

HB 7123

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1                                   A bill to be entitled  
2       An act relating to government accountability and  
3       efficiency; amending s. 112.061, F.S.; revising certain  
4       per diem and travel requirements and limitations;  
5       providing for application to certain water management  
6       districts, authorities, and other entities; amending s.  
7       129.01, F.S.; providing limitations on unreserved  
8       undesignated fund balances; amending s. 129.02, F.S.;  
9       providing definitions; providing additional requirements  
10      for budgets; requiring a proposed budget summary;  
11      providing summary requirements; deleting requirements for  
12      county fine and forfeiture fund budgets; amending s.  
13      129.021, F.S.; expanding application of certain  
14      requirements for county officer budgets; amending s.  
15      129.03, F.S.; extending a time period for county budget  
16      officers to prepare and present a tentative budget;  
17      providing additional requirements for filing comprehensive  
18      annual financial reports with clerks of circuit court and  
19      county residents; providing requirements for posting  
20      reports on websites; amending s. 166.241, F.S.; providing  
21      definitions; providing additional requirements for filing  
22      budgets by municipalities; providing budget disclosure  
23      requirements; requiring a proposed budget summary;  
24      providing summary requirements; providing additional  
25      requirements for posting comprehensive annual financial  
26      reports at certain public offices, online, and with  
27      municipal residents; providing limitations on unreserved  
28      undesignated fund balances; amending s. 189.418, F.S.;

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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29 providing definitions; providing additional requirements  
 30 for filing budgets by special districts; providing budget  
 31 disclosure requirements; requiring a proposed budget  
 32 summary; providing summary requirements; providing  
 33 additional requirements for posting comprehensive annual  
 34 financial reports at certain public offices, online, and  
 35 with special district residents; providing limitations on  
 36 unreserved undesignated fund balances; amending s.  
 37 373.536, F.S.; providing additional requirements for  
 38 filing comprehensive annual financial reports of water  
 39 management districts with clerks of circuit court, water  
 40 management residents, and online; providing limitations on  
 41 unreserved undesignated fund balances; deleting certain  
 42 notice requirements; amending ss. 189.429 and 191.015,  
 43 F.S.; correcting cross-references; providing  
 44 applicability; providing an effective date.

45  
 46 Be It Enacted by the Legislature of the State of Florida:

47  
 48 Section 1. Paragraph (a) of subsection (6), paragraph (e)  
 49 of subsection (7), and paragraph (c) of subsection (14) of  
 50 section 112.061, Florida Statutes, are amended to read:

51 112.061 Per diem and travel expenses of public officers,  
 52 employees, and authorized persons.--

53 (6) RATES OF PER DIEM AND SUBSISTENCE ALLOWANCE.--For  
 54 purposes of reimbursement rates and methods of calculation, per  
 55 diem and subsistence allowances are provided as follows:

56 (a) All travelers shall be allowed for subsistence when  
 57 traveling to a convention or conference or when traveling within  
 58 or outside the state in order to conduct bona fide state  
 59 business, which convention, conference, or business serves a  
 60 direct and lawful public purpose with relation to the public  
 61 agency served by the person attending such meeting or conducting  
 62 such business, either of the following for each day of such  
 63 travel at the option of the traveler:

- 64 1. Eighty dollars per diem; or
- 65 2. If actual expenses exceed \$80, the amounts permitted in  
 66 paragraph (b) for subsistence, plus actual expenses for lodging  
 67 at a single-occupancy rate to be substantiated by paid bills  
 68 therefor. Actual expenses for lodging shall not exceed \$200 per  
 69 night excluding taxes unless approved in writing by the agency  
 70 head when lodging is not reasonably available for less than the  
 71 maximum rate.

72  
 73 When lodging or meals are provided at a state institution, the  
 74 traveler shall be reimbursed only for the actual expenses of  
 75 such lodging or meals, not to exceed the maximum provided for in  
 76 this subsection.

77 (7) TRANSPORTATION.--

78 (e) Transportation by charter or rental vehicle ~~chartered~~  
 79 ~~vehicles~~ when traveling on official business may be authorized  
 80 by the agency head when necessary or where it is to the  
 81 advantage of the agency, provided the cost of such  
 82 transportation does not exceed the cost of transportation by  
 83 privately owned vehicle pursuant to paragraph (d).

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84 Transportation by charter or rental vehicle is preferred in lieu  
 85 of a privately owned vehicle when the use of a rental vehicle is  
 86 calculated to cost less than the estimated amount required to  
 87 reimburse the traveler for transportation by his or her  
 88 privately owned vehicle. At the option of the traveler, the use  
 89 of his or her private vehicle may be authorized, but  
 90 reimbursement shall be limited to the amount of whichever means  
 91 of vehicle transportation is less.

92 (14) APPLICABILITY TO COUNTIES, COUNTY OFFICERS, DISTRICT  
 93 SCHOOL BOARDS, SPECIAL DISTRICTS, AND METROPOLITAN PLANNING  
 94 ORGANIZATIONS.--

95 (c) Except as otherwise provided in this subsection,  
 96 counties, county constitutional officers and entities governed  
 97 by those officers, district school boards, special districts,  
 98 and metropolitan planning organizations, other than those  
 99 subject to s. 166.021(10), remain subject to the requirements of  
 100 this section. Notwithstanding subparagraph (a)4., water  
 101 management districts created under s. 373.069, the Florida  
 102 Inland Navigation District, the Northwest Florida Regional  
 103 Housing Authority, the Northwest Florida Transportation Corridor  
 104 Authority, the Sarasota-Manatee Airport Authority, Space  
 105 Florida, and the Tampa Bay Area Regional Transportation  
 106 Authority are subject to the requirements of this section.

107 Section 2. Paragraph (f) is added to subsection (2) of  
 108 section 129.01, Florida Statutes, to read:

109 129.01 Budget system established.--There is hereby  
 110 established a budget system for the control of the finances of

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111 the boards of county commissioners of the several counties of  
112 the state, as follows:

113 (2) Each budget shall conform to the following general  
114 directions and requirements:

115 (f) The unreserved undesignated fund balance, as defined  
116 in s. 129.02(1), shall not exceed 20 percent of operating  
117 revenues or 90 days of regular general fund operating  
118 expenditures, whichever is greater, necessary to secure and  
119 maintain credit ratings, meet seasonal shortfalls in cash flow,  
120 and reduce susceptibility to emergency or unanticipated  
121 expenditures or to address revenue shortfalls. Any remaining  
122 unreserved undesignated fund balance shall not be used to  
123 increase recurring expenditures within the budget, but shall be  
124 carried forward to the next fiscal year in furtherance of the  
125 fund.

126 Section 3. Section 129.02, Florida Statutes, is amended to  
127 read:

128 129.02 Requisites of budgets.--

129 (1) As used in this section, the term:

130 (a) "Fund" means a fiscal and accounting entity with a  
131 self-balancing set of accounts that are recorded and segregated  
132 to account for specific activities or to attain certain  
133 objectives in accordance with applicable laws, special  
134 regulations, restrictions, or limitations, in accordance with  
135 generally accepted accounting principles.

136 (b) "Object of expenditure" means the classification of  
137 fund data by character of expenditure. The term "object of  
138 expenditure" includes, but is not limited to, operating

139 expenditures or expenses, personal services, debt service,  
 140 capital outlay, grants, and transfers, in accordance with  
 141 generally accepted accounting principles.

142 (c) "Spending entity," as designated by the county  
 143 commission, means any office, unit, department, board,  
 144 commission, county officer, or dependent special district which  
 145 is responsible for any particular expenditures.

146 (d) "Unreserved undesignated fund balance" means any fund  
 147 balance remaining after accounting for all reserved and  
 148 designated governmental fund balances.

149 (2) Each budget shall conform to the following specific  
 150 directions and requirements:

151 (a) Budgets that do not meet the Distinguished Budget  
 152 Presentation Award criteria established by the Government  
 153 Finance Officers Association shall, by fund and by spending  
 154 entity within each fund for the fiscal year, set forth the  
 155 following:

156 1. All proposed budget expenditures summarized by the  
 157 object of expenditure to be undertaken or executed by any  
 158 spending entity during the fiscal year.

159 2. Anticipated revenues for the fiscal year.

160 3. Estimated beginning and ending fund balances.

161 4. The corresponding actual figures for the prior fiscal  
 162 year, current revised budget or estimated current year actual,  
 163 and proposed budget for the next fiscal year consistent with the  
 164 basis of accounting used to prepare the budget.

165 5. Explanatory schedules or statements noting material  
 166 changes in proposed expenditures by spending entity.

167        (b) 1.~~(1)~~ General fund budget shall contain an estimate of  
 168 receipts by source, including any taxes now or hereafter  
 169 authorized by law to be levied for any countywide purpose,  
 170 except those countywide purposes provided for in the budgets  
 171 enumerated below, any tax millage limitation to the contrary  
 172 notwithstanding, and including any balance brought forward as  
 173 provided herein; and an itemized estimate of expenditures that  
 174 will need to be incurred to carry on all functions and  
 175 activities of the county government now or hereafter authorized  
 176 by law, except those functions and activities provided for in  
 177 the budgets enumerated below, and of unpaid vouchers of the  
 178 general fund; also of the reserve for contingencies and of the  
 179 balances, as hereinbefore provided, which should be carried  
 180 forward at the end of the year.

181        2. A county shall prepare a written summary, not to exceed  
 182 4 pages, describing the important features of the proposed  
 183 budget. The summary shall include an overview of the county, a  
 184 description of the previous fiscal year's performance, a review  
 185 of the current fiscal year's revenues and expenditures, and an  
 186 economic outlook and future challenges or objectives  
 187 description. The summary must include a statement of the  
 188 budgetary basis of accounting used and a description of the  
 189 services to be delivered during the fiscal year. The county  
 190 shall make the summary available to county residents by filing  
 191 the summary with the clerk of the circuit court and posting the  
 192 summary prominently online if the county has a website.

193        (c)~~(2)~~ The County Transportation Trust Fund budget shall  
 194 contain an estimate of receipts by source and balances as

195 provided herein, and an itemized estimate of expenditures that  
 196 need to be incurred to carry on all work on roads and bridges in  
 197 the county except that provided for in the capital outlay  
 198 reserve fund budget and in district budgets pursuant to this  
 199 chapter, and of unpaid vouchers of the County Transportation  
 200 Trust Fund; also of the reserve for contingencies and the  
 201 balance, as hereinbefore provided, which should be carried  
 202 forward at the end of the year.

203 ~~(3) The budget for the county fine and forfeiture fund~~  
 204 ~~shall contain an estimate of receipts by source and balances as~~  
 205 ~~provided herein, and an itemized estimate of expenditures that~~  
 206 ~~need to be incurred to carry on all criminal prosecution, and~~  
 207 ~~all other law enforcement functions and activities of the county~~  
 208 ~~now or hereafter authorized by law, and of indebtedness of the~~  
 209 ~~county fine and forfeiture fund; also of the reserve for~~  
 210 ~~contingencies and the balance, as hereinbefore provided, which~~  
 211 ~~should be carried forward at the end of the year.~~

212 (d)1.~~(4)(a)~~ Capital outlay reserve fund budget shall  
 213 contain an estimate of receipts by source, including any taxes  
 214 authorized by law to be levied for that purpose, and including  
 215 any balance brought forward as provided for herein; and an  
 216 itemized estimate of expenditures for capital purposes to give  
 217 effect to general improvement programs. It shall be a plan for  
 218 the expenditure of funds for capital purposes, showing as income  
 219 the revenues, special assessments, borrowings, receipts from  
 220 sale of capital assets, free surpluses, and down payment  
 221 appropriation to be applied to the cost of a capital project or  
 222 projects, expenses of issuance of obligations, engineering,



223 supervision, contracts, and any other related expenditures. It  
 224 may contain also an estimate for the reserves as hereinbefore  
 225 provided and for a reserve for future construction and  
 226 improvements. No expenditures or obligations shall be incurred  
 227 for capital purposes except as appropriated in this budget,  
 228 except for the preliminary expense of plans, specifications and  
 229 estimates.

230 2.~~(b)~~ Under the provision herein set forth, a separate  
 231 capital budget may be adopted for each special district included  
 232 within the county budget, or a consolidated capital budget may  
 233 be adopted providing for the consolidation of capital projects  
 234 of the county and of the special districts included within the  
 235 county budget into one budget, treating borrowed funds and other  
 236 receipts as special revenue earmarked for capital projects as  
 237 separately itemized appropriation for each district special  
 238 project or county project, as the case may be.

239 3.~~(e)~~ Any funds in the capital budget not required to meet  
 240 the current construction cost of any project may be invested in  
 241 any securities of the Federal Government or in securities of any  
 242 county of the state pledging the full faith and credit of such  
 243 county or pledging such county's share of the gas tax provided  
 244 for in s. 16 of Art. IX of the Constitution of 1885 as adopted  
 245 by the 1968 revised constitution or in s. 9, Art. XII of said  
 246 revision.

247 (e)~~(5)~~ A bond interest and sinking fund budget shall be  
 248 made for each county and for each special district included  
 249 within the county budget having bonds outstanding. The budget  
 250 shall contain an estimate of receipts by source, including any

251 taxes authorized by law to be levied for that purpose, and  
 252 including any balances brought forward as provided herein; and  
 253 an itemized estimate of expenditures and reserves as follows:  
 254 The bond interest and principal maturities in the year for which  
 255 the budget is made shall be determined and estimates for  
 256 expenses connected with the payments of such bonds and coupons,  
 257 commissions of the tax collector, and of the property appraiser,  
 258 and expenses of refunding operations, if any are contemplated,  
 259 shall be appropriated. A sufficient "cash balance to be carried  
 260 over" may be reserved as set forth hereinbefore. The sinking  
 261 fund requirements provided for in the said reserve may be  
 262 carried over either in cash or in securities of the Federal  
 263 Government and of the local governments in Florida, or both.

264 (f) ~~(6)~~ For each special district included within the  
 265 county budget, the operating fund budget shall contain an  
 266 estimate of receipts by source and balances as provided herein,  
 267 and an itemized estimate of expenditures that will need to be  
 268 incurred to carry on all functions and activities of the special  
 269 district as now or hereafter provided by law and of the  
 270 indebtedness of the special district; also of the reserves for  
 271 contingencies and the balances, as hereinbefore provided, which  
 272 should be carried forward at the end of the year.

273 Section 4. Section 129.021, Florida Statutes, is amended  
 274 to read:

275 129.021 County officer budget  
 276 information.--Notwithstanding other provisions of law, the  
 277 budgets of all county officers, as submitted to the board of  
 278 county commissioners, shall be in sufficient detail and contain

279 such information as the board of county commissioners may  
 280 require in furtherance of their powers and responsibilities  
 281 provided in ss. 125.01(1)(q) and (r) and (6), ~~and~~ 129.01(2)(b),  
 282 and 129.02(1) and (2).

283 Section 5. Subsection (3) of section 129.03, Florida  
 284 Statutes, is amended to read:

285 129.03 Preparation and adoption of budget.--

286 (3) No later than 21 ~~15~~ days after certification of value  
 287 by the property appraiser pursuant to s. 200.065(1), the county  
 288 budget officer, after tentatively ascertaining the proposed  
 289 fiscal policies of the board for the ensuing fiscal year, shall  
 290 prepare and present to the board a tentative budget for the  
 291 ensuing fiscal year for each of the funds provided in this  
 292 chapter, including all estimated receipts, taxes to be levied,  
 293 and balances expected to be brought forward and all estimated  
 294 expenditures, reserves, and balances to be carried over at the  
 295 end of the year.

296 (a) The board of county commissioners shall receive and  
 297 examine the tentative budget for each fund and, subject to the  
 298 notice and hearing requirements of s. 200.065, shall require  
 299 such changes to be made as it shall deem necessary; provided the  
 300 budget shall remain in balance. The county budget officer's  
 301 estimates of receipts other than taxes, and of balances to be  
 302 brought forward, shall not be revised except by a resolution of  
 303 the board, duly passed and spread on the minutes of the board.  
 304 However, the board may allocate to any of the funds of the  
 305 county any anticipated receipts, other than taxes levied for a

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306 particular fund, except receipts designated or received to be  
307 expended for a particular purpose.

308 (b)1. Until the effective date of subparagraph 2., upon  
309 receipt of the tentative budgets and completion of any revisions  
310 made by the board, the board shall prepare a statement  
311 summarizing all of the adopted tentative budgets. This summary  
312 statement shall show, for each budget and the total of all  
313 budgets, the proposed tax millages, the balances, the reserves,  
314 and the total of each major classification of receipts and  
315 expenditures, classified according to the classification of  
316 accounts prescribed by the appropriate state agency, and a brief  
317 explanation of any material increase or decrease by spending  
318 entity. The county shall make the summary statement available to  
319 county residents by filing the statement with the clerk of the  
320 circuit court and posting the statement prominently online if  
321 the county has a website. The board shall cause this summary  
322 statement to be advertised one time in a newspaper of general  
323 circulation published in the county, or by posting with the  
324 clerk of the circuit court ~~at the courthouse door~~ if there is no  
325 such newspaper, and the advertisement shall appear adjacent to  
326 the advertisement required pursuant to s. 200.065.

327 2. Beginning with fiscal year 2018-2019, counties that  
328 have received a Certificate of Achievement for Excellence in  
329 Financial Reporting from the Government Finance Officers  
330 Association shall make the Comprehensive Annual Financial Report  
331 available to county residents by filing the report with the  
332 clerk of the circuit court and posting the report prominently  
333 online if the county has a website. Counties that have not

334 received a Certificate of Achievement for Excellence in  
 335 Financial Reporting shall continue to comply with the  
 336 requirements of subparagraph 1.

337 (c) The board shall hold public hearings to adopt  
 338 tentative and final budgets pursuant to s. 200.065. The hearings  
 339 shall be primarily for the purpose of hearing requests and  
 340 complaints from the public regarding the budgets and the  
 341 proposed tax levies and for explaining the budget and proposed  
 342 or adopted amendments thereto, if any. The tentative budgets,  
 343 adopted tentative budgets, and final budgets shall be filed in  
 344 the office of the clerk of the circuit court ~~county auditor~~ as a  
 345 public record. For counties that have websites, the tentative  
 346 budgets and final budgets, as approved by the county commission,  
 347 shall be made available online when filed with the clerk of the  
 348 circuit court and shall remain online until the final budget is  
 349 adopted for the next fiscal year. Sufficient reference in words  
 350 and figures to identify the particular transactions shall be  
 351 made in the minutes of the board to record its actions with  
 352 reference to the budgets.

353 Section 6. Section 166.241, Florida Statutes, is amended  
 354 to read:

355 166.241 Fiscal years, appropriations, budgets, and budget  
 356 amendments.--

357 (1) As used in this section, the term:

358 (a) "Fund" means a fiscal and accounting entity with a  
 359 self-balancing set of accounts that are recorded and segregated  
 360 to account for specific activities or to attain certain  
 361 objectives in accordance with applicable laws, special

362 regulations, restrictions, or limitations, in accordance with  
 363 generally accepted accounting principles.

364 (b) "Object of expenditure" means the classification of  
 365 fund data by character of expenditure. The term "object of  
 366 expenditure" includes, but is not limited to, operating  
 367 expenditures or expenses, personal services, debt service,  
 368 capital outlay, grants, and transfers, in accordance with  
 369 generally accepted accounting principles.

370 (c) "Spending entity," as designated by the municipality,  
 371 means any office, unit, department, board, commission, or  
 372 dependent special district which is responsible for any  
 373 particular expenditures.

374 (d) "Unreserved undesignated fund balance" means any fund  
 375 balance remaining after accounting for all reserved and  
 376 designated governmental fund balances.

377 (2)-(1) Each municipality shall make provision for  
 378 establishing a fiscal year beginning October 1 of each year and  
 379 ending September 30 of the following year.

380 (3)-(2) The governing body of each municipality shall adopt  
 381 a budget each fiscal year. The budget shall ~~must~~ be adopted by  
 382 ordinance or resolution unless otherwise specified in the  
 383 respective municipality's charter. The amount available from  
 384 taxation and other sources, including amounts carried over from  
 385 prior fiscal years, must equal the total appropriations for  
 386 expenditures and reserves. The budget shall ~~must~~ regulate  
 387 expenditures of the municipality, and it is unlawful for any  
 388 officer of a municipal government to expend or contract for  
 389 expenditures in any fiscal year except in pursuance of budgeted

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390 appropriations. The tentative budgets and final budgets,  
391 approved by the governing body, shall be filed at a designated  
392 public office within the boundaries of the municipality as a  
393 public record. For municipalities that have websites, the  
394 tentative budgets and final budgets, approved by the governing  
395 body, shall be made available online when filed with the  
396 designated public office and remain online until the final  
397 budget is adopted for the next fiscal year.

398 (4) (a) Budgets that do not meet the Distinguished Budget  
399 Presentation Award criteria established by the Government  
400 Finance Officers Association and that exceed \$1 million shall,  
401 by fund and by spending entity within each fund for the fiscal  
402 year, set forth the following:

403 1. All proposed budget expenditures summarized by the  
404 object of expenditure to be undertaken or executed by any  
405 spending entity during the fiscal year.

406 2. Anticipated revenues for the fiscal year.

407 3. Estimated beginning and ending fund balances.

408 4. The corresponding actual figures for the prior fiscal  
409 year, current revised budget or estimated current year actual,  
410 and proposed budget for the next fiscal year consistent with the  
411 basis of accounting used to prepare the budget.

412 5. Explanatory schedules or statements noting material  
413 changes in proposed expenditures by spending entity.

414 (b) A municipality shall prepare a written summary, not to  
415 exceed 4 pages, describing the important features of the  
416 proposed budget. The summary shall include an overview of the  
417 municipality, a description of the previous fiscal year's

418 performance, a review of the current fiscal year's revenues and  
 419 expenditures, and an economic outlook and future challenges or  
 420 objectives description. The summary must include a statement of  
 421 the budgetary basis of accounting used and a description of the  
 422 services to be delivered during the fiscal year. The  
 423 municipality shall make the summary available to municipal  
 424 residents by posting the summary at a designated public office  
 425 within the boundaries of the municipality and posting the  
 426 summary prominently online if the municipality has a website.

427 (5) (a) Municipalities that have received a Certificate of  
 428 Achievement for Excellence in Financial Reporting from the  
 429 Government Finance Officers Association shall make the  
 430 Comprehensive Annual Financial Report available to municipal  
 431 residents by posting the report at a designated public office  
 432 within the boundaries of the municipality and posting the report  
 433 prominently online if the municipality has a website.

434 (b) Municipalities the budgets of which are over \$1  
 435 million and that have not received a Certificate of Achievement  
 436 for Excellence in Financial Reporting from the Government  
 437 Finance Officers Association shall, upon receipt of the  
 438 tentative budgets of each spending entity and completion of any  
 439 revisions made by the municipality, prepare a statement  
 440 summarizing all of the adopted tentative budgets. This summary  
 441 statement shall show for each budget the total of all budgets,  
 442 the proposed tax millages, the balances, the reserves, and the  
 443 total of each major classification of receipts and expenditures,  
 444 classified according to the classification of accounts  
 445 prescribed by the appropriate state agency, and a brief



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446 explanation of any material increase or decrease by spending  
447 entity. The municipality shall make the summary statement  
448 available to municipal residents by posting the statement at a  
449 designated public office within the boundaries of the  
450 municipality and posting the statement prominently online if the  
451 municipality has a website.

452 (6) The unreserved undesignated fund balance shall not  
453 exceed 20 percent of operating revenues or 90 days of regular  
454 general fund operating expenditures, whichever is greater,  
455 necessary to secure and maintain credit ratings, meet seasonal  
456 shortfalls in cash flow, and reduce susceptibility to emergency  
457 or unanticipated expenditures or to address revenue shortfalls.  
458 Any remaining unreserved undesignated fund balance shall not be  
459 used to increase recurring expenditures within the budget, but  
460 shall be carried forward to the next fiscal year in furtherance  
461 of the fund.

462 (7)~~(3)~~ The governing body of each municipality at any time  
463 within a fiscal year or within up to 60 days following the end  
464 of the fiscal year may amend a budget for that year as follows:

465 (a) Appropriations for expenditures within a fund may be  
466 decreased or increased by motion recorded in the minutes,  
467 provided that the total of the appropriations of the fund is not  
468 changed.

469 (b) The governing body may establish procedures by which  
470 the designated budget officer may authorize certain budget  
471 amendments within a department, provided that the total of the  
472 appropriations of the department is not changed.

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473 (c) If a budget amendment is required for a purpose not  
474 specifically authorized in paragraph (a) or paragraph (b), the  
475 budget amendment must be adopted in the same manner as the  
476 original budget unless otherwise specified in the charter of the  
477 respective municipality.

478 Section 7. Section 189.418, Florida Statutes, is amended  
479 to read:

480 189.418 Reports; budgets; audits.--

481 (1) As used in this section, the term:

482 (a) "Fund" means a fiscal and accounting entity with a  
483 self-balancing set of accounts that are recorded and segregated  
484 to account for specific activities or to attain certain  
485 objectives in accordance with applicable laws, special  
486 regulations, restrictions, or limitations, in accordance with  
487 generally accepted accounting principles.

488 (b) "Object of expenditure" means the classification of  
489 fund data by character of expenditure. The term "object of  
490 expenditure" includes, but is not limited to, operating  
491 expenditures or expenses, personal services, debt service,  
492 capital outlay, grants, and transfers, in accordance with  
493 generally accepted accounting principles.

494 (c) "Spending entity," as designated by the special  
495 district, means any office, unit, department, board, commission,  
496 or institution which is responsible for any particular  
497 expenditures.

498 (d) "Unreserved undesignated fund balance" means any fund  
499 balance remaining after accounting for all reserved and  
500 designated governmental fund balances.

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501        (2)~~(1)~~ When a new special district is created, the  
502 district must forward to the department, within 30 days after  
503 the adoption of the special act, rule, ordinance, resolution, or  
504 other document that provides for the creation of the district, a  
505 copy of the document and a written statement that includes a  
506 reference to the status of the special district as dependent or  
507 independent and the basis for such classification. In addition  
508 to the document or documents that create the district, the  
509 district must also submit a map of the district, showing any  
510 municipal boundaries that cross the district's boundaries, and  
511 any county lines if the district is located in more than one  
512 county. The department must notify the local government or other  
513 entity and the district within 30 days after receipt of the  
514 document or documents that create the district as to whether the  
515 district has been determined to be dependent or independent.

516        (3)~~(2)~~ Any amendment, modification, or update of the  
517 document by which the district was created, including changes in  
518 boundaries, must be filed with the department within 30 days  
519 after adoption. The department may initiate proceedings against  
520 special districts as provided in s. 189.421 for failure to file  
521 the information required by this subsection.

522        (4) (a)~~(3)~~ The governing body of each special district  
523 shall adopt a budget by resolution each fiscal year. The total  
524 amount available from taxation and other sources, including  
525 amounts carried over from prior fiscal years, must equal the  
526 total of appropriations for expenditures and reserves. The  
527 adopted budget must regulate expenditures of the special  
528 district, and it is unlawful for any officer of a special

529 district to expend or contract for expenditures in any fiscal  
530 year except in pursuance of budgeted appropriations. Budgets  
531 that exceed \$250,000 in revenues and that do not meet the  
532 Distinguished Budget Presentation Award criteria established by  
533 the Government Finance Officers Association shall, by fund and  
534 by spending entity within each fund for the fiscal year, set  
535 forth the following:

536 1. All proposed budget expenditures summarized by the  
537 object of expenditure to be undertaken or executed by any  
538 spending entity during the fiscal year.

539 2. Anticipated revenues for the fiscal year.

540 3. Estimated beginning and ending fund balances.

541 4. The corresponding actual figures for the prior fiscal  
542 year, current revised budget or estimated current year actual,  
543 and proposed budget for the next fiscal year consistent with the  
544 basis of accounting used to prepare the budget.

545 5. Explanatory schedules or statements noting material  
546 changes in proposed expenditures by spending entity.

547 (b) For budgets that exceed \$250,000 in revenues,  
548 tentative budgets and final budgets, approved by the governing  
549 body, shall be filed as a public record at a designated public  
550 office within the boundaries of the special district, or, if a  
551 public office is not available within the boundaries, shall be  
552 filed with a public office close to the boundaries of the  
553 special district. For special districts that have websites,  
554 tentative budgets and final budgets, approved by the governing  
555 body, shall be made available online when filed with the

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556 designated public office and remain online until the final  
557 budget is adopted for the next fiscal year.

558 (c)1. Special districts that have received a Certificate  
559 of Achievement for Excellence in Financial Reporting from the  
560 Government Finance Officers Association shall make the  
561 Comprehensive Annual Financial Report available to district  
562 residents by posting the report at a designated public office  
563 within the boundaries of the special district, or, if a public  
564 office is not available within the boundaries, shall file the  
565 report with a public office close to the boundaries of the  
566 special district and post the report prominently online if the  
567 district has a website.

568 2. Special districts the budgets of which exceed \$250,000  
569 in revenues and that have not received a Certificate of  
570 Achievement for Excellence in Financial Reporting from the  
571 Government Finance Officers Association shall, upon receipt of  
572 the tentative budgets of each spending entity and completion of  
573 any revisions made by the special district, prepare a statement  
574 summarizing all of the adopted tentative budgets. This summary  
575 statement shall show for each budget the total of all budgets,  
576 the proposed tax millages, the balances, the reserves, and the  
577 total of each major classification of receipts and expenditures,  
578 classified according to the classification of accounts  
579 prescribed by the appropriate state agency, and a brief  
580 explanation of any material increase or decrease by spending  
581 entity. The special district shall make the summary statement  
582 available to district residents by posting at a designated  
583 public office within the boundaries of the special district, or,

584 if a public office is not available within the boundaries, the  
 585 statement shall be filed with a public office close to the  
 586 boundaries of the special district and post the statement  
 587 prominently online if the district has a website.

588 (5) The unreserved undesignated fund balance shall not  
 589 exceed 20 percent of operating revenues or 90 days of regular  
 590 general fund operating expenditures, whichever is greater,  
 591 necessary to secure and maintain credit ratings, meet seasonal  
 592 shortfalls in cash flow, and reduce susceptibility to emergency  
 593 or unanticipated expenditures or to address revenue shortfalls.  
 594 Any remaining unreserved undesignated fund balance shall not be  
 595 used to increase recurring expenditures within the budget, but  
 596 shall be carried forward to the next fiscal year in furtherance  
 597 of the fund.

598 (6)~~(4)~~ The proposed budget of a dependent special district  
 599 shall be presented in accordance with generally accepted  
 600 accounting principles, contained within the general budget of  
 601 the local governing authority, and be clearly stated as the  
 602 budget of the dependent district. However, with the concurrence  
 603 of the local governing authority, a dependent district may be  
 604 budgeted separately.

605 (7)~~(5)~~ The governing body of each special district at any  
 606 time within a fiscal year or within up to 60 days following the  
 607 end of the fiscal year may amend a budget for that year. The  
 608 budget amendment must be adopted by resolution.

609 (8)~~(6)~~ A local governing authority may, in its discretion,  
 610 review the budget or tax levy of any special district located  
 611 solely within its boundaries.

612        ~~(9)~~ All reports or information required to be filed  
 613 with a local governing authority under ss. 189.415, 189.416, and  
 614 189.417 and this section shall:

615            (a) When the local governing authority is a county, be  
 616 filed with the clerk of the board of county commissioners.

617            (b) When the district is a multicounty district, be filed  
 618 with the clerk of the county commission in each county.

619            (c) When the local governing authority is a municipality,  
 620 be filed at the place designated by the municipal governing  
 621 body.

622            Section 8. Paragraphs (d) and (e) of subsection (3),  
 623 paragraph (c) of subsection (4), and paragraph (a) of subsection  
 624 (6) of section 373.536, Florida Statutes, are amended to read:

625            373.536 District budget and hearing thereon.--

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

627            (d) As provided in s. 200.065(2)(d), the board shall  
 628 publish one or more notices of its intention to adopt a final  
 629 budget for the district for the ensuing fiscal year. The notice  
 630 shall appear adjacent to an advertisement that sets forth the  
 631 tentative budget in a format meeting the budget summary  
 632 requirements of s. 129.03(3)(b). The district shall not include  
 633 expenditures of federal special revenues and state special  
 634 revenues when preparing the statement required by s.

635 200.065(3)(1). The notice and advertisement shall be published  
 636 in one or more newspapers having a combined general paid  
 637 circulation in each county in which the district lies and the  
 638 advertisement shall be posted online if the district has a  
 639 website. Districts may include explanatory phrases and examples

640 in budget advertisements published under s. 200.065 to clarify  
 641 or illustrate the effect that the district budget may have on ad  
 642 valorem taxes.

643 (e) In lieu of the advertisement setting forth the  
 644 tentative budget in a format meeting the budget summary  
 645 requirements of s. 129.03(3)(b), water management districts that  
 646 have received a Certificate of Achievement for Excellence in  
 647 Financial Reporting from the Government Finance Officers  
 648 Association shall cause the resulting Comprehensive Annual  
 649 Financial Report to be made available to district residents by  
 650 filing the report with the clerk of the circuit court of each  
 651 county within or partly within the district and by posting the  
 652 report prominently online if the district has a website. The  
 653 district shall also cause the website address of the report to  
 654 be advertised in one or more newspapers having a combined  
 655 general paid circulation in each county in which the district  
 656 lies, and the advertisement shall appear adjacent the  
 657 advertisement required pursuant to s. 200.065.

658 (f)~~(e)~~ The hearing for adoption of a final budget and  
 659 millage rate shall be by and before the governing board of the  
 660 district as provided in s. 200.065 and may be continued from day  
 661 to day until terminated by the board.

662 (4) BUDGET CONTROLS.--

663 (c) If ~~should~~ the district receives receive unanticipated  
 664 funds, not including federal special revenues and state special  
 665 revenues, after the adoption of the final budget, those funds  
 666 shall be treated as unreserved undesignated funds. The  
 667 unreserved undesignated fund balance, as defined in s.



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668 129.02(1), shall not exceed 20 percent of operating revenues or  
 669 90 days of regular general fund operating expenditures,  
 670 whichever is greater, necessary to secure and maintain credit  
 671 ratings, meet seasonal shortfalls in cash flow, and reduce  
 672 susceptibility to emergency or unanticipated expenditures or to  
 673 address revenue shortfalls. Any remaining unreserved  
 674 undesignated fund balance shall not be used to increase  
 675 recurring expenditures within the budget, but shall be carried  
 676 forward to the next fiscal year in furtherance of the fund ~~the~~  
 677 ~~final budget may be amended by including such funds, so long as~~  
 678 ~~notice of intention to amend is published in the notice of the~~  
 679 ~~governing board meeting at which the amendment will be~~  
 680 ~~considered, pursuant to s. 120.525. The notice shall set forth a~~  
 681 ~~summary of the proposed amendment. However, in the event of a~~  
 682 ~~disaster or of an emergency arising to prevent or avert the~~  
 683 ~~same, the governing board shall not be limited by the budget but~~  
 684 ~~shall have authority to apply such funds as may be available~~  
 685 ~~therefor or as may be procured for such purpose.~~

686 (6) FINAL BUDGET; ANNUAL AUDIT; CAPITAL IMPROVEMENTS PLAN;  
 687 WATER RESOURCE DEVELOPMENT WORK PROGRAM.--

688 (a) Each district must, by the date specified for each  
 689 item, furnish copies of the following documents to the Governor,  
 690 the President of the Senate, the Speaker of the House of  
 691 Representatives, the chairs of all legislative committees and  
 692 subcommittees having substantive or fiscal jurisdiction over the  
 693 districts, as determined by the President of the Senate or the  
 694 Speaker of the House of Representatives as applicable, the  
 695 secretary of the department, and the governing board of each

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696 county in which the district has jurisdiction or derives any  
697 funds for the operations of the district:

698 1. The adopted budget, to be furnished within 10 days  
699 after its adoption.

700 2. A financial audit of its accounts and records, to be  
701 furnished within 10 days after its acceptance by the governing  
702 board. The audit must be conducted in accordance with the  
703 provisions of s. 11.45 and the rules adopted thereunder. In  
704 addition to the entities named above, the district must provide  
705 a copy of the audit to the Auditor General within 10 days after  
706 its acceptance by the governing board.

707 3. A 5-year capital improvements plan, to be included in  
708 the consolidated annual report required by s. 373.036(7). The  
709 plan must include expected sources of revenue for planned  
710 improvements and must be prepared in a manner comparable to the  
711 fixed capital outlay format set forth in s. 216.043.

712 4. A 5-year water resource development work program to be  
713 furnished within 30 days after the adoption of the final budget.  
714 The program must describe the district's implementation strategy  
715 for the water resource development component of each approved  
716 regional water supply plan developed or revised under s.  
717 373.0361. The work program must address all the elements of the  
718 water resource development component in the district's approved  
719 regional water supply plans and must identify which projects in  
720 the work program will provide water, explain how each water  
721 resource development project will produce additional water  
722 available for consumptive uses, estimate the quantity of water  
723 to be produced by each project, and provide an assessment of the

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724 contribution of the district's regional water supply plans in  
725 providing sufficient water to meet the water supply needs of  
726 existing and future reasonable-beneficial uses for a 1-in-10-  
727 year drought event. Within 30 days after its submittal, the  
728 department shall review the proposed work program and submit its  
729 findings, questions, and comments to the district. The review  
730 must include a written evaluation of the program's consistency  
731 with the furtherance of the district's approved regional water  
732 supply plans, and the adequacy of proposed expenditures. As part  
733 of the review, the department shall give interested parties the  
734 opportunity to provide written comments on each district's  
735 proposed work program. Within 45 days after receipt of the  
736 department's evaluation, the governing board shall state in  
737 writing to the department which changes recommended in the  
738 evaluation it will incorporate into its work program submitted  
739 as part of the March 1 consolidated annual report required by s.  
740 373.036(7) or specify the reasons for not incorporating the  
741 changes. The department shall include the district's responses  
742 in a final evaluation report and shall submit a copy of the  
743 report to the Governor, the President of the Senate, and the  
744 Speaker of the House of Representatives.

745 5. The Comprehensive Annual Financial Report of water  
746 management districts that have received a Certificate of  
747 Achievement for Excellence in Financial Reporting from the  
748 Government Finance Officers Association.

749 Section 9. Subsection (1) of section 189.429, Florida  
750 Statutes, is amended to read:

751 189.429 Codification.--

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752           (1) Each district, by December 1, 2004, shall submit to  
753 the Legislature a draft codified charter, at its expense, so  
754 that its special acts may be codified into a single act for  
755 reenactment by the Legislature, if there is more than one  
756 special act for the district. The Legislature may adopt a  
757 schedule for individual district codification. Any codified act  
758 relating to a district, which act is submitted to the  
759 Legislature for reenactment, shall provide for the repeal of all  
760 prior special acts of the Legislature relating to the district.  
761 The codified act shall be filed with the department pursuant to  
762 s. 189.418(3) ~~189.418(2)~~.

763           Section 10. Section 191.015, Florida Statutes, is amended  
764 to read:

765           191.015 Codification.--Each fire control district existing  
766 on the effective date of this section, by December 1, 2004,  
767 shall submit to the Legislature a draft codified charter, at its  
768 expense, so that its special acts may be codified into a single  
769 act for reenactment by the Legislature, if there is more than  
770 one special act for the district. The Legislature may adopt a  
771 schedule for individual district codification. Any codified act  
772 relating to a district, which act is submitted to the  
773 Legislature for reenactment, shall provide for the repeal of all  
774 prior special acts of the Legislature relating to the district.  
775 The codified act shall be filed with the Department of Community  
776 Affairs pursuant to s. 189.418(3) ~~189.418(2)~~.

777           Section 11. This act shall take effect upon becoming a law  
778 and shall apply to the 2008-2009 fiscal year.