

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: SB 972
 SPONSOR: Senator Bronson
 SUBJECT: Water Management District Fiscal Matters
 DATE: March 9, 2001 REVISED: 3/13/01 _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Gee</u>	<u>Voigt</u>	<u>NR</u>	<u>Fav/1 amendment</u>
2.	_____	_____	<u>GO</u>	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

This bill revises budgeting, auditing, capital improvement planning, and fiscal reporting requirements for water management districts.

This bill amends ss. 373.536 and 373.079 and repeals ss. 373.507 and 373.589, of the Florida Statutes.

II. Present Situation:

Over the years concerns have been raised about the accountability of water management districts (WMDs). The Legislature has addressed these concerns in several ways, most notably by requiring the review and approval of WMD budgets by the Governor. A number of reports and submissions to the Governor, Legislature and others have also been required. Currently, budget review requirements are found in ss. 373.079, 373.507, 373.536 and 373.589, F.S. In some instances, the statutory requirements found in these sections are duplicative and unnecessary. For example, these statutes currently require the WMDs to submit two separate five-year capital improvement plans to the Governor, Legislature, DEP and others, one in August and one in November. The WMDs are required to submit a report each November concerning their past fiscal year's expenditures even though that year's expenditures have not yet been finalized and audited. (The WMD fiscal year ends on September 30.) At a later date, as required by another section, the WMDs are required to submit audited financial statements of that same fiscal year to the Legislature. Located in several places and not necessarily in sequence regarding the timing of responsibilities, these provisions can be confusing.

The Executive Office of the Governor (EOG), the Department of Environmental Protection (DEP) and the WMDs have jointly worked to revise the existing requirements to eliminate duplication and house all budget review provisions in a single statute to increase efficiency. This bill represents their efforts.

III. Effect of Proposed Changes:

Section 1. This bill reorganizes s. 373.536, F.S., to contain the budget review provisions currently contained in several separate provisions, i.e., ss. 373.079(4)(b)3., 373.507, and 373.589, F.S., which are repealed. Specifically the bill:

- Re-orders the subsections in 373.536, F.S., to be in logical sequence: notice of budget hearings and workshops; budget controls; tentative budget submission, review and approval; final budget and other annual report submission.
- Recognizes the appropriate means by which the WMDs budget (by funds) and provides for WMD submission to the EOG of information concerning WMD budget control mechanisms.
- Allows the WMDs to publish a notice of any budget amendment in the notice of the governing board meeting at which the amendment will be considered. Such notice will include a summary of the proposed amendment.
- Requires the South Florida WMD to include in its budget document separate sections on the costs associated with both the Everglades Construction Project and the Comprehensive Everglades Restoration Plan.
- Clarifies that the EOG will complete a report each December 15 concerning its just-concluded review of the WMD budgets for the current fiscal year.
- Eliminates the requirement that the WMDs submit a financial report in November concerning their expenditures for the fiscal year just completed on September 30. (These reports are, of necessity, unaudited, and are, therefore, not very useful. The WMDs will continue to submit audited financial statements to the Governor, Legislature, DEP, Auditor General, and others within 10 days of the statements' acceptance by WMD governing boards, usually early in the calendar year.)
- Eliminates one of the five-year capital improvement plan reporting requirements, so that the districts will submit an annual plan in November of each year.
- Changes the time frame for submission of the districts' 5-year Water Resource Development Work Plans from August 1 to November of each year.
- Changes the responsibility for completion of the review of the 5-year Water Resource Development Work Plans from the Governor's Office to DEP. (The DEP has been performing the review for the past two years.)

Section 2. The act will take effect July 1, 2001.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The bill should produce unspecified savings through reduced workloads for the EOG, DEP, and WMDs. Reducing the number of required reports should result in savings in staff time now spent in report preparation and review.

VI. Technical Deficiencies:

On page 8, lines 8 and 9, there is a reference to the Comprehensive Everglades Restoration Project. The reference should be to the Comprehensive Everglades Restoration Plan.

VII. Related Issues:

None.

VIII. Amendments:

#1 by Natural Resources:

Technical – Corrects a reference to the Comprehensive Everglades Restoration Project. The reference is changed to Comprehensive Everglades Restoration Plan.