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LEGISLATIVE ACTION

Senate

.

House

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02/23/2012 06:41 PM

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Senator Hays moved the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Subsection (4) of section 373.503, Florida
Statutes, is amended to read:

373.503 Manner of taxation.—

(4) ~~(a)~~ To ensure that taxes authorized by this chapter
continue to be in proportion to the benefits derived by the
parcels of real estate within the districts, the Legislature
shall annually review the preliminary budget for each district
for the next fiscal year as provided in s. 373.535 ~~and the~~
~~authorized millage rate for each district.~~ Based upon the this



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14 review, the Legislature may shall set the authorized maximum
15 millage rate or the maximum amount of property tax revenue to be
16 raised by each district in the next fiscal year from the taxes
17 levied. ~~Except as provided in paragraph (b), if the annual~~
18 ~~maximum amount of property tax revenue is not set by the~~
19 ~~Legislature on or before July 1 of each year, the maximum~~
20 ~~property tax revenue that may be raised reverts to the amount~~
21 ~~authorized in the prior year.~~

22 ~~(b) For the 2011-2012 fiscal year, the total ad valorem~~
23 ~~taxes levied may not exceed \$3,946,969 for the Northwest Florida~~
24 ~~Water Management District, \$5,412,674 for the Suwannee River~~
25 ~~Water Management District, \$85,335,619 for the St. Johns Water~~
26 ~~Management District, \$107,766,957 for the Southwest Florida~~
27 ~~Water Management District, and \$284,901,967 for the South~~
28 ~~Florida Water Management District.~~

29 Section 2. Section 373.535, Florida Statutes, is created to
30 read:

31 373.535 Preliminary district budgets.-

32 (1) BUDGET DEVELOPMENT.-

33 (a) By January 15 of each year, the Executive Office of the
34 Governor shall submit a preliminary budget for each water
35 management district for the next fiscal year for legislative
36 review to the President of the Senate, the Speaker of the House
37 of Representatives, and the chairs of all legislative committees
38 and subcommittees having substantive or fiscal jurisdiction over
39 water management districts, as determined by the President of
40 the Senate or the Speaker of the House of Representatives, as
41 applicable, in the form and manner prescribed in s.

42 373.536(5)(d). Each preliminary budget must also include:



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43 1. A section that clearly identifies and provides
44 justification for each proposed expenditure listed in s.
45 373.536(5)(d)4.e.-f. and identifies the source of funds for each
46 proposed expenditure.

47 2. A section identifying the justification for proposed
48 expenditures by core mission area of responsibility and the
49 source of funds needed for activities related to water supply,
50 including alternative water supply and water resource
51 development projects identified in the district's regional water
52 supply plans, water quality, flood protection and floodplain
53 management, and natural systems.

54 3. A section reviewing the adopted and proposed budget
55 allocations by program area and the performance metrics for the
56 prior year.

57 4. An analysis of each preliminary budget to determine the
58 adequacy of fiscal resources available to the district and the
59 adequacy of proposed district expenditures related to the core
60 mission areas of responsibility for water supply, including
61 alternative water supply and water resource development projects
62 identified in the district's regional water supply plans, water
63 quality, flood protection and floodplain management, and natural
64 systems. The analysis must be based on the particular needs
65 within each district for core mission areas of responsibility.
66 The water supply analysis must specifically include a
67 determination of the adequacy of each district's fiscal
68 resources provided in the district's preliminary budget to
69 achieve appropriate progress toward meeting the districtwide 20-
70 year projected water supply demands, including funding for
71 alternative water supply development and conservation projects.



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72 (b) By February 15 of each year, the President of the
73 Senate and the Speaker of the House of Representatives may
74 submit any comments regarding the preliminary budget to the
75 districts, and provide a copy of the comments to the Executive
76 Office of the Governor. Each district shall respond to such
77 comments in writing by the following March 1 to the President of
78 the Senate, the Speaker of the House of Representatives, and the
79 Executive Office of the Governor.

80 (2) LEGISLATIVE REVIEW AND APPROVAL.—

81 (a) The Legislature shall annually review each portion of
82 the preliminary budget for each district for those items listed
83 in s. 373.536(5)(d)4.e.-f. specific to outreach, management, and
84 administration program areas. After such review, the Legislature
85 may set a maximum amount of property tax revenue that may be
86 raised or the maximum millage rate that may be levied to fund
87 these program areas. The revenue limit or millage rate
88 authorized for these program areas may not exceed 20 percent of
89 a district's total preliminary budget. If the Legislature does
90 not take any action to set a maximum amount of property tax
91 revenue that may be raised or set a maximum millage rate that
92 may be levied, the preliminary budget is deemed approved.

93 (b) If applicable, the preliminary budget for each district
94 must specify that the district's first obligation for payment is
95 the debt service on bonds and certificates of participation.

96 (c) The Legislature may also review any other portion of
97 each district's preliminary budget. If the Legislature does not
98 take any action pursuant to this review, those other portions of
99 the preliminary budget are deemed approved.

100 (3) FUNDING AUTHORITY GRANTED.—



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101 (a) Each district shall use the preliminary budget as
102 reviewed, and as may be amended, by the Legislature pursuant to
103 this section and s. 373.503 as the basis for developing the
104 tentative budget for the next fiscal year as provided in s.
105 373.536(5).

106 (b) The Legislature's action or approval pursuant to
107 subsection (2) or the action by the Governor or Legislative
108 Budget Commission pursuant to s. 373.536(4) and (5) constitutes
109 the only authority for a district to fund proposed expenditures
110 for the next fiscal year. A district may not include in its
111 tentative budget or expend any funds from any source for its
112 programs and activities during the next fiscal year without such
113 authorization.

114 Section 3. Subsections (4), (5), and (6) of section
115 373.536, Florida Statutes, are amended to read:

116 373.536 District budget and hearing thereon.—

117 (4) BUDGET CONTROLS; FINANCIAL INFORMATION.—

118 (a) The final adopted budget for the district ~~is will~~
119 ~~thereupon be~~ the operating and fiscal guide for the district for
120 the ensuing year; however, transfers of funds may be made within
121 the budget by action of the governing board at a public meeting
122 of the governing board. Budget amendments greater than \$1
123 million must be reviewed and approved by the Executive Office of
124 the Governor. The office shall provide notice of approval to the
125 Legislative Budget Commission.

126 (b) The district shall control its budget, at a minimum, by
127 funds and shall submit provide to the Executive Office of the
128 Governor a description of its budget control mechanisms for
129 approval.



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130 (c) ~~If Should~~ the district receives ~~receive~~ unanticipated
131 funds after the adoption of the final budget, the final budget
132 may be amended, following review and approval by the Executive
133 Office of the Governor, by including such funds, ~~if so long as~~
134 notice of intention to amend is provided to the Legislative
135 Budget Commission and is published in the Notice of the
136 governing board meeting at which the amendment will be
137 considered, pursuant to s. 120.525. The notice must ~~shall~~ set
138 forth a summary of the proposed amendment.

139 (d) ~~However,~~ In the event of a disaster or of an emergency
140 arising to prevent or avert the same, the governing board is
141 ~~shall~~ not be limited by the budget but may expend ~~shall have~~
142 ~~authority to apply such funds as may be~~ available for the
143 disaster or emergency therefor or as may be procured for such
144 purpose. In such an event, the governing board shall notify the
145 Executive Office of the Governor and the Legislative Budget
146 Commission as soon as practical, but within 30 days after the
147 governing board's action.

148 (e) ~~(d)~~ By September 1, 2012 ~~2011~~, each ~~water management~~
149 district shall provide a monthly financial statement in the form
150 and manner prescribed by the Department of Financial Services to
151 the district's ~~its~~ governing board and make such monthly
152 financial statement available for public access on its website.

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

155 (a) The Executive Office of the Governor may approve or ~~and~~
156 ~~the Legislative Budget Commission are authorized to~~ disapprove,
157 in whole or in part, the budget of each ~~water management~~
158 district. ~~The Executive Office of the Governor shall analyze~~



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159 ~~each budget as to the adequacy of fiscal resources available to~~
160 ~~the district and the adequacy of district expenditures related~~
161 ~~to water supply, including water resource development projects~~
162 ~~identified in the district's regional water supply plans; water~~
163 ~~quality; flood protection and floodplain management; and natural~~
164 ~~systems. This analysis shall be based on the particular needs~~
165 ~~within each water management district in those four areas of~~
166 ~~responsibility and shall be provided to the Legislative Budget~~
167 ~~Commission.~~

168 (b) The Executive Office of the Governor, the Legislative
169 Budget Commission, and the ~~water management~~ districts shall
170 develop a process to facilitate review and communication
171 regarding the tentative budgets of districts water management
172 district budgets, as necessary. If the commission determines
173 that a district's tentative budget has been significantly
174 modified from a preliminary budget reviewed by the Legislature
175 pursuant to s. 373.535, the commission may review, and may
176 disapprove, any part of the tentative budget. Unless otherwise
177 authorized by the Legislature in the preliminary budget review
178 conducted pursuant to s. 373.535, a district budget proposal
179 that includes any of the following requires prior approval by
180 the commission:

181 1. Except for land exchanges, any single purchase of land
182 in excess of \$10 million.

183 2. Any cumulative purchase of land during a single fiscal
184 year in excess of \$50 million.

185 3. Any issuance of debt on or after July 1, 2012.

186 4. Program expenditures as described in sub-subparagraphs
187 (d)4.e.-f. in excess of 20 percent of a district's total annual



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188 budget.

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190 Written disapproval of any provision in the tentative budget
191 must be received by the district at least 5 business days before
192 ~~prior to~~ the final district budget adoption hearing conducted
193 under s. 200.065(2)(d). If written disapproval ~~of any portion of~~
194 ~~the budget~~ is not received at least 5 business days before ~~prior~~
195 ~~to~~ the final budget adoption hearing, the governing board may
196 proceed with final adoption. Any provision rejected by the
197 Executive Office of the Governor or the Legislative Budget
198 Commission may shall not be included in a district's final
199 budget and may not be acted upon through any other means without
200 the prior approval of the entity rejecting the provision. Upon
201 the written request of the Governor or the commission, the Chief
202 Financial Officer shall withhold state funds from a district
203 that fails to comply with these requirements.

204 (c) Each ~~water management~~ district shall, by August 1 of
205 each year, submit for review a tentative budget to the Governor,
206 the President of the Senate, the Speaker of the House of
207 Representatives, the Legislative Budget Commission, the
208 secretary of the department, and the governing body of each
209 county in which the district has jurisdiction or derives any
210 funds for the operations of the district. The tentative budget
211 must be posted on the ~~water management~~ district's official
212 website at least 2 days before budget hearings held pursuant to
213 s. 200.065 or other law.

214 (d) The tentative budget must be based on the preliminary
215 budget as reviewed, and as may be amended, by the Legislature
216 pursuant to ss. 373.503 and 373.535, and must set forth the



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217 proposed expenditures of the district, to which may be added an
218 amount to be held as reserve. The tentative budget must include,
219 but is not limited to, the following information for the
220 preceding fiscal year and the current fiscal year, and the
221 proposed amounts for the upcoming fiscal year, in a standard
222 format prescribed by the Executive Office of the Governor, in
223 consultation with the Legislature:

224 1. The estimated amount of funds remaining at the beginning
225 of the fiscal year which have been obligated for the payment of
226 outstanding commitments not yet completed.

227 2. The estimated amount of unobligated funds or net cash
228 balance on hand at the beginning of the fiscal year, an
229 accounting of the source, balance, and projected future use of
230 the unobligated funds, and the estimated amount of funds to be
231 raised by district taxes or received from other sources to meet
232 the requirements of the district.

233 3. The millage rates and the percentage increase above the
234 rolled-back rate, together with a summary of the reasons the
235 increase is required, and the percentage increase in taxable
236 value resulting from new construction within the district.

237 4. The salaries and benefits, expenses, operating capital
238 outlay, number of authorized positions, and other personal
239 services for the following program areas of the district:

- 240 a. Water resource planning and monitoring;
- 241 b. Land acquisition, restoration, and public works;
- 242 c. Operation and maintenance of works and lands;
- 243 d. Regulation;
- 244 e. Outreach for which the information provided must contain
245 a full description and accounting of expenditures for water



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246 resources education; public information and public relations,
247 including public service announcements and advertising in any
248 media; and lobbying activities related to local, regional, state
249 and federal governmental affairs, whether incurred by district
250 staff or through contractual services; and

251 f. Management and administration.

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253 In addition to the program areas reported by all water
254 management districts, the South Florida Water Management
255 District shall include in its budget document separate sections
256 on all costs associated with the Everglades Construction Project
257 and the Comprehensive Everglades Restoration Plan.

258 5. The total estimated amount in the district budget for
259 each area of responsibility listed in subparagraph 4. and for
260 water resource, water supply, and alternative water supply
261 development projects identified in the district's regional water
262 supply plans.

263 6. A description of each new, expanded, reduced, or
264 eliminated program.

265 7. The funding sources, including, but not limited to, ad
266 valorem taxes, Surface Water Improvement and Management Program
267 funds, other state funds, federal funds, and user fees and
268 permit fees for each program area.

269 ~~(c) The Executive Office of the Governor shall annually, on~~
270 ~~or before December 15, file with the Legislature a report that~~
271 ~~summarizes its review of the water management districts'~~
272 ~~tentative budgets and displays the adopted budget allocations by~~
273 ~~program area. The report must identify the districts that are~~
274 ~~not in compliance with the reporting requirements of this~~



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275 ~~section. State funds shall be withheld from a water management~~
276 ~~district that fails to comply with these reporting requirements.~~

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

279 (a) Each district must, by the date specified for each
280 item, furnish copies of the following documents to the Governor,
281 the President of the Senate, the Speaker of the House of
282 Representatives, the chairs of all legislative committees and
283 subcommittees having substantive or fiscal jurisdiction over the
284 districts, as determined by the President of the Senate or the
285 Speaker of the House of Representatives as applicable, the
286 secretary of the department, and the governing board of each
287 county in which the district has jurisdiction or derives any
288 funds for the operations of the district:

289 1. The adopted budget, to be furnished within 10 days after
290 its adoption.

291 2. A financial audit of its accounts and records, to be
292 furnished within 10 days after its acceptance by the governing
293 board. The audit must be conducted in accordance with ~~the~~
294 ~~provisions of~~ s. 11.45 and the rules adopted thereunder. In
295 addition to the entities named above, the district must provide
296 a copy of the audit to the Auditor General within 10 days after
297 its acceptance by the governing board.

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

303 4. A 5-year water resource development work program to be



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304 furnished within 30 days after the adoption of the final budget.
305 The program must describe the district's implementation strategy
306 and funding plan for the water resource, water supply, and
307 alternative water supply development components ~~component~~ of
308 each approved regional water supply plan developed or revised
309 under s. 373.709. The work program must address all the elements
310 of the water resource, water supply, and alternative water
311 supply development components ~~component~~ in the district's
312 approved regional water supply plans and must identify ~~which~~
313 projects in the work program which will provide water;7 explain
314 how each water resource, water supply, and alternative water
315 supply development project will produce additional water
316 available for consumptive uses;7 estimate the quantity of water
317 to be produced by each project;7 and provide an assessment of
318 the contribution of the district's regional water supply plans
319 in providing sufficient water needed to timely meet the water
320 supply needs of existing and future reasonable-beneficial uses
321 for a 1-in-10-year drought event.

322 (b) Within 30 days after its submittal, the department
323 shall review the proposed work program and submit its findings,
324 questions, and comments to the district. The review must include
325 a written evaluation of the program's consistency with the
326 furtherance of the district's approved regional water supply
327 plans, and the adequacy of proposed expenditures. As part of the
328 review, the department shall give interested parties the
329 opportunity to provide written comments on each district's
330 proposed work program. Within 45 days after receipt of the
331 department's evaluation, the governing board shall state in
332 writing to the department which of the changes recommended in



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333 the evaluation it will incorporate into its work program
334 submitted as part of the March 1 consolidated annual report
335 required by s. 373.036(7) or specify the reasons for not
336 incorporating the changes. The department shall include the
337 district's responses in a final evaluation report and ~~shall~~
338 submit a copy of the report to the Governor, the President of
339 the Senate, and the Speaker of the House of Representatives.

340 (c) ~~(b)~~ If any entity listed in paragraph (a) provides
341 written comments to the district regarding any document
342 furnished under this subsection, the district must respond to
343 the comments in writing and furnish copies of the comments and
344 written responses to the other entities.

345 (d) ~~(e)~~ The final adopted budget must be posted on the water
346 management district's official website within 30 days after
347 adoption.

348 Section 4. Section 373.605, Florida Statutes, is amended to
349 read:

350 373.605 Group insurance for water management districts.—

351 ~~(1)~~ The governing board of a any water management district
352 ~~may is hereby authorized and empowered to~~ provide group
353 insurance for its employees, or its employees and the employees
354 of another water management district, in the same manner and
355 with the same provisions and limitations authorized for other
356 public employees under ~~by~~ ss. 112.08, 112.09, 112.10, 112.11,
357 and 112.14.

358 ~~(2) Any and all insurance agreements in effect as of~~
359 ~~October 1, 1974, which conform to the provisions of this section~~
360 ~~are hereby ratified.~~

361 Section 5. This act shall take effect July 1, 2012.



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===== T I T L E A M E N D M E N T =====

And the title is amended as follows:

Delete everything before the enacting clause
and insert:

A bill to be entitled

An act relating to water management districts;
amending s. 373.503, F.S.; authorizing the Legislature
to set the maximum millage rate for each district;
removing a provision requiring that the maximum
property tax revenue for water management districts
revert to the amount authorized for the prior year if
the Legislature does not set the amount; removing the
maximum revenues for the 2011-2012 fiscal year;
creating s. 373.535, F.S.; requiring the Executive
Office of the Governor to annually submit a
preliminary budget for each water management district
to the Legislature for review; providing criteria for
legislative review; authorizing the Legislature to set
the maximum amount of property tax revenue that may be
raised or the maximum millage rate that may be levied
to fund specified program areas; providing that the
preliminary budget reviewed by the Legislature is the
basis for developing each district's tentative budget
for the next fiscal year; providing limitations on the
authority of a district to fund proposed expenditures
for the next fiscal year; amending s. 373.536, F.S.;
requiring that budget amendments greater than a
certain amount be reviewed and approved by the



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391 Executive Office of the Governor, which must notify
392 the Legislative Budget Commission of such approval;
393 requiring a district to provide a description of the
394 budget control mechanisms to the Executive Office of
395 the Governor for approval; providing that, upon
396 providing notice to the Legislative Budget Commission,
397 a water management district may amend unanticipated
398 funds into its final budget; requiring the Executive
399 Office of the Governor and the Legislative Budget
400 Commission to be notified if a district governing
401 board expends funds for a disaster or emergency;
402 delaying the date that a district must begin providing
403 a monthly financial statement to its governing board;
404 removing obsolete provisions relating to review and
405 approval of the tentative budget of a water management
406 district; providing criteria for the Legislative
407 Budget Commission to use in approving the tentative
408 budget of a district; directing the Chief Financial
409 Officer to withhold state funds from a district that
410 includes disapproved provisions in its tentative
411 budget; revising components to be included in a
412 district's tentative budget; deleting the requirement
413 that the Executive Office of the Governor annually
414 file a report that summarizes its review of the water
415 management districts' tentative budgets and submit the
416 report with the Legislature; amending s. 373.605,
417 F.S.; authorizing the governing board of a water
418 management district to provide group insurance for its
419 employees and the employees of another water



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management district; providing an effective date.