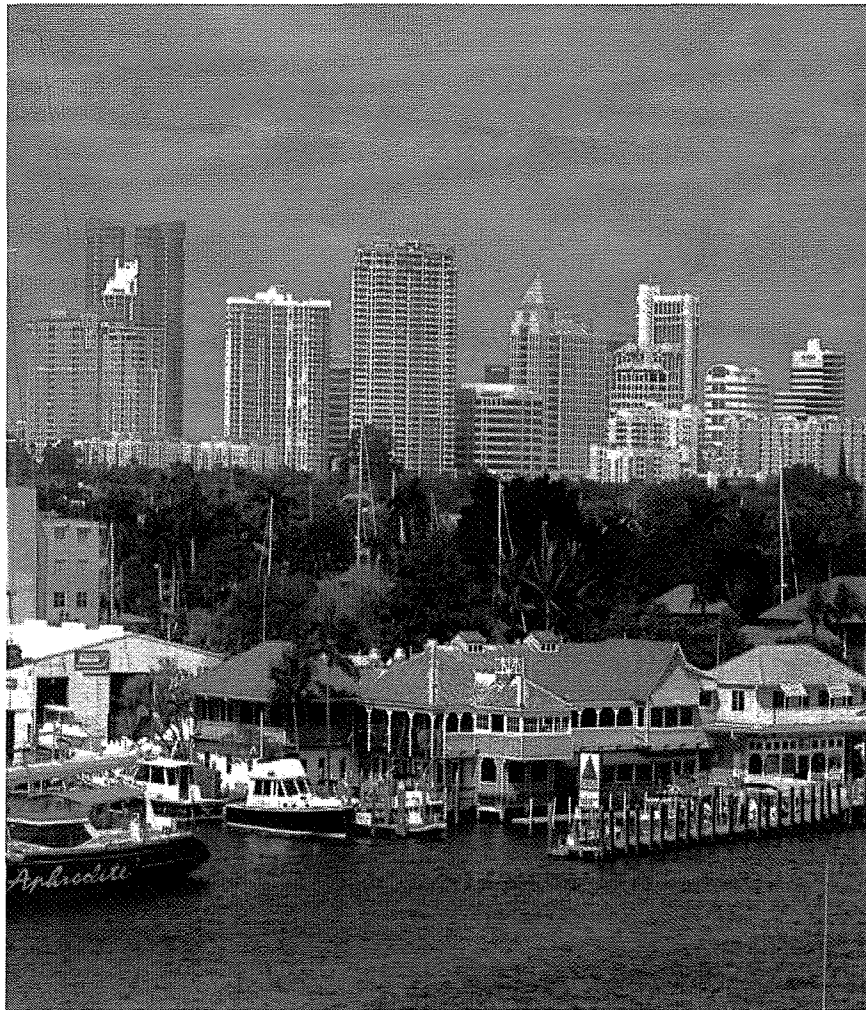
- Alternative, Expedited Review is less expensive than conventional review
 - No need to publish Notices of Intent
- State review is strongly encouraged to focus on issues of regional or statewide resources; however, those issues are not defined by the law
- The Department of Community Affairs or an Affected Party may challenge the local government approval

Alternative State Review Process

- 2010 OPPAGA Report
 - Most local governments report that the expedited review process is beneficial
 - Program participation has increased while the number of challenged amendments remains small



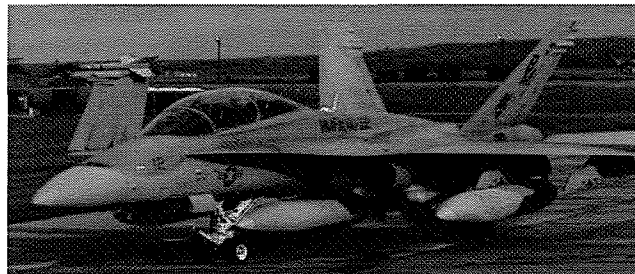
A New Approach to Alternative State Review



- Expand Alternative, Expedited review **to all local governments**; however, certain amendments should remain subject to conventional review
 - Major plan updates
 - Amendments to incorporate new Legislative requirements
 - Amendments for rural land stewardship areas and optional sector plans
 - Amendments within areas of critical state concern
 - Comprehensive plans for newly incorporated municipalities
- Local governments should have the option of requesting a conventional review

A New Approach to Alternative State Review

- The scope of state review should be limited to compelling state interests
 - Natural resources of statewide significance
 - Transportation facilities of statewide significance
 - Natural disasters preparedness to reduce risks to life, property and state and federal post-disaster expenditures
 - Protection of major military installations from incompatible development



What is the State's Interest and Role Going Forward?

- The State's focus should largely shift away from local planning by promoting a streamlined plan amendment process saving both time and money. Let Cities be Cities!
- Instead, the State should focus on large scale planning based upon the current Optional Sector Plan Program

Optional Sector Plan Program

Current Status

- The Florida Legislature adopted s. 163.3245 as a Pilot Program in 1998
- The law allows up to five Optional Sector Plans, four have been adopted
 - Orange County Horizon West – 38,000 acres
 - Bay County West Bay – 78,000 acres
 - City of Bartow Clear Springs – 18,000 acres
 - Escambia County – 16,000 acres

Optional Sector Plan Program

- Optional Sector Plans include two levels of planning
 - Long term conceptual build-out overlay for at least 5,000 acres with a planning emphasis on urban form and protection of regionally significant resources and facilities
 - Detailed specific area plans for at least 1,000 acres which implement the overlay and satisfy DRI issues thus allowing an exemption
- Each level of planning requires a comprehensive plan amendment
- DCA or an Affected Party may challenge one of the amendments and DCA may challenge a development permit if inconsistent with the detailed specific area plan

Optional Sector Plan Program

A New Approach

- Florida is fortunate to have many large private properties; better tools are needed to plan for their future
 - **As opposed to a fragmentation of ownership over time, achieve better certainty and predictability for landowners while protecting regional and statewide natural resources at no cost to the state**
 - Dovetail with other initiatives such as the Fish and Wildlife Commission's CLIP and Conservation Blueprint projects

A New Approach to Large Scale Planning

- The Optional Sector Planning Program should be revised to open up new possibilities
 - Remove Pilot Program status and artificial cap on its use
 - Increase the minimum acreage to incentivize truly large scale planning
 - Relieve requirement to demonstrate land use “need” at time of long term conceptual overlay

A New Approach to Large Scale Planning

- Add more planning at the initial level through use of trend forecasts and other techniques
 - Expand public participation and intergovernmental coordination
 - Allow creation of DSAPs locally without state review but maintain the state's authority to appeal development permits via s. 380.11 or s. 163.3215 to ensure consistency with conceptual overlay and statute
 - Continue to satisfy DRI issues through detailed specific area plans
 - Better correlate long range transportation and water supply plans with optional sector plans
 - Allow existing large scale plans similar to Optional Sector Plans to be recognized under the program
-
- Through a better tool for large scale planning we can produce a better Florida

Conclusion

- Florida has changed considerably since the framework for growth management was implemented
- A streamlined process for amending comprehensive plans recognizes local government planning expertise and could be implemented easily
- Large scale planning offers benefits to landowners, local governments, and the State and could also be implemented by expansion and refinement of an existing program

Questions?

Secretary Billy Buzzett

Florida Department of Community Affairs

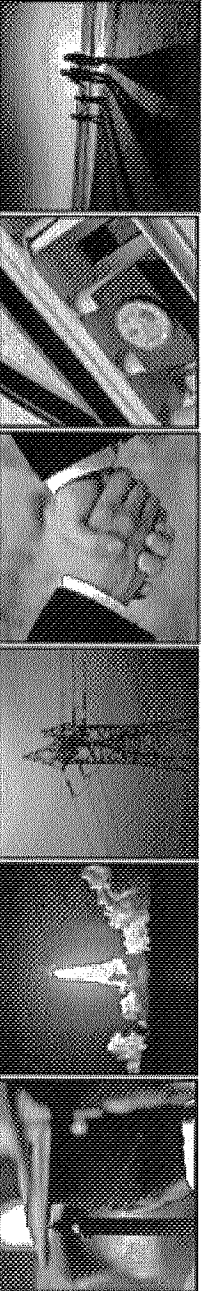
2555 Shumard Oak Boulevard

Tallahassee, Florida 32399-2100

www.dca.state.fl.us

(850) 488-8466

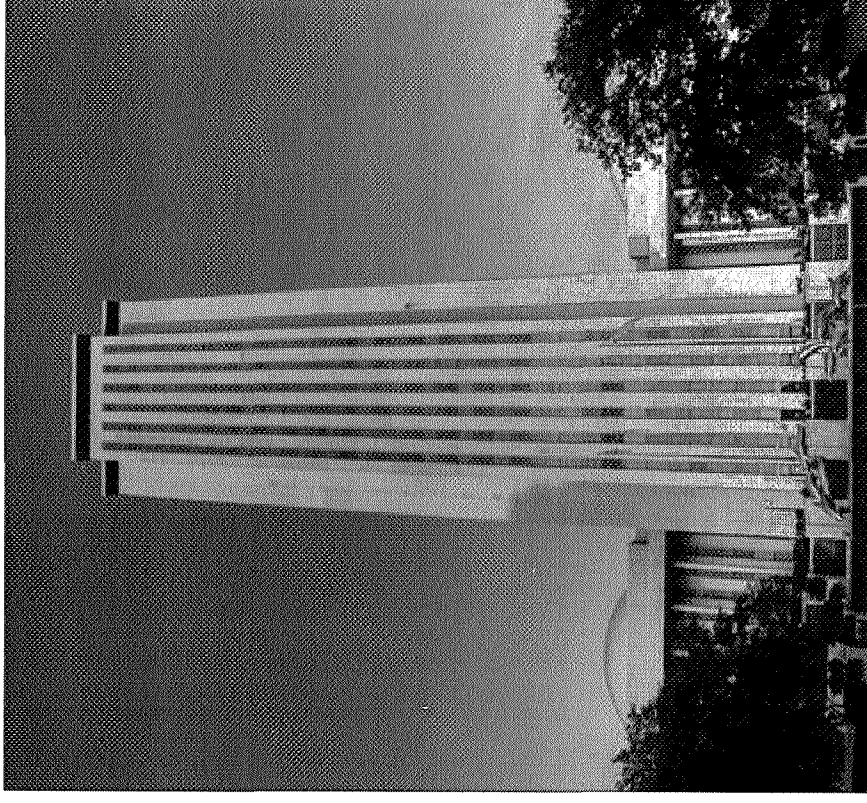
Thank you!



FLORIDA CHAMBER of Commerce

Overview of Presentation

1. Identifying the Problems
2. Guiding Principles
3. Key Areas of Reform



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Consensus Approach

Proposals represent the collective agenda of:

- Associated Industries of Florida
- Association of Florida Community Developers
- Florida Association of Home Builders
- Florida Chamber of Commerce
- Florida Land Council

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Identifying the Problems

- Disjointed, inconsistent approach to growth
 - 25 years of statutory changes
 - Vast differences in interpretations between administrations
- Regulatory scheme designed to manage 1,000 people per day
- Mission creep: planning becoming regulation
- Lack of incentives and focus on long-range planning

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Guiding Principles

- Focus on large-scale, long term planning
- Enhance local government authority
- Comprehensive reform versus incremental steps
- Transition from regulation to planning
- Future of DCA depends on role, not location

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Key Areas of Reform

- Limit state role in comprehensive plan review
- Repeal Rule 9J-5 and limit rulemaking
- Revise the plan amendment process

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Key Areas of Reform

- Eliminate “need” and modify future land use requirements
- Implement alternative review process statewide
- Eliminate financial feasibility and reform CIE amendments

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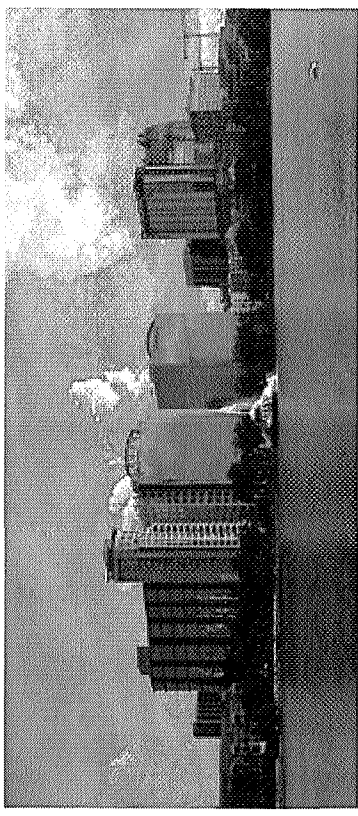
Key Areas of Reform

- School concurrency optional
- Modify urban service areas; expand DULAs
- Reform transportation planning requirements

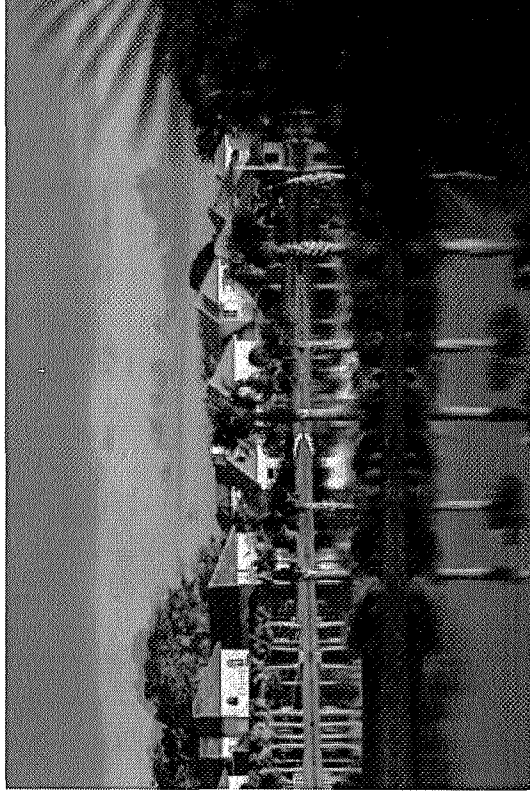
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Other areas of focus



- Sector Plans
- Rural Land Stewardship Areas
- DRI reform



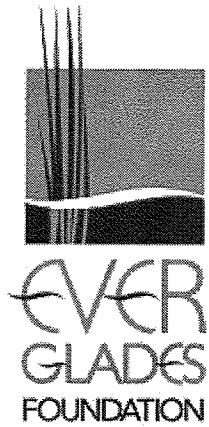
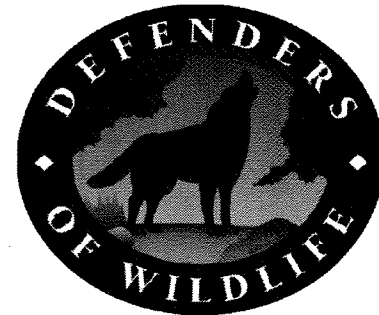
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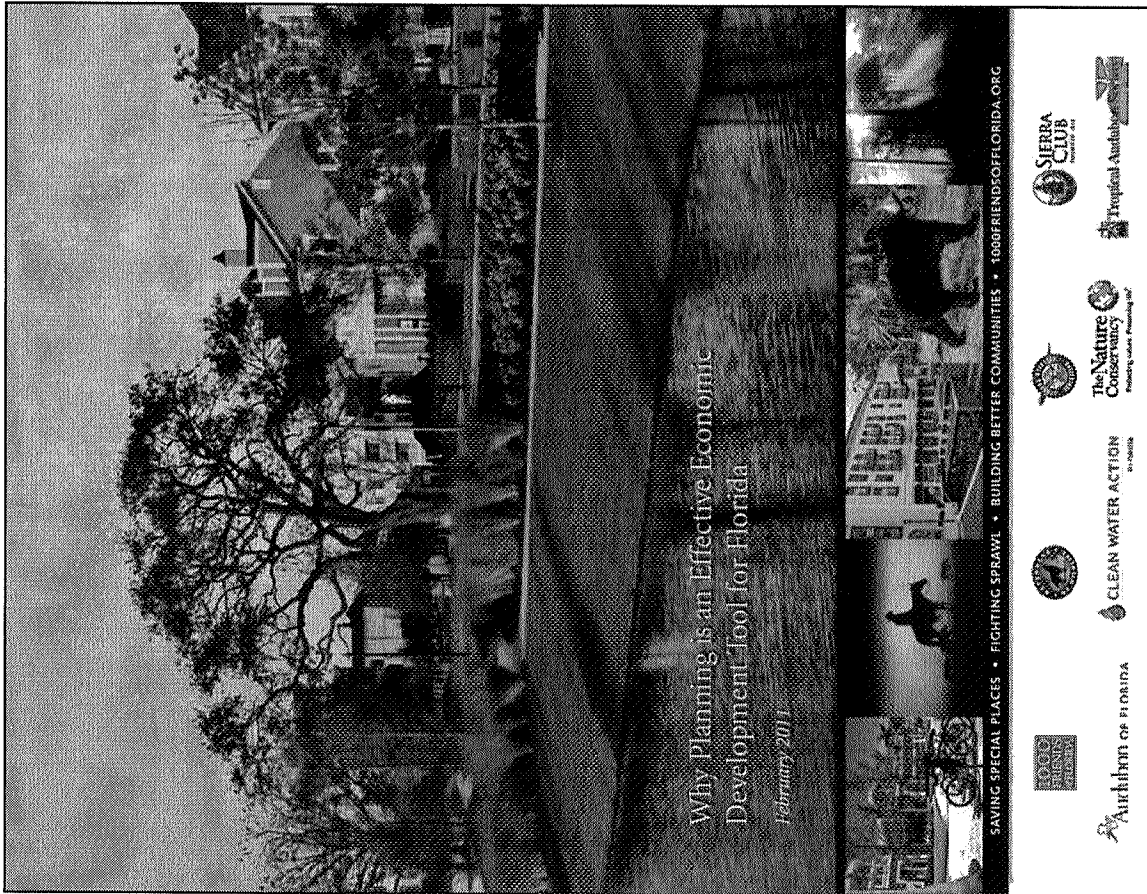
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**Coalition of
Conservation
Groups**





Why Planning is an Effective Economic
Development Tool for Florida.

February 2011

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CLEAN WATER ACTION
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The Nature
Conservancy
Restoring the Florida Everglades



SIERRA
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Planning for Quality Growth and Economic
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CLEAN WATER ACTION
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Comprehensive Planning as an Economic Development Tool

- Agriculture, tourism and development all depend on a clean environment
- Protecting natural resources is key to ensure the prosperity and quality of life we all seek
- Sound planning protects the military's investments and economic returns
- Cost-efficient planning reduces taxpayer infrastructure costs
- A statewide system of planning provides certainty for all stakeholders

Protect Significant Statewide Interests

Increase emphasis on major state ecosystems, natural areas, wildlife corridors, drinking water sources, areas of critical state concern, Everglades, river corridors and springsheds, aquatic preserves, Wekiva basin, public lands, and military base perimeters

Save Taxpayer Dollars

- Ensure new development covers the cost of infrastructure and services
- Reduce/eliminate state reviews within recognized urban development boundaries, infill and growth corridors
- Waive DRI, need and transportation concurrency within these areas
- Incentivize cost-efficient compact development

Streamline the State Planning Process

- Maintain an independent state planning agency with appropriate economic development promotion
- Focus state planning role on the edge of developed areas
- Create a vision-based state plan
- Recognize limits of “one size fits all” – tailor controls with stakeholders

Streamline the State Planning Process

- Link state transportation investments to state plan focused on dense urban land areas
- Identify appropriate hubs and corridors for industrial and rural development
- Enhance role of independent state planning agency in technical and grant assistance

Summary

- Focus on significant statewide issues, especially natural systems
- Emphasize savings for taxpayers
- Lessen state oversight within developed areas to streamline the planning process
- Coordinate state investments through a vision-based state plan
- Maintain an independent state planning function

**Florida Association
of Counties**



Growth Management

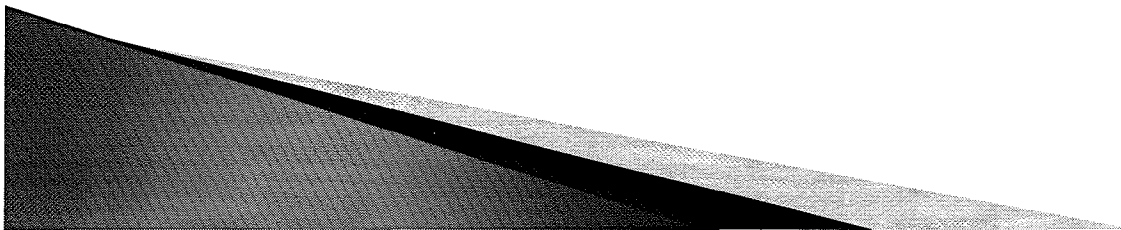
House Community & Military Affairs

Eric Poole
Assistant Legislative Director

Wednesday, February 9, 2011

Growth Management: A Brief History

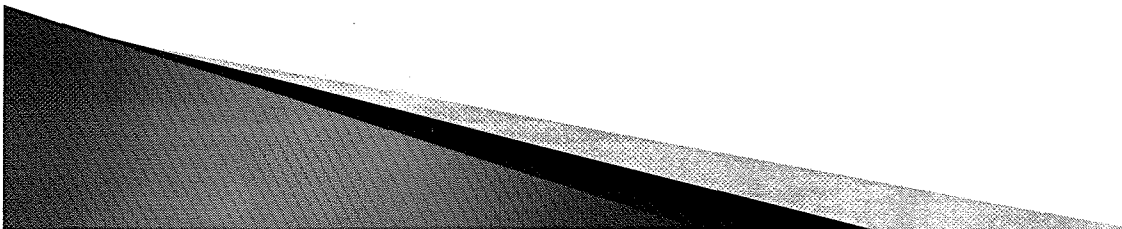
- Passed into law in 1985
- Requires all of Florida's 67 counties and 410 municipalities to adopt Local Government Comprehensive Plans that guide future growth and development.
- Comprehensive plans contain chapters or "elements":
 - Future land use; housing; transportation; infrastructure; coastal management; conservation; recreation and open space; intergovernmental coordination; capital improvements.
- Key component is "Concurrency"
 - Requires facilities and services to be available concurrent with the impacts of development.



Growth Management and Counties: A Brief History

1980s – Early 90s

- Viewed as an unfunded mandate
- Encroachment on local home rule authority
- No consideration for local government size, growth rate, resource capacity
- Significant resentment and resistance by counties
- Overall local benefit unclear

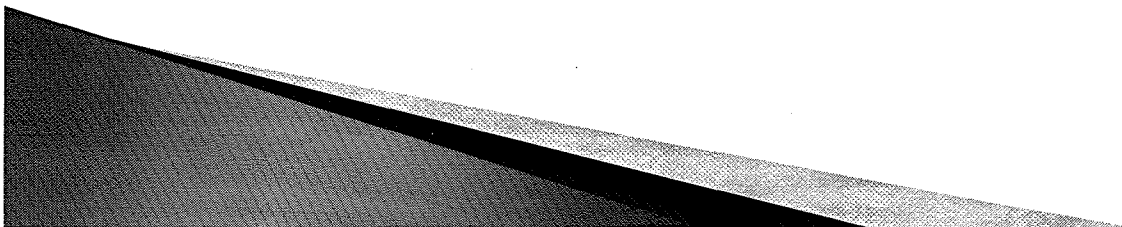


Growth Management and Counties: A Brief History

1980s – Early 90s (cont)

For some counties:

- No professional planning staffs
- Limited history of zoning and land use controls
- Relied heavily on model planning elements from DCA and/or RPCs for plan development
 - ↳ Such plans did not reflect the goals of the community
- Concurrency at the centerpiece of most disputes

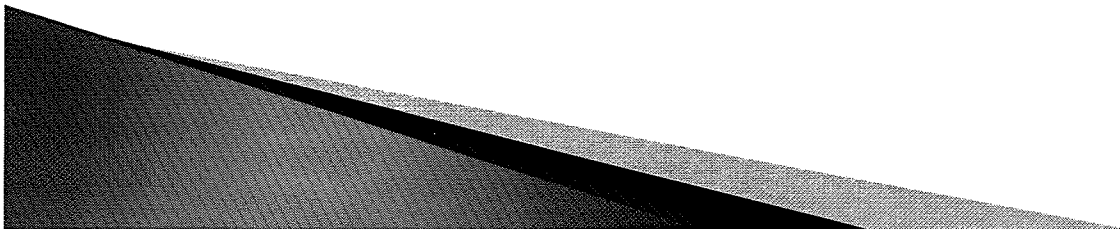


Growth Management and Counties: A Brief History

Post 1990s


Over time counties:

- Began to adapt and comply with state law
- Significant learning curve
 - ↳ Numerous compliance agreements / legal challenges
- Some counties had (have) sophisticated planning programs
- Gradual, clearer understanding of growth management requirements and benefits.



Growth Management and Counties: General Perception

Post 1990s – Today

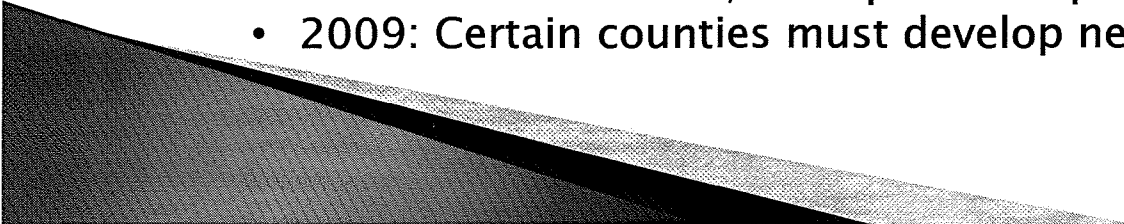
- A blueprint for how a community should grow
 - Better fiscal planning of infrastructure
 - Links development approvals with the availability of public facilities
 - Basic zoning & land use controls in place to protect property values
 - Incompatible land uses mitigated / Complimentary land uses encouraged
 - When implemented correctly, a tool for economic development
 - Some counties remain uncertain about state's role
- 

Growth Management: County Perspective

State Level Issues

- No clear State vision for how Florida should grow.
 - What goals are we trying to achieve with growth management?
 - How do we measure their effectiveness?

 - A one size growth management law does not fit all.
 - Liberty County (pop. 8,220)
 - Miami-Dade (pop. 2.4 million)

 - New planning requirements are costly & time consuming
 - 2005: School Concurrency; Water Concurrency; Financial Feasibility
 - 2008: New land use / transportation planning requirements (HB 697)
 - 2009: Certain counties must develop new mobility plans by July 2011
- 

Primary Challenges

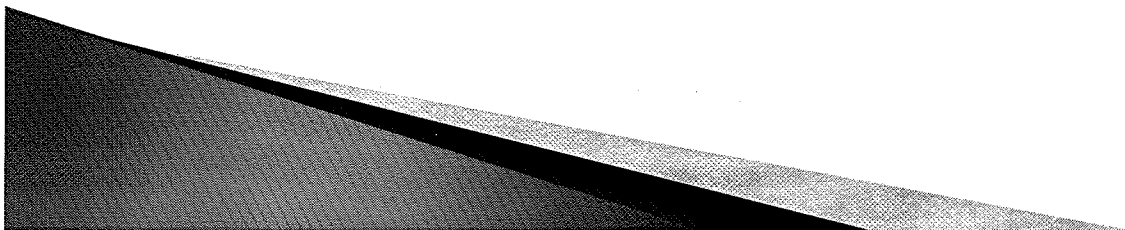
- ▶ Growth management debates have historically centered on two primary issues:

The State's Role

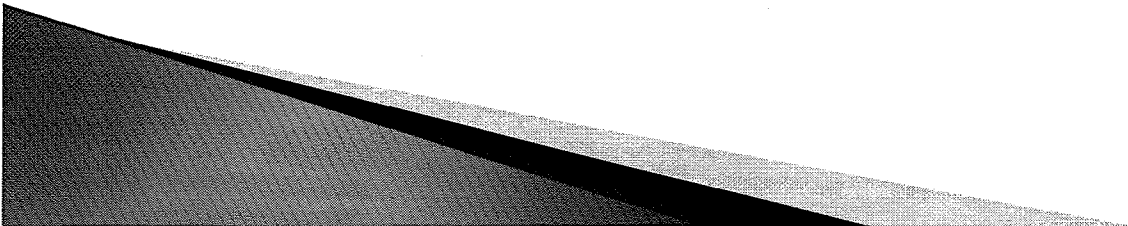
- What is the appropriate role of the state in growth management issues?

Transportation Concurrency:


- How to do we provide exemptions without exacerbating existing traffic congestion and negatively impacting other jurisdictions?



A State Role in Growth Management County Perspective

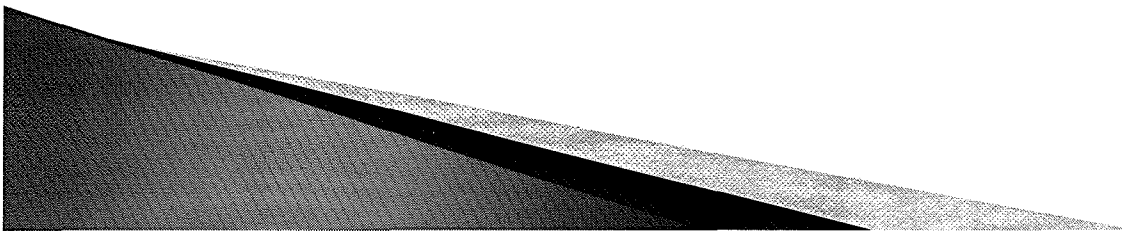
- Provide a clear vision for how Florida should grow
 - What do we want to accomplish? What policies / strategies are needed?
 - Ensure the state's environmental and infrastructure resources are protected through the State Land Planning Agency
 - Maintain a state oversight role but redefine what it oversees
 - Consider creating a commission to identify appropriate reform issues
 - Stronger regional role?
 - Respect local home rule authority to manage local planning programs, including concurrency
 - If concurrency is eliminated as a state requirement, allow counties to retain the authority to manage their concurrency management systems.
 - Help eliminate and/or mitigate inter-jurisdictional impacts
 - Provide technical assistance to small counties
- 

Cost Saving Recommendations

- ▶ No new planning requirements for counties.
 - ▶ Consider alternative planning requirements based on a county's population size and/or growth rate.
 - ▶ Allow slow/no growth counties to post-pone Evaluation and Appraisal Report (EAR) requirements.
 - ▶ Allow targeted exemptions from transportation concurrency for projects or development areas that demonstrate job creation.
 - ▶ Streamline state review by making permanent the "Alternative State Review Process" and allow any county to adopt process.
 - ▶ Extend financial feasibility compliance for local plans to 2012.
 - ▶ Allow counties to publish public notices for comprehensive plan amendments on the internet in lieu of general circulation newspapers.
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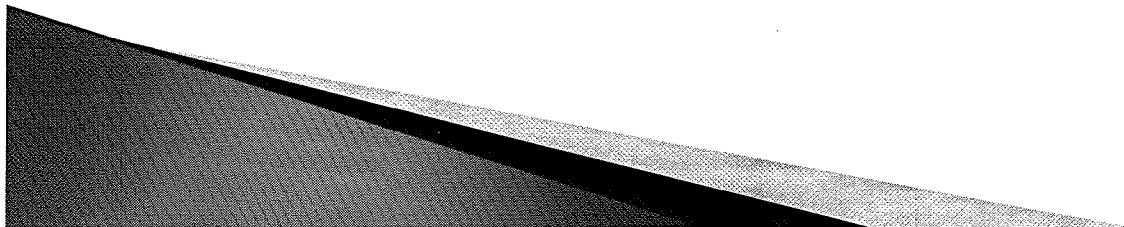
*Florida's Growth Management Study Commission
Final Report
(February 2001)*

"The Commission recommends that the role of the State become more focused and streamlined to include only those areas that are truly compelling and of statewide interest."



*Florida's Growth Management Study Commission
Final Report
(February 2001)*

- The State's review of local comprehensive plan amendments shall be limited to these state interests:
 - Natural resources of statewide significance
 - Transportation facilities of statewide significance
 - Natural disaster preparedness to reduce risk of life, property and state and federal post-disaster expenditures



Questions??

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