

By Representative Machek

1 A bill to be entitled
 2 An act relating to water management district
 3 fiscal matters; amending s. 373.536, F.S.;
 4 revising notice and hearing provisions relating
 5 to the adoption of a final budget for the water
 6 management districts; specifying to whom a copy
 7 of the water management districts' tentative
 8 budget must be sent for review; specifying the
 9 contents of the tentative budget; requiring the
 10 Executive Office of the Governor to file with
 11 the Legislature a report summarizing its review
 12 of the water management districts' tentative
 13 budgets and displaying the adopted budget
 14 allocations by program area; requiring the
 15 water management districts to submit certain
 16 budget documents to specified officials;
 17 amending s. 373.079, F.S.; deleting a
 18 requirement that the water management districts
 19 submit a 5-year capital improvement plan and
 20 fiscal report to the Governor, the President of
 21 the Senate, the Speaker of the House of
 22 Representatives, and the Secretary of
 23 Environmental Protection; repealing s. 373.507,
 24 F.S., relating to postaudits and budgets of
 25 water management districts and basins;
 26 repealing s. 373.589, F.S., relating to audits
 27 of water management districts; providing an
 28 effective date.

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 30 Be It Enacted by the Legislature of the State of Florida:
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1 Section 1. Section 373.536, Florida Statutes, is
2 amended to read:

3 373.536 District budget and hearing thereon.--

4 (1) FISCAL YEAR.--The fiscal year of districts created
5 under the provisions of this chapter shall extend from October
6 1 of one year through September 30 of the following year.

7 (2) BUDGET SUBMITTAL.--The budget officer of the
8 district shall, on or before July 15 of each year, submit for
9 consideration by the governing board of the district a
10 tentative budget for the district covering its proposed
11 operations ~~operation~~ and funding requirements for the ensuing
12 fiscal year.

13 (3) BUDGET HEARINGS AND WORKSHOPS; NOTICE.--

14 (a) Unless alternative notice requirements are
15 otherwise provided by law, notice of all budget hearings
16 conducted by the governing board or district staff must be
17 published in a newspaper of general paid circulation in each
18 county in which the district lies not less than 5 days nor
19 more than 15 days before the hearing.

20 (b) Budget workshops conducted for the public and not
21 governed by s. 200.065 must be advertised in a newspaper of
22 general paid circulation in the community or area in which the
23 workshop will occur not less than 5 days nor more than 15 days
24 before the workshop.

25 (c) The tentative budget shall be adopted in
26 accordance with the provisions of s. 200.065; however, if the
27 mailing of the notice of proposed property taxes is delayed
28 beyond September 3 in any county in which the district lies,
29 the district shall advertise its intention to adopt a
30 tentative budget and millage rate, pursuant to s.
31 200.065(3)(g), in a newspaper of general paid circulation in

1 that county. ~~The budget shall set forth, classified by object~~
2 ~~and purpose, and by fund if so designated, the proposed~~
3 ~~expenditures of the district for bonds or other debt, for~~
4 ~~construction, for acquisition of land, for operation and~~
5 ~~maintenance of the district works, for the conduct of the~~
6 ~~affairs of the district generally, and for other purposes, to~~
7 ~~which may be added an amount to be held as a reserve. District~~
8 ~~administrative and operating expenses must be identified in~~
9 ~~the budget and allocated among district programs.~~

10 (2) ~~The budget shall also show the estimated amount~~
11 ~~which will appear at the beginning of the fiscal year as~~
12 ~~obligated upon commitments made but uncompleted. There shall~~
13 ~~be shown the estimated unobligated or net balance which will~~
14 ~~be on hand at the beginning of the fiscal year, and the~~
15 ~~estimated amount to be raised by district taxes and from other~~
16 ~~sources for meeting the requirements of the district.~~

17 (d)(3) As provided in s. 200.065(2)(d), the board
18 shall publish one or more notices of its intention to finally
19 adopt a final budget for the district for the ensuing fiscal
20 year. The notice shall appear adjacent to an advertisement
21 that sets ~~which shall set~~ forth the tentative budget in a
22 format meeting the budget summary requirements of s.
23 129.03(3)(b) in full. The district shall not include
24 expenditures of federal special revenues and state special
25 revenues when preparing the statement required by s.
26 200.065(3)(1). The notice and advertisement shall be published
27 in one or more newspapers having a combined general paid
28 circulation in each county ~~the counties having land in which~~
29 the district lies. Districts may include explanatory phrases
30 and examples in budget advertisements published under s.
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1 200.065 to clarify or illustrate the effect that the district
2 budget may have on ad valorem taxes.

3 ~~(e)(4)~~ The hearing for adoption of ~~to finally adopt~~ a
4 final budget and millage rate shall be by and before the
5 governing board of the district as provided in s. 200.065 and
6 may be continued from day to day until terminated by the
7 board.

8 (4) BUDGET CONTROLS.--

9 (a) The final adopted budget for the district will
10 thereupon be the operating and fiscal guide for the district
11 for the ensuing year; however, transfers of funds may be made
12 within the budget by action of the governing board at a public
13 meeting of the governing board.

14 (b) The district shall control its budget, at a
15 minimum, by funds and shall provide to the Executive Office of
16 the Governor a description of its budget control mechanisms.

17 (c) Should the district receive unanticipated funds
18 after the adoption of the final budget, the final budget may
19 be amended by including such funds, so long as notice of
20 intention to amend is published in the notice of the governing
21 board meeting at which the amendment will be considered,
22 pursuant to s. 120.525 ~~one time in one or more newspapers~~
23 ~~qualified to accept legal advertisements having a combined~~
24 ~~general circulation in the counties in the district.~~ The
25 notice shall set forth a summary of the proposed amendment ~~and~~
26 ~~shall be published at least 10 days prior to the public~~
27 ~~meeting of the board at which the proposed amendment is to be~~
28 ~~considered.~~ However, in the event of a disaster or of an
29 emergency arising to prevent or avert the same, the governing
30 board shall not be limited by the budget but shall have
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1 authority to apply such funds as may be available therefor or
2 as may be procured for such purpose.

3 (5) TENTATIVE BUDGET CONTENTS AND SUBMISSION; REVIEW
4 AND APPROVAL.--

5 (a) The Executive Office of the Governor is authorized
6 to approve or disapprove, in whole or in part, the budget of
7 each water management district and shall analyze each budget
8 as to the adequacy of fiscal resources available to the
9 district and the adequacy of district expenditures related to
10 water supply, including water resource development projects
11 identified in the district's regional water supply plans;
12 water quality; flood protection and floodplain management; and
13 natural systems. This analysis shall be based on the
14 particular needs within each water management district in
15 those four areas of responsibility.

16 (b) The Executive Office of the Governor and the water
17 management districts shall develop a process to facilitate
18 review and communication regarding water management district
19 budgets, as necessary. Written disapproval of any provision
20 in the tentative budget must be received by the district at
21 least 5 business days prior to the final district budget
22 adoption hearing conducted under s. 200.065(2)(d). If written
23 disapproval of any portion of the budget is not received at
24 least 5 business days prior to the final budget adoption
25 hearing, the governing board may proceed with final adoption.
26 Any provision rejected by the Governor shall not be included
27 in a district's final budget.

28 (c) Each water management district shall, by August 1
29 of each year, submit for review a tentative budget to the
30 Governor, the President of the Senate, the Speaker of the
31 House of Representatives, the chairs of all legislative

1 committees and subcommittees with substantive or fiscal
2 jurisdiction over water management districts, as determined by
3 the President of the Senate or Speaker of the House of
4 Representatives as applicable, the secretary of the
5 department, and the governing body of each county in which the
6 district has jurisdiction or derives any funds for the
7 operations of the district.

8 (d) The tentative budget must set forth the proposed
9 expenditures of the district, to which may be added an amount
10 to be held as reserve. The tentative budget must include, but
11 is not limited to, the following information for the preceding
12 fiscal year and the current fiscal year, and the proposed
13 amounts for the upcoming fiscal year, in a standard format
14 prescribed by the Executive Office of the Governor ~~which is~~
15 ~~generally consistent with the format prescribed by legislative~~
16 ~~budget instructions for state agencies and the format~~
17 ~~requirements of s. 216.031:~~

18 1. The estimated amount of funds remaining at the
19 beginning of the fiscal year which have been obligated for the
20 payment of outstanding commitments not yet completed.

21 2. The estimated amount of unobligated funds or net
22 cash balance on hand at the beginning of the fiscal year, and
23 the estimated amount of funds to be raised by district taxes
24 or received from other sources to meet the requirements of the
25 district.

26 3. The millage rates and the percentage increase above
27 the rolled-back rate, together with a summary of the reasons
28 the increase is required, and the percentage increase in
29 taxable value resulting from new construction within the
30 district.†

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1 ~~4.2.~~ The salaries ~~salary~~ and benefits, expenses,
2 operating capital outlay, number of authorized positions, and
3 other personal services for the following program areas of the
4 district, ~~including a separate section for lobbying,~~
5 ~~intergovernmental relations, and advertising:~~
6 a. Water resource planning and monitoring;
7 b. Land acquisition, restoration, and public works;
8 c. Operation and maintenance of works and lands;
9 d. Regulation;
10 e. Outreach for which the information provided must
11 contain a full description and accounting of expenditures for
12 water resources education; public information and public
13 relations, including public service announcements and
14 advertising in any media; and lobbying activities related to
15 local, regional, state and federal governmental affairs,
16 whether incurred by district staff or through contractual
17 services; and
18 f. Management and administration.
19 ~~a. District management and administration;~~
20 ~~b. Implementation through outreach activities;~~
21 ~~c. Implementation through regulation;~~
22 ~~d. Implementation through acquisition, restoration,~~
23 ~~and public works;~~
24 ~~e. Implementation through operations and maintenance~~
25 ~~of lands and works;~~
26 ~~f. Water resources planning and monitoring; and~~
27 ~~g. A full description and accounting of expenditures~~
28 ~~for lobbying activities relating to local, regional, state,~~
29 ~~and federal governmental affairs, whether incurred by district~~
30 ~~staff or through contractual services and all expenditures for~~
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1 ~~public relations, including all expenditures for public~~
2 ~~service announcements and advertising in any media.~~

3
4 In addition to the program areas reported by all water
5 management districts, the South Florida Water Management
6 District shall include in its budget document ~~a~~ separate
7 sections ~~section~~ on all costs associated with the Everglades
8 Construction Project and the Comprehensive Everglades
9 Restoration Project.

10 ~~5.3.~~ 5.3. The total estimated amount in the district budget
11 for each area of responsibility listed in subparagraph 4.
12 ~~paragraph (a)~~ and for water resource development projects
13 identified in the district's regional water supply plans.

14 ~~4. A 5-year capital improvements plan.~~

15 ~~6.5.~~ 6.5. A description of each new, expanded, reduced, or
16 eliminated program.

17 ~~6. A proposed 5-year water resource development work~~
18 ~~program, that describes the district's implementation strategy~~
19 ~~for the water resource development component of each approved~~
20 ~~regional water supply plan developed or revised pursuant to s.~~
21 ~~373.0361. The work program shall address all the elements of~~
22 ~~the water resource development component in the district's~~
23 ~~approved regional water supply plans. The office of the~~
24 ~~Governor, with the assistance of the department, shall review~~
25 ~~the proposed work program. The review shall include a written~~
26 ~~evaluation of its consistency with and furtherance of the~~
27 ~~district's approved regional water supply plans, and adequacy~~
28 ~~of proposed expenditures. As part of the review, the Executive~~
29 ~~Office of the Governor and the department shall afford to all~~
30 ~~interested parties the opportunity to provide written comments~~
31 ~~on each district's proposed work program. At least 7 days~~

1 ~~prior to the adoption of its final budget, the governing board~~
2 ~~shall state in writing to the Executive Office of the Governor~~
3 ~~which changes recommended in the evaluation it will~~
4 ~~incorporate into its work program, or specify the reasons for~~
5 ~~not incorporating the changes. The office of the Governor~~
6 ~~shall include the district's responses in the written~~
7 ~~evaluation and shall submit a copy of the evaluation to the~~
8 ~~Legislature; and~~

9 7. The funding sources, including, but not limited to,
10 ad valorem taxes, Surface Water Improvement and Management
11 Program funds, other state funds, federal funds, and user fees
12 and permit fees for each program area.

13 (e)~~(d)~~ By September 5 of the year in which the budget
14 is submitted, the House and Senate appropriations chairs may
15 transmit to each district comments and objections to the
16 proposed budgets. Each district governing board shall include
17 a response to such comments and objections in the record of
18 the governing board meeting where final adoption of the budget
19 takes place, and the record of this meeting shall be
20 transmitted to the Executive Office of the Governor, the
21 department, and the chairs of the House and Senate
22 appropriations committees.

23 (f)~~(e)~~ The Executive Office of the Governor shall
24 annually, on or before December 15, file with the Legislature
25 a report that summarizes its review ~~the expenditures~~ of the
26 water management districts' tentative budgets and displays the
27 adopted budget allocations ~~districts~~ by program area. The
28 report must identify ~~and identifies~~ the districts that are not
29 in compliance with the reporting requirements of this section.
30 State funds shall be withheld from a water management district
31 that fails to comply with these reporting requirements.

1 (6) FINAL BUDGET; ANNUAL AUDIT; CAPITAL IMPROVEMENTS
2 PLAN; WATER RESOURCE DEVELOPMENT WORK PROGRAM.--
3 (a) Each district must, by the date specified for each
4 item, furnish copies of the following documents to the
5 Governor, the President of the Senate, the Speaker of the
6 House of Representatives, the chairs of all legislative
7 committees and subcommittees having substantive or fiscal
8 jurisdiction over the districts, as determined by the
9 President or Speaker as applicable, the secretary of the
10 department, and the governing board of each county in which
11 the district has jurisdiction or derives any funds for the
12 operations of the district;
13 1. The adopted budget, to be furnished within 10 days
14 after its adoption.
15 2. A financial audit of its accounts and records, to
16 be furnished within 10 days after its acceptance by the
17 governing board. The audit must be conducted in accordance
18 with the provisions of s. 11.45 and the rules adopted
19 thereunder. In addition to the entities named above, the
20 district must provide a copy of the audit to the Auditor
21 General within 10 days after its acceptance by the governing
22 board.
23 3. A 5-year capital improvements plan, to be furnished
24 within 45 days after the adoption of the final budget. The
25 plan must include expected sources of revenue for planned
26 improvements and must be prepared in a manner comparable to
27 the fixed capital outlay format set forth in s. 216.043.
28 4. A 5-year water resource development work program to
29 be furnished within 45 days after the adoption of the final
30 budget. The program must describe the district's
31 implementation strategy for the water resource development

1 component of each approved regional water supply plan
2 developed or revised under s. 373.0361. The work program must
3 address all the elements of the water resource development
4 component in the district's approved regional water supply
5 plans. Within 45 days after its submittal, the department
6 shall review the proposed work program and submit its
7 findings, questions, and comments to the district. The review
8 must include a written evaluation of the program's consistency
9 with the furtherance of the district's approved regional water
10 supply plans, and the adequacy of proposed expenditures. As
11 part of the review, the department shall give interested
12 parties the opportunity to provide written comments on each
13 district's proposed work program. Within 60 days after receipt
14 of the department's evaluation, the governing board shall
15 state in writing to the department which changes recommended
16 in the evaluation it will incorporate into its work program or
17 specify the reasons for not incorporating the changes. The
18 department shall include the district's responses in a final
19 evaluation report and shall submit a copy of the report to the
20 Governor, the President of the Senate, and the Speaker of the
21 House of Representatives.

22 (b) If any entity listed in paragraph (a) provides
23 written comments to the district regarding any document
24 furnished under this subsection, the district must respond to
25 the comments in writing and furnish copies of the comments and
26 written responses to the other entities.

27 Section 2. Paragraph (b) of subsection (4) of section
28 373.079, Florida Statutes, is amended to read:

29 373.079 Members of governing board; oath of office;
30 staff.--

31 (4)

1 (b)1. The governing board of each water management
2 district shall employ an inspector general, who shall report
3 directly to the board. However, the governing boards of the
4 Suwannee River Water Management District and the Northwest
5 Florida Water Management District may jointly employ an
6 inspector general, or provide for inspector general services
7 by interagency agreement with a state agency or water
8 management district inspector general.

9 2. An inspector general must have the qualifications
10 prescribed and perform the applicable duties of state agency
11 inspectors general as provided in s. 20.055.

12 ~~3. Within 45 days of the adoption of the final budget,~~
13 ~~the governing board shall submit a 5-year capital improvement~~
14 ~~plan and fiscal report for the district to the Governor, the~~
15 ~~President of the Senate, the Speaker of the House of~~
16 ~~Representatives, and the Secretary of Environmental~~
17 ~~Protection. The capital improvement plan must include expected~~
18 ~~sources of revenue for planned improvements and shall be~~
19 ~~prepared in a manner comparable to the fixed capital outlay~~
20 ~~format set forth in s. 216.043. The fiscal report shall cover~~
21 ~~the preceding fiscal year and shall include a summary~~
22 ~~statement of the financial operations of the district.~~

23 Section 3. Sections 373.507 and 373.589, Florida
24 Statutes, are repealed.

25 Section 4. This act shall take effect July 1, 2001.

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28 SENATE SUMMARY

29 Revises budgeting, auditing, capital improvement
30 planning, and fiscal reporting requirements for water
31 management districts.