

CHAPTER 2011-144

Committee Substitute for Senate Bill No. 224

An act relating to local government accountability; amending s. 11.40, F.S., relating to the Legislative Auditing Committee; clarifying when the Department of Community Affairs may institute procedures for declaring that a special district is inactive; amending s. 30.49, F.S.; specifying the level of detail required for each fund in the sheriff's proposed budget; revising the categories for expenditures; amending s. 112.63, F.S., relating to the review of the actuarial reports and statements of retirement plans of governmental entities by the Department of Management Services; providing that the failure of a special district to make appropriate adjustments or provide additional information authorizes the department to seek a writ of certiorari; amending s. 129.01, F.S.; revising provisions relating to the preparation of county budgets; specifying the level of detail required for each fund in the budget; amending s. 129.02, F.S.; revising provisions relating to the preparation of special district budgets; specifying the level of detail required for each fund in the budget; amending s. 129.021, F.S.; conforming cross-references; amending s. 129.03, F.S.; deleting a time restriction on preparing and presenting a tentative county budget; requiring tentative county budgets to be posted on the county's website; amending s. 129.06, F.S.; revising provisions relating to the execution and amendment of county budgets; requiring revised budgets to be posted on the county's website; amending s. 129.07, F.S.; revising provisions relating to the prohibition against exceeding the county budget; amending s. 129.201, F.S.; conforming and revising provisions relating to the budget of the supervisor of elections; specifying the level of detail required for each fund in the proposed budget; revising expenditure categories; amending s. 166.241, F.S.; revising provisions relating to the preparation or amendment of municipal budgets; specifying the level of detail for each fund in the budget; requiring such budgets and amendments to such budgets to be posted on the website of the municipality or related county; amending s. 189.4044, F.S.; adding failure to file a registered office or agent with the department for 1 or more years as a criteria for declaring a special district inactive; amending s. 189.412, F.S.; adding the Legislative Auditing Committee to the list of entities that obtain special district noncompliance status reports; amending s. 189.418, F.S.; revising provisions relating to the preparation or amendment of special district budgets; specifying the level of detail for each fund in the budget; requiring such budgets to be posted on the website of the special district or related local general-purpose government or governing authority; specifying how the budget may be amended under certain circumstances; requiring special districts to comply with certain reporting requirements; authorizing a local governing authority to request certain financial information from special districts located solely within the boundaries of the authority; requiring special districts to cooperate with such requests; amending s. 189.419, F.S.; revising procedures relating to a

special district's failure to file certain reports or information; amending s. 189.421, F.S.; revising procedures relating to the failure of a special district to disclose financial reports; authorizing the Department of Community Affairs to seek a writ of certiorari; amending s. 195.087, F.S.; requiring the final approved budget of the property appraiser and tax collector to be posted on their respective website or, if not available, the county's website; amending s. 218.32, F.S.; revising the schedule for submitting a local governmental entity's audit and annual financial reports to the Department of Financial Services; requiring the department to notify the Special District Information Program if it does not receive a financial report from a local governmental entity; requiring a local governmental entity to provide a link to the entity's financial report on the department's website; amending s. 218.35, F.S.; requiring the budget for certain county-related duties to be itemized in accordance with the uniform accounting system of the Department of Financial Services; specifying the level of detail for each fund in the clerk of the court's budget; requiring the court clerk's approved budget to be posted on the county's website; amending s. 218.39, F.S.; revising the timeframe for completing a local governmental entity's annual financial audit; requiring that an auditor prepare an audit report; requiring that such report be filed with the Auditor General within a specified time; requiring that the Auditor General notify the Legislative Auditing Committee of any audit report indicating that an audited entity has failed to take corrective action; requiring that the chair of a local governmental entity appear before the committee under certain circumstances; amending s. 218.503, F.S.; revising provisions relating to oversight by the Governor when an entity's financial statements show it cannot cover a deficit of funds; amending s. 373.536, F.S.; requiring that water management district budgets be posted on the district website; amending s. 1011.03, F.S.; requiring the summary of the tentative budget, the tentative budget, and the budget of a district school board to be posted on the district's official website; amending s. 1011.051, F.S.; revising provisions relating to the guidelines for district school boards to maintain an ending fund balance for the general fund; amending s. 1011.64, F.S.; updating obsolete accounting terminology for school districts; amending s. 170.201, F.S.; authorizing certain municipalities to levy and collect special assessments to fund special security and crime prevention services and facilities; providing for the abatement of taxes if the cost of those services and facilities are funded by ad valorem taxes; providing an effective date.

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

Section 1. Paragraph (b) of subsection (5) of section 11.40, Florida Statutes, is amended to read:

11.40 Legislative Auditing Committee.—

(5) Following notification by the Auditor General, the Department of Financial Services, or the Division of Bond Finance of the State Board of Administration of the failure of a local governmental entity, district school

board, charter school, or charter technical career center to comply with the applicable provisions within s. 11.45(5)-(7), s. 218.32(1), or s. 218.38, the Legislative Auditing Committee may schedule a hearing. If a hearing is scheduled, the committee shall determine if the entity should be subject to further state action. If the committee determines that the entity should be subject to further state action, the committee shall:

(b) In the case of a special district, notify the Department of Community Affairs that the special district has failed to comply with the law. Upon receipt of notification, the Department of Community Affairs shall proceed pursuant to s. 189.4044 or the provisions specified in s. 189.421.

Section 2. Subsections (1) through (4) of section 30.49, Florida Statutes, are amended to read:

30.49 Budgets.—

(1) Pursuant to s. 129.03(2), each sheriff shall annually prepare and submit certify to the board of county commissioners a proposed budget of expenditures for the carrying out of the powers, duties, and operations of the office for the next ensuing fiscal year of the county. The fiscal year of the sheriff commences shall henceforth commence on October 1 and ends end on September 30 of each year.

(2)(a) The sheriff shall submit with the proposed budget his or her sworn certificate, stating that the proposed expenditures are reasonable and necessary for the proper and efficient operation of the office for the ensuing year. The proposed budget must shall show the estimated amounts of all proposed expenditures for operating and equipping the sheriff's office and jail, excluding the cost of construction, repair, or capital improvement of county buildings during the such fiscal year. The expenditures must shall be categorized at the appropriate fund level in accordance with the following functional categories:

1. General law enforcement.
2. Corrections and detention alternative facilities.
3. Court services, excluding service of process.

(b) The sheriff shall submit a sworn certificate along with the proposed budget stating that the proposed expenditures are reasonable and necessary for the proper and efficient operation of the office for the next fiscal year.

(c) Within the appropriate fund and functional category, expenditures must shall be itemized in accordance with the uniform accounting system chart of accounts prescribed by the Department of Financial Services, as follows:

1. Personnel Personal services.

2. Operating expenses.
3. Capital outlay.
4. Debt service.
5. Grants and aids Nonoperating disbursements and contingency reserves.
6. Other uses.

(d)(e) The sheriff shall submit to the board of county commissioners for consideration and inclusion in the county budget, as deemed appropriate by the county, requests for construction, repair, or capital improvement of county buildings operated or occupied by the sheriff.

(3) The sheriff shall furnish to the board of county commissioners or the budget commission, if there is a budget commission in the county, all relevant and pertinent information concerning expenditures made in previous fiscal years and to the proposed expenditures which the such board or commission deems necessary, including expenditures at the subobject code level in accordance with the uniform accounting system prescribed by the Department of Financial Services. The board or commission may not amend, modify, increase, or reduce any expenditure at the subobject code level, except that The board or commission may not require confidential information concerning details of investigations which. Confidential information concerning details of investigations is exempt from the provisions of s. 119.07(1).

(4) The board of county commissioners or the budget commission, as appropriate the case may be, may require the sheriff to correct mathematical, mechanical, factual, and clerical errors and errors as to form in the proposed budget. At the hearings held pursuant to s. 200.065, the board or commission, as the case may be, may amend, modify, increase, or reduce any or all items of expenditure in the proposed budget, as certified by the sheriff pursuant to paragraphs (2)(a)-(c), and shall approve such budget, as amended, modified, increased, or reduced. The board or commission It must give written notice of its action to the sheriff and specify in such notice the specific items amended, modified, increased, or reduced. The budget must shall include the salaries and expenses of the sheriff's office, cost of operation of the county jail, purchase, maintenance and operation of equipment, including patrol cars, radio systems, transporting prisoners, court duties, and all other salaries, expenses, equipment, and investigation expenditures of the entire sheriff's office for the previous year.

(a) The sheriff, within 30 days after receiving written notice of such action by the board or commission, either in person or in his or her office, may file an appeal by petition to the Administration Commission. Such appeal shall be by petition to the Administration commission. The petition must shall set forth the budget proposed by the sheriff, in the form and manner

prescribed by the Executive Office of the Governor and approved by the Administration Commission, and the budget as approved by the board of county commissioners or the budget commission, as the case may be, and shall contain the reasons or grounds for the appeal. Such petition shall be filed with the Executive Office of the Governor, and a copy of the petition shall be served upon the board or commission from the decision of which appeal is taken by delivering the same to the chair or president thereof or to the clerk of the circuit court.

(b) The board of county commissioners or the budget commission, as the case may be, shall have 5 days following from delivery of a copy of any such petition to file a reply with the Executive Office of the Governor a reply thereto, and it shall deliver a copy of such reply to the sheriff.

Section 3. Subsection (4) of section 112.63, Florida Statutes, is amended to read:

112.63 Actuarial reports and statements of actuarial impact; review.—

(4) Upon receipt, pursuant to subsection (2), of an actuarial report, or upon receipt, pursuant to subsection (3), of a statement of actuarial impact, the Department of Management Services shall acknowledge such receipt, but shall only review and comment on each retirement system's or plan's actuarial valuations at least on a triennial basis.

(a) If the department finds that the actuarial valuation is not complete, accurate, or based on reasonable assumptions or otherwise materially fails to satisfy the requirements of this part, if the department requires additional material information necessary to complete its review of the actuarial valuation of a system or plan or material information necessary to satisfy the duties of the department pursuant to s. 112.665(1); or if the department does not receive the actuarial report or statement of actuarial impact, the department shall notify the administrator of the affected retirement system or plan and the affected governmental entity and request appropriate adjustment, the additional material information, or the required report or statement. The notification must inform the administrator of the affected retirement system or plan and the affected governmental entity of the consequences for failing failure to comply with the requirements of this subsection.

(b) If, after a reasonable period of time, a satisfactory adjustment is not made or the report, statement, or additional material information is not provided, the department may notify the Department of Revenue and the Department of Financial Services of the such noncompliance, and in which ease the Department of Revenue and the Department of Financial Services shall withhold any funds not pledged for satisfaction of bond debt service which are payable to the affected governmental entity until the adjustment is made or the report, statement, or additional material information is provided to the department. The Department of Management Services shall specify the date such action is to begin and notify, and notification by the department

must be received by the Department of Revenue, the Department of Financial Services, and the affected governmental entity 30 days before the specified date the action begins.

(c)(a) Within 21 days after receipt of the notice, the affected governmental entity may petition the Department of Management Services for a hearing under ss. 120.569 and 120.57 with the Department of Management Services. The Department of Revenue and the Department of Financial Services may not be parties to the any such hearing, but may request to intervene if requested by the Department of Management Services or if the Department of Revenue or the Department of Financial Services determines its interests may be adversely affected by the hearing.

1. If the administrative law judge recommends in favor of the department, the department shall perform an actuarial review, prepare the statement of actuarial impact, or collect the requested material information. The cost to the department of performing the such actuarial review, preparing the statement, or collecting the requested material information shall be charged to the affected governmental entity whose of which the employees are covered by the retirement system or plan. If payment of such costs is not received by the department within 60 days after receipt by the affected governmental entity receives of the request for payment, the department shall certify to the Department of Revenue and the Department of Financial Services the amount due, and the Department of Revenue and the Department of Financial Services shall pay such amount to the Department of Management Services from any funds not pledged for satisfaction of bond debt service which are payable to the affected governmental entity of which the employees are covered by the retirement system or plan.

2. If the administrative law judge recommends in favor of the affected governmental entity and the department performs an actuarial review, prepares the statement of actuarial impact, or collects the requested material information, the cost to the department of performing the actuarial review, preparing the statement, or collecting the requested material information shall be paid by the Department of Management Services.

(d)(b) In the case of an affected special district, the Department of Management Services shall also notify the Department of Community Affairs. Upon receipt of notification, the Department of Community Affairs shall proceed pursuant to the provisions of s. 189.421 with regard to the special district.

1. Failure of a special district to provide a required report or statement, to make appropriate adjustments, or to provide additional material information after the procedures specified in s. 189.421(1) are exhausted shall be deemed final action by the special district.

2. The Department of Management Services may notify the Department of Community Affairs of those special districts that failed to come into

compliance. Upon receipt of notification, the Department of Community Affairs shall proceed pursuant to s. 189.421(4).

Section 4. Section 129.01, Florida Statutes, is amended to read:

129.01 Budget system established.—There is hereby established A budget system for the control of the finances of the boards of county commissioners of the several counties of the state is established, as follows:

(1) A budget There shall be prepared, approved, adopted, and executed, as prescribed in this chapter, for the fiscal year ending September 30, 1952, and for each fiscal year. At a minimum, the budget must show for each fund, as thereafter, an annual budget for such funds as may be required by law and or by sound financial practices, budgeted revenues and expenditures by organizational unit which are at least at the level of detail required for the annual financial report under s. 218.32(1) and generally accepted accounting principles. The budget shall control the levy of taxes and the expenditure of money for all county purposes during the ensuing fiscal year.

(2) The Each budget must shall conform to the following general directions and requirements:

(a) The budget must shall be prepared, summarized, and approved by the board of county commissioners of each county.

(b) The budget must shall be balanced, so that; that is, the total of the estimated receipts available from taxation and other sources, including balances brought forward from prior fiscal years, equals shall equal the total of the appropriations for expenditures and reserves. It shall conform to the uniform classification of accounts prescribed by the appropriate state agency. The budgeted receipts must division of the budget shall include 95 percent of all receipts reasonably to be anticipated from all sources, including taxes to be levied, provided the percent anticipated from ad valorem levies is shall be as specified in s. 200.065(2)(a), and is 100 percent of the amount of the balances of both cash and liquid securities estimated to be brought forward at the beginning of the fiscal year. The appropriations must appropriation division of the budget shall include itemized appropriations for all expenditures authorized by law, contemplated to be made, or incurred for the benefit of the county during the said year and the provision for the reserves authorized by this chapter. Both the receipts and appropriations must appropriation divisions shall reflect the approximate division of expenditures between countywide expenditures and noncountywide expenditures and the division of county revenues derived from or on behalf of the county as a whole and county revenues derived from or on behalf of a municipal service taxing unit, special district included within the county budget, unincorporated area, service area, or program area, or otherwise not received for or on behalf of the county as a whole.

(c) Provision may be made for the following reserves:

1. A reserve for contingencies may be provided which does in a sum not to exceed 10 percent of the total appropriations of the budget.

2. A reserve for cash balance to be carried over may be provided for the purpose of paying expenses from October 1 of the next ensuing fiscal year until the time when the revenues for that year are expected to be available. This reserve may be not be more than 20 percent of the total appropriations. However, receipts and balances of the budget; provided that for the bond interest and sinking fund budget, this reserve may not exceed be not more than the total maturities of debt, (both principal and interest), which that will occur during the next ensuing fiscal year, plus the sinking fund requirements, computed on a straight-line basis, for any outstanding obligations to be paid from the fund.

(d) An appropriation for "outstanding indebtedness" shall be made to provide for the payment of vouchers that which have been incurred in and charged against the budget for the current year or a prior year, but that which are expected to be unpaid at the beginning of the next fiscal ensuing year for which the budget is being prepared. The appropriation for the payment of such vouchers shall be to made in the same fund in which for which the expenses were originally incurred.

(e) Any surplus arising from an excess of the estimated cash balance over the estimated amount of unpaid obligations to be carried over in a fund at the end of the current fiscal year may be transferred to any of the other funds of the county, and the amount so transferred shall be budgeted as a receipt to such other funds. However, a; provided, that no such surplus;

1. In a fund raised for debt service may not shall be transferred to another fund until, except to a fund raised for the same purposes in the same territory, unless the debt for which the fund was established of such territory has been extinguished., in which case it may be transferred to any other fund raised for that territory; provided, further, that no such surplus

2. In a capital outlay reserve fund may not be transferred to another fund until such time as the projects for which the such capital outlay reserve fund was raised have been completed and all obligations paid.

Section 5. Subsection (6) of section 129.02, Florida Statutes, is amended to read:

129.02 Requisites of budgets.—Each budget shall conform to the following specific directions and requirements:

(6) For each special district included within the county budget, the operating fund budget must show budgeted revenues and expenditures by organizational unit which are at least at the level of detail required for the annual financial report under s. 218.32(1). The amount available from taxation and other sources, including balances brought forward from prior fiscal years, must equal the total appropriations for expenditures and

~~reserves. The budget must include shall contain an estimate of receipts by source and balances as provided herein, and an itemized estimate of expenditures necessary that will need to be incurred to carry on all functions and activities of the special district as now or hereafter provided by law, including and of the indebtedness of the special district and the provision for required reserves; also of the reserves for contingencies and the balances, as hereinbefore provided, which should be carried forward at the end of the year.~~

Section 6. Section 129.021, Florida Statutes, is amended to read:

129.021 County officer budget information.—Notwithstanding other provisions of law, the budgets of all county officers, as submitted to the board of county commissioners, must shall be in sufficient detail and contain such information as the board of county commissioners may require in furtherance of their powers and responsibilities provided in ss. 125.01(1)(q), and (r), and (v), and (6) and 129.01(2)(b).

Section 7. Subsection (3) of section 129.03, Florida Statutes, is amended to read:

129.03 Preparation and adoption of budget.—

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

(a) The board of county commissioners shall receive and examine the tentative budget for each fund and, subject to the notice and hearing requirements of s. 200.065, shall require such changes to be made as it deems shall deem necessary; provided the budget remains shall remain in balance. The county budget officer's estimates of receipts other than taxes, and of balances to be brought forward, may shall not be revised except by a resolution of the board, duly passed and spread on the minutes of the board. However, the board may allocate to any of the funds of the county any anticipated receipts, other than taxes levied for a particular fund, except receipts designated or received to be expended for a particular purpose.

(b) Upon receipt of the tentative budgets and completion of any revisions made by the board, the board shall prepare a statement summarizing all of the adopted tentative budgets. The This summary statement must shall show, for each budget and the total of all budgets, the proposed tax millages, the balances, the reserves, and the total of each major classification of receipts and expenditures, classified according to the uniform classification of accounts adopted prescribed by the appropriate state agency. The board

shall cause this summary statement to be advertised one time in a newspaper of general circulation published in the county, or by posting at the courthouse door if there is no such newspaper, and the advertisement must shall appear adjacent to the advertisement required pursuant to s. 200.065.

(c) The board shall hold public hearings to adopt tentative and final budgets pursuant to s. 200.065. The hearings shall be primarily for the purpose of hearing requests and complaints from the public regarding the budgets and the proposed tax levies and for explaining the budget and any proposed or adopted amendments thereto, if any. The tentative budget must be posted on the county's official website at least 2 days before the public hearing to consider such budget. The final budget must be posted on the website within 30 days after adoption. The tentative budgets, adopted tentative budgets, and final budgets shall be filed in the office of the county auditor as a public record. Sufficient reference in words and figures to identify the particular transactions shall be made in the minutes of the board to record its actions with reference to the budgets.

Section 8. Subsection (1) and paragraphs (a) and (f) of subsection (2) of section 129.06, Florida Statutes, are amended to read:

129.06 Execution and amendment of budget.—

(1) Upon the final adoption of the budgets as provided in this chapter, the budgets so adopted must shall regulate the expenditures of the county and each special district included within the county budget, and the itemized estimates of expenditures must shall have the effect of fixed appropriations and may shall not be amended, altered, or exceeded except as provided in this chapter.

(a) The modified-accrual basis or accrual basis of accounting must be followed for all funds in accordance with generally accepted accounting principles.

(b) The cost of the investments provided in this chapter, or the receipts from their sale or redemption, may must not be treated as expense or income, and but the investments on hand at the beginning or end of each fiscal year must be carried as separate items at cost in the fund balances; however, the amounts of profit or loss received on their sale must be treated as income or expense, as applicable the case may be.

(2) The board at any time within a fiscal year may amend a budget for that year, and may within the first 60 days of a fiscal year amend the budget for the prior fiscal year, as follows:

(a) Appropriations for expenditures within in any fund may be decreased or and other appropriations in the same fund correspondingly increased by motion recorded in the minutes if, provided that the total of the appropriations of the fund does not change may not be changed. The board of county

commissioners, however, may establish procedures by which the designated budget officer may authorize certain intradepartmental budget amendments if, provided that the total appropriations appropriation of the fund does not change department may not be changed.

(f) Unless otherwise prohibited by law, if an amendment to a budget is required for a purpose not specifically authorized in paragraphs (a)-(e), ~~unless otherwise prohibited by law~~, the amendment may be authorized by resolution or ordinance of the board of county commissioners adopted following a public hearing.

1. The public hearing must be advertised at least 2 days, but not more than 5 days, before the date of the hearing. The advertisement must appear in a newspaper of paid general circulation and must identify the name of the taxing authority, the date, place, and time of the hearing, and the purpose of the hearing. The advertisement must also identify each budgetary fund to be amended, the source of the funds, the use of the funds, and the total amount of each fund's appropriations budget.

2. If the board amends the budget pursuant to this paragraph, the adopted amendment must be posted on the county's official website within 5 days after adoption.

Section 9. Section 129.07, Florida Statutes, is amended to read:

129.07 Unlawful to exceed the budget; certain contracts void; commissioners contracting excess indebtedness personally liable.—It is unlawful for The board of county commissioners may not to expend or enter into a contract requiring expenditures for the expenditure in any fiscal year for more than the amount of appropriations budgeted in each fund's budget, except as provided herein, and in no case shall the total appropriations of any budget may not be exceeded, except as provided in s. 129.06., and Any indebtedness contracted for any purpose against either of the funds enumerated in this chapter or for any purpose, the expenditure for which is chargeable to either of the said funds, is shall be null and void, and no suit may or suits shall be prosecuted in any court in this state for the collection of such indebtedness. same, and The members of the board of county commissioners voting for and contracting for such indebtedness are amounts and the bonds of such members of said boards also shall be liable for any the excess indebtedness so contracted for.

Section 10. Section 129.201, Florida Statutes, is amended to read:

129.201 Budget of supervisor of elections; manner and time of preparation and presentation.—

(1) Pursuant to ss. 129.01 and s. 129.03(2), each supervisor of elections shall annually prepare and submit certify to the board of county commissioners, or county budget commission if there is one in the county, a proposed budget for carrying out the powers, duties, and operations of income and

expenditures to fulfill the duties, responsibilities, and operation of the office of the supervisor of elections for the next ensuing fiscal year of the county. The fiscal year of the supervisor of elections commences shall commence on October 1 of each year and ends shall end on September 30 of the following year.

(2)(a) Expenditures must be itemized in accordance with the uniform accounting system prescribed by the Department of Financial Services Each expenditure item in the budget for the supervisor of elections shall be itemized generally as follows:

(a)1. Personnel services. Compensation for the supervisor of elections and all other personnel of the office.

(b)2. Operating expenses.

(c)3. Capital outlay.

(d) Debt service.

(e)4. Grants and aids. Contingencies and transfers.

(f) Other uses.

(b) To the extent appropriate, the budget shall be further itemized in conformance with the Uniform Accounting System for Local Units of Government in Florida adopted by rule of the Chief Financial Officer.

(3) The supervisor of elections shall furnish to the board of county commissioners or the county budget commission all relevant and pertinent information that the which such board or commission deems shall deem necessary, including expenditures at the subobject code level in accordance with the uniform accounting system prescribed by the Department of Financial Services. The board or commission may not amend, modify, increase, or reduce any expenditure at the subobject code level.

(4) The board or commission, as appropriate the case may be, may require the supervisor of elections to correct mathematical, mechanical, factual, and clerical errors and errors of form in the proposed budget. At the hearings held pursuant to s. 200.065, the board or commission may amend, modify, increase, or reduce any or all items of expenditure in the proposed budget as submitted under subsections (1) and (2); and, as amended, modified, increased, or reduced, such budget shall be approved by the board or commission, which must provide giving written notice of its action to specific items amended, modified, increased, or reduced.

(5) The board or commission shall include in the county budget the items of proposed expenditures as set forth in the budget which are required by this section to be submitted, after the budget has been reviewed and approved. The board or commission shall include the supervisor of elections' reserve for

contingencies provided herein in the general county budget's reserve for contingencies account in the general county budget.

(6) The supervisor of elections' reserve for contingencies ~~is in the budget of a supervisor of elections shall be~~ governed by the same provisions governing the amount and use of the reserve for contingencies appropriated in the county budget.

(7) The proposed budget shall be submitted to the board of county commissioners or county budget commission pursuant to s. 129.03(2), and the budget shall be included by the board or commission in the general county budget.

(8) The items placed in the budget of the board ~~are pursuant to this act shall be~~ subject to the same provisions of law as the county annual budget; however, ~~an~~ no amendment ~~may be made~~ to the appropriations of the office of the supervisor of elections ~~may not be made~~ without due notice of the change to the supervisor of elections.

(9) The budget of the supervisor of elections may be increased by the board of county commissioners to cover such expenses for emergencies and unanticipated expenses as are recommended and justified by the supervisor of elections.

Section 11. Section 166.241, Florida Statutes, is amended to read:

166.241 Fiscal years, appropriations, budgets, and budget amendments.

(1) Each municipality shall ~~establish~~ make provision for establishing a fiscal year beginning October 1 of each year and ending September 30 of the following year.

(2) The governing body of each municipality shall adopt a budget each fiscal year. The budget must be adopted by ordinance or resolution unless otherwise specified in the respective municipality's charter. The amount available from taxation and other sources, including ~~balances brought forward amounts carried over~~ from prior fiscal years, must equal the total appropriations for expenditures and reserves. ~~At a minimum, the adopted budget must show for each fund, as required by law and sound financial practices, budgeted revenues and expenditures by organizational unit which are at least at the level of detail required for the annual financial report under s. 218.32(1). The adopted budget must regulate expenditures of the municipality, and an~~ it is unlawful for any officer of a municipal government ~~may not to~~ expend or contract for expenditures in any fiscal year except pursuant to the adopted budget in pursuance of budgeted appropriations.

(3) The tentative budget must be posted on the municipality's official website at least 2 days before the budget hearing, held pursuant to s. 200.065 or other law, to consider such budget. The final adopted budget must be posted on the municipality's official website within 30 days after adoption. If the municipality does not operate an official website, the municipality must,

within a reasonable period of time as established by the county or counties in which the municipality is located, transmit the tentative budget and final budget to the manager or administrator of such county or counties who shall post the budgets on the county's website.

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

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

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

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

(5) If the governing body of a municipality amends the budget pursuant to paragraph (4)(c), the adopted amendment must be posted on the official website of the municipality within 5 days after adoption. If the municipality does not operate an official website, the municipality must, within a reasonable period of time as established by the county or counties in which the municipality is located, transmit the adopted amendment to the manager or administrator of such county or counties who shall post the adopted amendment on the county's website.

Section 12. Paragraph (a) of subsection (1) of section 189.4044, Florida Statutes, is amended to read:

189.4044 Special procedures for inactive districts.—

(1) The department shall declare inactive any special district in this state by documenting that:

(a) The special district meets one of the following criteria:

1. The registered agent of the district, the chair of the governing body of the district, or the governing body of the appropriate local general-purpose government notifies the department in writing that the district has taken no action for 2 or more years;

2. Following an inquiry from the department, the registered agent of the district, the chair of the governing body of the district, or the governing body of the appropriate local general-purpose government notifies the department in writing that the district has not had a governing board or a sufficient

number of governing board members to constitute a quorum for 2 or more years or the registered agent of the district, the chair of the governing body of the district, or the governing body of the appropriate local general-purpose government fails to respond to the department's inquiry within 21 days; or

3. The department determines, pursuant to s. 189.421, that the district has failed to file any of the reports listed in s. 189.419; or.

4. The district has not had a registered office and agent on file with the department for 1 or more years.

Section 13. Subsection (1) of section 189.412, Florida Statutes, is amended to read:

189.412 Special District Information Program; duties and responsibilities.—The Special District Information Program of the Department of Community Affairs is created and has the following special duties:

(1) The collection and maintenance of special district noncompliance status reports from the Department of Management Services, the Department of Financial Services, the Division of Bond Finance of the State Board of Administration, and the Auditor General, and the Legislative Auditing Committee, for the reporting required in ss. 112.63, 218.32, 218.38, and 218.39. The noncompliance reports must list those special districts that did not comply with the statutory reporting requirements.

Section 14. Subsections (3) through (7) of section 189.418, Florida Statutes, are amended to read:

189.418 Reports; budgets; audits.—

(3) The governing body of each special district shall adopt a budget by resolution each fiscal year. The total amount available from taxation and other sources, including balances brought forward amounts carried over from prior fiscal years, must equal the total of appropriations for expenditures and reserves. At a minimum, the adopted budget must show for each fund, as required by law and sound financial practices, budgeted revenues and expenditures by organizational unit which are at least at the level of detail required for the annual financial report under s. 218.32(1). The adopted budget must regulate expenditures of the special district, and an it is unlawful for any officer of a special district may not to expend or contract for expenditures in any fiscal year except pursuant to the adopted budget in pursuance of budgeted appropriations.

(4) The tentative budget must be posted on the special district's official website at least 2 days before the budget hearing, held pursuant to s. 200.065 or other law, to consider such budget. The final adopted budget must be posted on the special district's official website within 30 days after adoption. If the special district does not operate an official website, the special district must, within a reasonable period of time as established by the local general-purpose government or governments in which the special district is located or

~~the local governing authority to which the district is dependent, transmit the tentative budget or final budget to the manager or administrator of the local general-purpose government or the local governing authority. The manager or administrator shall post the tentative budget or final budget on the website of the local general-purpose government or governing authority. This subsection and subsection (3) do not apply to water management districts as defined in s. 373.019.~~

~~(5)(4) The proposed budget of a dependent special district must shall be presented in accordance with generally accepted accounting principles, contained within the general budget of the local governing authority to which it is dependent, and be clearly stated as the budget of the dependent district. However, with the concurrence of the local governing authority, a dependent district may be budgeted separately. The dependent district must provide any budget information requested by the local governing authority at the time and place designated by the local governing authority.~~

~~(6)(5) The governing body of each special district at any time within a fiscal year or within up to 60 days following the end of the fiscal year may amend a budget for that year as follows:~~

~~(a) Appropriations for expenditures within a fund may be decreased or increased by motion recorded in the minutes if the total appropriations of the fund do not increase.~~

~~(b) The governing body may establish procedures by which the designated budget officer may authorize certain amendments if the total appropriations of the fund do not increase.~~

~~(c) If a budget amendment is required for a purpose not specifically authorized in paragraph (a) or paragraph (b), the budget amendment must be adopted by resolution.~~

~~(7) If the governing body of a special district amends the budget pursuant to paragraph (6)(c), the adopted amendment must be posted on the official website of the special district within 5 days after adoption. If the special district does not operate an official website, the special district must, within a reasonable period of time as established by the local general-purpose government or governments in which the special district is located or the local governing authority to which the district is dependent, transmit the adopted amendment to the manager or administrator of the local general-purpose government or governing authority. The manager or administrator shall post the adopted amendment on the website of the local general-purpose government or governing authority.~~

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

(9) All special districts must comply with the financial reporting requirements of ss. 218.32 and 218.39. A local general-purpose government or governing authority may request, from any special district located solely within its boundaries, financial information in order to comply with its reporting requirements under ss. 218.32 and 218.39. The special district must cooperate with such request and provide the financial information at the time and place designated by the local general-purpose government or governing authority.

(10)(7) All reports or information required to be filed with a local general-purpose government or governing authority under ss. 189.415, 189.416, and 189.417 and subsection (8) must this section shall:

(a) If When the local general-purpose government or governing authority is a county, be filed with the clerk of the board of county commissioners.

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

(c) If When the local general-purpose government or governing authority is a municipality, be filed at the place designated by the municipal governing body.

Section 15. Section 189.419, Florida Statutes, is amended to read:

189.419 Effect of failure to file certain reports or information.—

(1) If an independent a special district fails to file the reports or information required under s. 189.415, s. 189.416, or s. 189.417, or s. 189.418(9) with the local general-purpose government or governments in which it is located governing authority, the person authorized to receive and read the reports or information or the local general-purpose government shall notify the district's registered agent and the appropriate local governing authority or authorities. If requested by the district, the local general-purpose government governing authority shall grant an extension of time of up to 30 days for filing the required reports or information.

(2) If the governing body of at any time the local general-purpose government or governments governing authority or authorities or the board of county commissioners determines that there has been an unjustified failure to file these the reports or information described in subsection (1), it may notify the department, and the department may proceed pursuant to s. 189.421(1).

(2) If a dependent special district fails to file the reports or information required under s. 189.416, s. 189.417, or s. 189.418(9) with the local governing authority to which it is dependent, the local governing authority shall take whatever steps it deems necessary to enforce the special district's accountability. Such steps may include, as authorized, withholding funds, removing governing board members at will, vetoing the special district's budget, conducting the oversight review process set forth in s. 189.428, or

amending, merging, or dissolving the special district in accordance with the provisions contained in the ordinance that created the dependent special district.

(3) If a special district fails to file the reports or information required under s. 112.63, s. 218.32, s. 218.38, or s. 218.39 with the appropriate state agency, the agency shall notify the department, and the department shall send a certified technical assistance letter to the special district which summarizes the requirements and encourages the special district to take steps to prevent the noncompliance from reoccurring proceed pursuant to s. 189.421.

(4) If a special district fails to file the reports or information required under s. 112.63 with the appropriate state agency, the agency shall notify the department and the department shall proceed pursuant to s. 189.421(1).

(5) If a special district fails to file the reports or information required under s. 218.32 or s. 218.39 with the appropriate state agency or office, the state agency or office shall, and the Legislative Auditing Committee may, notify the department and the department shall proceed pursuant to s. 189.421.

Section 16. Section 189.421, Florida Statutes, is amended to read:

189.421 Failure of district to disclose financial reports.—

(1)(a) If When notified pursuant to s. 189.419(1), (4), or (5) 189.419, the department shall attempt to assist a special district in complying to comply with its financial reporting requirements by sending a certified letter to the special district, and, if the special district is dependent, sending a copy of that the letter to the chair of the governing body of the local governing authority. The letter must include general-purpose government, which includes the following: a description of the required report, including statutory submission deadlines, a contact telephone number for technical assistance to help the special district comply, a 60-day deadline extension of time for filing the required report with the appropriate entity, the address where the report must be filed, and an explanation of the penalties for noncompliance.

(b) A special district that is unable to meet the 60-day reporting deadline must provide written notice to the department before the expiration of the deadline stating the reason the special district is unable to comply with the deadline, the steps the special district is taking to prevent the noncompliance from reoccurring, and the estimated date that the special district will file the report with the appropriate agency. The district's written response does not constitute an extension by the department; however, the department shall forward the written response to:

1. If the written response refers to the reports required under s. 218.32 or s. 218.39, the Legislative Auditing Committee for its consideration in

determining whether the special district should be subject to further state action in accordance with s. 11.40(5)(b).

2. If the written response refers to the reports or information requirements listed in s. 189.419(1), the local general-purpose government or governments for its consideration in determining whether the oversight review process set forth in s. 189.428 should be undertaken.

3. If the written response refers to the reports or information required under s. 112.63, the Department of Management Services for its consideration in determining whether the special district should be subject to further state action in accordance with s. 112.63(4)(d)2. The department may grant an additional 30-day extension of time if requested to do so in writing by the special district. The department shall notify the appropriate entity of the new extension of time. In the case of a special district that did not timely file the reports or information required by s. 218.38, the department shall send a certified technical assistance letter to the special district which summarizes the requirements and encourages the special district to take steps to prevent the noncompliance from reoccurring.

(2) Failure of a special district to comply with the actuarial and financial reporting requirements under s. 112.63, s. 218.32, or s. 218.39 after the procedures of subsection (1) are exhausted shall be deemed final action of the special district. The actuarial and financial reporting requirements are declared to be essential requirements of law. Remedy for noncompliance shall be by writ of certiorari as set forth in subsection (4) (3).

(3) Pursuant to s. 11.40(5)(b), the Legislative Auditing Committee shall notify the department of those districts that fail failed to file the required reports report. If the procedures described in subsection (1) have not yet been initiated, the department shall initiate such procedures upon receiving the notice from the Legislative Auditing Committee. Otherwise, within 60 30 days after receiving such this notice, or within 60 30 days after the expiration of the 60-day deadline extension date provided in subsection (1), whichever occurs later, the department, shall proceed as follows: notwithstanding the provisions of chapter 120, the department shall file a petition for writ of certiorari with the circuit court. Venue for all actions pursuant to this subsection is shall be in Leon County. The court shall award the prevailing party attorney's fees and costs in all cases filed pursuant to this section unless affirmatively waived by all parties. A writ of certiorari shall be issued unless a respondent establishes that the notification of the Legislative Auditing Committee was issued as a result of material error. Proceedings under this subsection are shall otherwise be governed by the Rules of Appellate Procedure.

(4) Pursuant to s. 112.63(4)(d)2., the Department of Management Services may notify the department of those special districts that have failed to file the required adjustments, additional information, or report or statement after the procedures of subsection (1) have been exhausted. Within 60 days after receiving such notice or within 60 days after the 60-day

deadline provided in subsection (1), whichever occurs later, the department, notwithstanding chapter 120, shall file a petition for writ of certiorari with the circuit court. Venue for all actions pursuant to this subsection is in Leon County. The court shall award the prevailing party attorney's fees and costs unless affirmatively waived by all parties. A writ of certiorari shall be issued unless a respondent establishes that the notification of the Department of Management Services was issued as a result of material error. Proceedings under this subsection are otherwise governed by the Rules of Appellate Procedure.

Section 17. Subsection (6) is added to section 195.087, Florida Statutes, to read:

195.087 Property appraisers and tax collectors to submit budgets to Department of Revenue.—

(6) Each property appraiser and tax collector must post their final approved budget on their official website within 30 days after adoption. Each county's official website must have a link to the websites of the property appraiser or tax collector where the final approved budget is posted. If the property appraiser or tax collector does not have an official website, the final approved budget must be posted on the county's official website.

Section 18. Paragraphs (d), (e), and (f) of subsection (1) of section 218.32, Florida Statutes, are amended, and paragraph (g) is added to that subsection, to read:

218.32 Annual financial reports; local governmental entities.—

(1)

(d) Each local governmental entity that is required to provide for an audit under ~~in accordance~~ with s. 218.39(1) must submit the annual financial report with the audit report. a copy of the audit report and annual financial report must be submitted to the department within 45 days after the completion of the audit report but no later than 9 ~~12~~ months after the end of the fiscal year.

(e) Each local governmental entity that is not required to provide for an audit under ~~report in accordance~~ with s. 218.39 must submit the annual financial report to the department no later than 9 months after the end of the fiscal April 30 of each year. The department shall consult with the Auditor General in the development of the format of annual financial reports submitted pursuant to this paragraph. The format must shall include balance sheet information used to be utilized by the Auditor General pursuant to s. 11.45(7)(f). The department must forward the financial information contained within the ~~these~~ entities' annual financial reports to the Auditor General in electronic form. This paragraph does not apply to housing authorities created under chapter 421.

(f) If the department does not receive a completed annual financial report from a local governmental entity within the required period, it shall notify the Legislative Auditing Committee and the Special District Information Program of the Department of Community Affairs of the local governmental entity's failure to comply with the reporting requirements. The committee shall proceed in accordance with s. 11.40(5).

(g) Each local governmental entity's website must provide a link to the department's website to view the entity's annual financial report submitted to the department pursuant to this section. If the local governmental entity does not have an official website, the county government's website must provide the required link for the local governmental entity.

Section 19. Section 218.35, Florida Statutes, is amended to read:

218.35 County fee officers; financial matters.—

(1) Each county fee officer shall establish an annual budget for carrying out the powers, duties, and operations of his or her office for the next county fiscal year which shall clearly reflect the revenues available to said office and the functions for which money is to be expended. The budget must shall be balanced so that; that is, the total of estimated receipts, including balances brought forward, equals shall equal the total of estimated expenditures and reserves. The budgeting of segregated funds must shall be made in a such manner that retains the relation between program and revenue source, as provided by law is retained.

(2) The clerk of the circuit court, functioning in his or her capacity as clerk of the circuit and county courts and as clerk of the board of county commissioners, shall prepare his or her budget in two parts:

(a) The budget for funds necessary to perform court-related functions as provided for in s. 28.36, which shall detail the methodologies used to apportion costs between court-related and non-court-related functions performed by the clerk.

(b) The budget relating to the requirements of the clerk as clerk of the board of county commissioners, county auditor, and custodian or treasurer of all county funds and other county-related duties, which shall be annually prepared and submitted to the board of county commissioners pursuant to s. 129.03(2), for each fiscal year. Expenditures must be itemized in accordance with the uniform accounting system prescribed by the Department of Financial Services as follows:

1. Personnel services.

2. Operating expenses.

3. Capital outlay.

4. Debt service.

5. Grants and aids.

6. Other uses.

(3) The clerk of the circuit court shall furnish to the board of county commissioners or the county budget commission all relevant and pertinent information that the board or commission deems necessary, including expenditures at the subobject code level in accordance with the uniform accounting system prescribed by the Department of Financial Services.

(4) The final approved budget of the clerk of the circuit court must be posted on the county's official website within 30 days after adoption. The final approved budget of the clerk of the circuit court may be included in the county's budget.

(5)(3) Each county fee officer shall establish make provision for establishing a fiscal year beginning October 1 and ending September 30 of the following year, and shall report his or her finances annually upon the close of each fiscal year to the county fiscal officer for inclusion in the annual financial report by the county.

(6)(4) The proposed budget of a county fee officer shall be filed with the clerk of the county governing authority by September 1 preceding the fiscal year for the budget, except for the budget prepared by the clerk of the circuit court for court-related functions as provided in s. 28.36.

Section 20. Section 218.39, Florida Statutes, is amended to read:

218.39 Annual financial audit reports.—

(1) If, by the first day in any fiscal year, a local governmental entity, district school board, charter school, or charter technical career center has not been notified that a financial audit for that fiscal year will be performed by the Auditor General, each of the following entities shall have an annual financial audit of its accounts and records completed within 9 12 months after the end of its fiscal year by an independent certified public accountant retained by it and paid from its public funds:

(a) Each county.

(b) Any municipality with revenues or the total of expenditures and expenses in excess of \$250,000, as reported on the fund financial statements.

(c) Any special district with revenues or the total of expenditures and expenses in excess of \$100,000, as reported on the fund financial statements.

(d) Each district school board.

(e) Each charter school established under s. 1002.33.

(f) Each charter technical center established under s. 1002.34.

(g) Each municipality with revenues or the total of expenditures and expenses between \$100,000 and \$250,000, as reported on the fund financial statements, which that has not been subject to a financial audit pursuant to this subsection for the 2 preceding fiscal years.

(h) Each special district with revenues or the total of expenditures and expenses between \$50,000 and \$100,000, as reported on the fund financial statement, which that has not been subject to a financial audit pursuant to this subsection for the 2 preceding fiscal years.

(2) The county audit report must shall be a single document that includes a financial audit of the county as a whole and, for each county agency other than a board of county commissioners, an audit of its financial accounts and records, including reports on compliance and internal control, management letters, and financial statements as required by rules adopted by the Auditor General. In addition ~~to such requirements~~, if a board of county commissioners elects to have a separate audit of its financial accounts and records in the manner required by rules adopted by the Auditor General for other county agencies, the such separate audit must shall be included in the county audit report.

(3)(a) A dependent special district may provide make provision for an annual financial audit by being included in within the audit of the another local governmental entity upon which it is dependent. An independent special district may not make provision for an annual financial audit by being included in within the audit of another local governmental entity.

(b) A special district that is a component unit, as defined by generally accepted accounting principles, of a local governmental entity shall provide the local governmental entity, within a reasonable time period as established by the local governmental entity, with financial information necessary to comply with this section. The failure of a component unit to provide this financial information must be noted in the annual financial audit report of the local governmental entity.

(4) A management letter shall be prepared and included as a part of each financial audit report.

(5) At the conclusion of the audit, the auditor shall discuss with the chair of the governing body of the each local governmental entity or the chair's designee, ~~or with the elected official of each county agency or with the elected official's designee, or with the chair of the district school board or the chair's designee, or with the chair of the board of the charter school or the chair's designee, or with the chair of the board of the charter technical career center or the chair's designee, as appropriate, all of the auditor's comments that will be included in the audit report. If the officer is not available to discuss the auditor's comments, their discussion is presumed when the comments are delivered in writing to his or her office. The auditor shall notify each member of the governing body of a local governmental entity, district school board, charter school, or charter technical career center for which deteriorating~~

financial conditions exist that may cause a condition described in s. 218.503(1) to occur if actions are not taken to address such conditions.

(6) The officer's written statement of explanation or rebuttal concerning the auditor's findings, including corrective action to be taken, must be filed with the governing body of the local governmental entity, district school board, charter school, or charter technical career center within 30 days after the delivery of the auditor's findings.

(7) All audits conducted pursuant to this section must be conducted in accordance with the rules of the Auditor General adopted pursuant to s. 11.45. Upon completion of the audit, the auditor shall prepare an audit report in accordance with the rules of the Auditor General. The audit report shall be filed with the Auditor General within 45 days after delivery of the audit report to the governing body of the audited entity, but no later than 9 months after the end of the audited entity's fiscal year. The audit report must include a written statement describing corrective actions to be taken in response to each of the auditor's recommendations included in the audit report.

(8) The Auditor General shall notify the Legislative Auditing Committee of any audit report prepared pursuant to this section which indicates that an audited entity has failed to take full corrective action in response to a recommendation that was included in the two preceding financial audit reports.

(a) The committee may direct the governing body of the audited entity to provide a written statement to the committee explaining why full corrective action has not been taken or, if the governing body intends to take full corrective action, describing the corrective action to be taken and when it will occur.

(b) If the committee determines that the written statement is not sufficient, it may require the chair of the governing body of the local governmental entity or the chair's designee, the elected official of each county agency or the elected official's designee, the chair of the district school board or the chair's designee, the chair of the board of the charter school or the chair's designee, or the chair of the board of the charter technical career center or the chair's designee, as appropriate, to appear before the committee.

(c) If the committee determines that an audited entity has failed to take full corrective action for which there is no justifiable reason for not taking such action, or has failed to comply with committee requests made pursuant to this section, the committee may proceed in accordance with s. 11.40(5).

(9)(7) The predecessor auditor of a district school board shall provide the Auditor General access to the prior year's working papers in accordance with the Statements on Auditing Standards, including documentation of planning, internal control, audit results, and other matters of continuing

accounting and auditing significance, such as the working paper analysis of balance sheet accounts and those relating to contingencies.

(8) All audits conducted in accordance with this section must be conducted in accordance with the rules of the Auditor General promulgated pursuant to s. 11.45. All audit reports and the officer's written statement of explanation or rebuttal must be submitted to the Auditor General within 45 days after delivery of the audit report to the entity's governing body, but no later than 12 months after the end of the fiscal year.

(10)(9) Each charter school and charter technical career center must file a copy of its audit report with the sponsoring entity; the local district school board, if not the sponsoring entity; the Auditor General; and with the Department of Education.

(11)(10) This section does not apply to housing authorities created under chapter 421.

(12)(11) Notwithstanding the provisions of any local law, the provisions of this section shall govern.

Section 21. Paragraph (e) of subsection (1) of section 218.503, Florida Statutes, is amended to read:

218.503 Determination of financial emergency.—

(1) Local governmental entities, charter schools, charter technical career centers, and district school boards shall be subject to review and oversight by the Governor, the charter school sponsor, the charter technical career center sponsor, or the Commissioner of Education, as appropriate, when any one of the following conditions occurs:

(e) A An unreserved or total fund balance or retained earnings deficit in total or for that portion of a fund balance not classified as restricted, committed, or nonspendable, or a unrestricted or total or unrestricted net assets deficit, as reported on the balance sheet or statement of net assets on the general purpose or fund financial statements of entities required to report under governmental financial reporting standards or on the basic financial statements of entities required to report under not-for-profit financial reporting standards, for which sufficient resources of the local governmental entity, charter school, charter technical career center, or district school board, as reported on the balance sheet or statement of net assets on the general purpose or fund financial statements, are not available to cover the deficit. Resources available to cover reported deficits include fund balance or net assets that are not otherwise restricted by federal, state, or local laws, bond covenants, contractual agreements, or other legal constraints. Property, plant, and equipment Fixed or capital assets, the disposal of which would impair the ability of a local governmental entity, charter school, charter technical career center, or district school board to

carry out its functions, are not considered resources available to cover reported deficits.

Section 22. Paragraph (c) of subsection (5) of section 373.536, Florida Statutes, is amended, and paragraph (c) is added to subsection (6) of that section, to read:

373.536 District budget and hearing thereon.—

(5) TENTATIVE BUDGET CONTENTS AND SUBMISSION; REVIEW AND APPROVAL.—

(c) Each water management district shall, by August 1 of each year, submit for review a tentative budget to the Governor, the President of the Senate, the Speaker of the House of Representatives, the chairs of all legislative committees and subcommittees with substantive or fiscal jurisdiction over water management districts, as determined by the President of the Senate or the Speaker of the House of Representatives as applicable, the secretary of the department, and the governing body of each county in which the district has jurisdiction or derives any funds for the operations of the district. The tentative budget must be posted on the water management district's official website at least 2 days before budget hearings held pursuant to s. 200.065 or other law.

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

(c) The final adopted budget must be posted on the water management district's official website within 30 days after adoption.

Section 23. Subsections (1) and (4) of section 1011.03, Florida Statutes, are amended, and subsection (5) is added to that section, to read:

1011.03 Public hearings; budget to be submitted to Department of Education.—

(1) Each district school board shall ~~must~~ cause a summary of its tentative budget, including the proposed millage levies as provided for by law, to be posted on the district's official website online and advertised once one time in a newspaper of general circulation published in the district or to be posted at the courthouse if there be no such newspaper.

(4) The board shall hold public hearings to adopt tentative and final budgets pursuant to s. 200.065. The hearings shall be primarily for the purpose of hearing requests and complaints from the public regarding the budgets and the proposed tax levies and for explaining the budget and proposed or adopted amendments thereto, if any. The tentative budget must be posted on the district's official website at least 2 days before the budget hearing held pursuant to s. 200.065 or other law. The final adopted budget must be posted on the district's official website within 30 days after adoption. The district school board shall then require the superintendent to transmit

forthwith two copies of the adopted budget to the Department of Education for approval as prescribed by law and rules of the State Board of Education.

(5) If the governing body of a district amends the budget, the adopted amendment must be posted on the official website of the district within 5 days after adoption.

Section 24. Section 1011.051, Florida Statutes, is amended to read:

1011.051 Guidelines for general funds.—The district school board shall maintain a ~~an unreserved~~ general fund ~~ending~~ fund balance that is sufficient to address normal contingencies.

(1) If at any time the portion of the unreserved general fund's ending fund balance not classified as restricted, committed, or nonspendable in the district's approved operating budget is projected to fall ~~during the current fiscal year~~ below 3 percent of projected general fund revenues ~~during the current fiscal year~~, the superintendent shall provide written notification to the district school board and the Commissioner of Education.

(2) If at any time the portion of the unreserved general fund's ending fund balance not classified as restricted, committed, or nonspendable in the district's approved operating budget is projected to fall ~~during the current fiscal year~~ below 2 percent of projected general fund revenues ~~during the current fiscal year~~, the superintendent shall provide written notification to the district school board and the Commissioner of Education. Within 14 days after receiving such notification, if the commissioner determines that the district does not have a plan that is reasonably anticipated to avoid a financial emergency as determined pursuant to s. 218.503, the commissioner shall appoint a financial emergency board that shall operate under consistent with the requirements, powers, and duties specified in s. 218.503(3)(g).

Section 25. Paragraph (a) of subsection (3) of section 1011.64, Florida Statutes, is amended to read:

1011.64 School district minimum classroom expenditure requirements.

(3)(a) Annually the Department of Education shall calculate for each school district:

1. Total K-12 operating expenditures, which are defined as the amount of total general fund expenditures for K-12 programs as reported in accordance with the accounts and codes prescribed in the most recent issuance of the Department of Education publication entitled "Financial and Program Cost Accounting and Reporting for Florida Schools" and as included in the most recent annual financial report submitted to the Commissioner of Education, less the student transportation revenue allocation from the state appropriation for that purpose, amounts transferred to other funds, and increases to the amount of the general fund's ~~fund unreserved~~ ending fund balance not classified as restricted, committed, or nonspendable if when the total

~~unreserved ending fund balance not classified as restricted, committed, or nonspendable~~ is in excess of 5 percent of the total general fund revenues.

2. Expenditures for classroom instruction, which equal shall be the sum of the general fund expenditures for K-12 instruction and instructional staff training.

Section 26. Subsection (1) of section 170.201, Florida Statutes, is amended to read:

170.201 Special assessments.—

(1) In addition to other lawful authority to levy and collect special assessments, the governing body of a municipality may levy and collect special assessments to fund capital improvements and municipal services, including, but not limited to, fire protection, emergency medical services, garbage disposal, sewer improvement, street improvement, and parking facilities. Without limiting the foregoing, a municipality that has a population of fewer than 100 persons for the previous year's taxing year, may also levy and collect special assessments to fund special security and crime prevention services and facilities, including guard and gatehouse facilities for the current taxing year. However, if prior to the levy of the assessment, the cost of the services and facilities are funded by ad valorem taxes, the taxes shall be abated annually thereafter, in an amount equal to the full amount of the special assessment. The governing body of a municipality may apportion costs of such special assessments based on:

(a) The front or square footage of each parcel of land; or

(b) An alternative methodology, so long as the amount of the assessment for each parcel of land is not in excess of the proportional benefits as compared to other assessments on other parcels of land.

Section 27. This act shall take effect October 1, 2011.

Approved by the Governor June 17, 2011.

Filed in Office Secretary of State June 17, 2011.