

1 A bill to be entitled  
2 An act relating to local government accountability;  
3 amending s. 11.40, F.S., relating to the Legislative  
4 Auditing Committee; clarifying when the Department of  
5 Community Affairs may institute procedures for declaring  
6 that a special district is inactive; amending s. 30.49,  
7 F.S.; specifying the level of detail required for each  
8 fund in the sheriff's proposed budget; revising the  
9 categories for expenditures; amending s. 112.63, F.S.,  
10 relating to the review of the actuarial reports and  
11 statements of retirement plans of governmental entities by  
12 the Department of Management Services; providing that the  
13 failure of a special district to make appropriate  
14 adjustments or provide additional information authorizes  
15 the department to seek a writ of certiorari; amending s.  
16 129.01, F.S.; revising provisions relating to the  
17 preparation of county budgets; specifying the level of  
18 detail required for each fund in the budget; amending s.  
19 129.02, F.S.; revising provisions relating to the  
20 preparation of special district budgets; specifying the  
21 level of detail required for each fund in the budget;  
22 amending s. 129.021, F.S.; conforming cross-references;  
23 amending s. 129.03, F.S.; deleting a time restriction on  
24 preparing and presenting a tentative county budget;  
25 requiring tentative county budgets to be posted on the  
26 county's website; amending s. 129.06, F.S.; revising  
27 provisions relating to the execution and amendment of  
28 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;

HB 107

2011

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:

108  
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

HB 107

2011

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); or ~~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

HB 107

2011

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~~ 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

HB 107

2011

421 district as ~~now 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,<sup>†</sup>  
 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

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

HB 107

2011

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~~

HB 107

2011

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

HB 107

2011

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

HB 107

2011

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:



HB 107

2011

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:

HB 107

2011

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

HB 107

2011

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



HB 107

2011

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

HB 107

2011

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

HB 107

2011

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.

HB 107

2011

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

HB 107

2011

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



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

HB 107

2011

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).



HB 107

2011

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.