

**HOUSE OF REPRESENTATIVES  
FINAL BILL ANALYSIS**

<b>BILL #:</b>	CS/HB 1069	<b>FINAL HOUSE FLOOR ACTION:</b>	
<b>SPONSOR(S):</b>	Local & Federal Affairs Committee; Ingram	114 Y's	0 N's
<b>COMPANION BILLS:</b>	N/A	<b>GOVERNOR'S ACTION:</b>	Approved

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**SUMMARY ANALYSIS**

CS/HB 1069 passed the House on April 26, 2013, and subsequently passed the Senate on April 30, 2013.

The Emerald Coast Utilities Authority (Authority) is an independent special district providing water, wastewater, and sewage services in Escambia County. This bill reduces the frequency of the management efficiency audits of the Authority from every three years to every five years.

This bill has no fiscal impact on state or local government.

The bill was approved by the Governor on June 28, 2013, ch. 2013-261, L.O.F., and became effective on that date.

## I. SUBSTANTIVE INFORMATION

### A. EFFECT OF CHANGES:

#### **Present Situation**

##### Emerald Coast Utilities Authority

The Escambia County Utilities Authority was created by special act in 1981 to operate utility, water, and sewer systems in Escambia County, Florida. Chapter 2001-324, L.O.F., codified the enabling legislation and ch. 2004-398, L.O.F., changed the name to Emerald Coast Utilities Authority (Authority). Today, the Authority is an independent special district providing water, wastewater, and sanitation services in Escambia County.

##### Management Efficiency Audits

When the Authority was created, the enabling legislation required a management efficiency audit every three years to be conducted by a private firm. These audits were intended to guide the new entity and ensure proper, efficient, and economical operation and maintenance of the Authority's utility systems and facilities. The Authority successfully and efficiently operated for 32 years while undergoing triennial audits, which have been decreasingly insightful in recent years.

The management efficiency audits are operational, not financial, and focus on improving the economy and efficiency of the Authority's service and daily operations. These audits are separate from the annual financial audits statutorily required of special districts such as the Authority.

#### **Effect of Changes**

##### Management Efficiency Audits

This bill reduces the management efficiency audits' required frequency from every three years to every five years. The Authority anticipates an annual savings of approximately \$6,355 by conducting management efficiency audits only every five years.

The annual financial reporting requirements are not impacted by this bill.

## II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes  No

IF YES, WHEN? January 21, 2013

WHERE? The *Pensacola News Journal*, a daily newspaper published in Escambia County, Florida.

B. REFERENDUM(S) REQUIRED? Yes  No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes  No

D. ECONOMIC IMPACT STATEMENT FILED? Yes  No