

JOINT LEGISLATIVE AUDITING COMMITTEE (JLAC)

MEETING SUMMARY

December 5, 2011

Members in attendance:

Representative Debbie Mayfield, Chair
Senator Jim Norman, Vice Chair
Representative Larry Ahern
Representative Daphne D. Campbell
Representative Jeff Clemens
Senator Arthenia L. Joyner
Senator Evelyn J. Lynn
Representative Bryan Nelson
Representative Kenneth Roberson
Senator Maria Lorts Sachs
Senator Stephen R. Wise

Response by the Division of Emergency Management regarding oversight of state and federal funding used for the Brandon Community Advantage Center (The Regent)

Kathy DuBose, Coordinator, provided an overview of the Brandon Community Advantage Center (The Regent). The key points are:

- The facility was promoted as a community center and special needs emergency shelter;
- It was completed about a year ago and then became known as The Regent;
- It was funded with funds from Hillsborough County, Hillsborough Community College (College), Florida's Division of Emergency Management, and FEMA's Hazard Migration Grant Program;
- A non-profit organization, Brandon Community Advantage Center, Inc. (BCAC), was created to oversee the construction;
- Once The Regent was completed, the title was signed over to the College and the College entered into a long-term lease agreement with BCAC;
- The College uses classroom space in The Regent and BCAC rents out the remainder of the facility;
- The Regent has drawn a lot of attention and has been described by critics as opulent. Concerns have been raised about access for the community;
- The Hillsborough County Board of County Commissioners asked the Joint Legislative Auditing Committee (Committee) to review;
- A letter was sent to the Division of Emergency Management with questions regarding its oversight of the state and federal funds.

Will Booher, External Affairs Director, Division of Emergency Management, responded to the Committee's letter on behalf of the Division of Emergency Management.

David Martin, Auditor General, discussed the preliminary and tentative finding in the audit of Hillsborough Community College related to The Regent. The audit is expected to be completed in the next four or five weeks.

Pursuant to s. 11.40(2), F.S., the Committee is expected to consider taking action against local governments that have failed to file an annual financial report and/or annual financial audit (if required) due September 30, 2011, or earlier

Debbie White, CPA, of the Committee staff, discussed the financial reporting requirements in law, the notification process, procedures followed by Committee staff after notifications were received, and Committee staff's recommendations regarding the local governmental entities not in compliance.

A series of motions were made by Committee members to take action against local governmental entities that have failed to comply with financial reporting requirements.

A motion was made by Rep. Roberson to direct Committee staff to contact the Department of Revenue and the Department of Financial Services by January 16, 2012, and direct them to begin the process of withholding any funds not pledged for bond debt service satisfaction in accordance with the provisions of s. 11.40(2)(a), F.S., for the municipalities recommended by staff on List 1.

List 1 *Municipalities* -

<u>Name</u>	<u>Location</u>
Town of Alford	Jackson County
City of Boynton Beach	Palm Beach County
Town of Campbellton	Jackson County
Town of Caryville	Washington County
Town of Ebro	Washington County
City of Islandia	Miami-Dade County
City of Jacob City	Jackson County
Town of Noma	Holmes County
City of Pahokee	Palm Beach County
City of Springfield	Bay County
Town of St. Lucie Village	St. Lucie County
City of Vernon	Washington County
City of Weeki Wachee	Hernando County

NOTE: Municipalities that file their required reports prior to January 16, 2012, will not be included in the notification to the Department of Revenue and the Department of Financial Services.

The motion passed without objection.

A motion was made by Rep. Ahern to direct Committee staff to contact the Department of Economic Opportunity on February 6, 2012, and direct them, in accordance with s. 11.40(2)(b), F.S., to proceed pursuant to the provisions specified in s. 189.4044 or s. 189.421, F.S., for the special districts recommended by staff on List 2.

List 2 *Special Districts (Independent)*

<i>Name</i>	<i>Location</i>
Aqua Isles Community Development District (CDD)	Broward County
Baker Fire District	Okaloosa County
Bermont Drainage District	Charlotte County
Broward Soil and Water Conservation District	Broward County
Buckeye Park CDD	Manatee County
Charlotte Soil and Water Conservation District	Charlotte County
City Center CDD	Polk County
Clay Soil and Water Conservation District	Clay County
Cypress Club Recreation District	Broward County
Cypress Creek of Hillsborough County CDD	Hillsborough County
Dorcas Fire District	Okaloosa County
Eastpoint Water and Sewer District	Franklin County
Fallschase CDD	Leon County
Flagler Soil and Water Conservation District	Flagler County
Flow Way CDD	Collier County
Gateway Services CDD	Lee County
Gilchrist County Housing Authority	Gilchrist County
Glen St. Johns CDD	St. Johns County
Grand Bay at Doral CDD	Miami-Dade County
Greater Lakes/Sawgrass Bay CDD	Lake County
Hamilton County Development Authority	Hamilton County
Harbour Lake Estates CDD	Broward County
Hardee County Housing Authority	Hardee County
Heritage Plantation CDD	Okaloosa County
Highlands CDD	Hillsborough County
Huntington CDD	Broward County
Lafayette Soil and Water Conservation District	Lafayette County
Lake Beluthahatchee CDD	St. Johns County
Lee County Housing Authority	Lee County
Lee Soil and Water Conservation District	Lee County
Leon Soil and Water Conservation District <i>(formerly Ochlockonee River Soil and Water Conservation District)</i>	Leon County
Lexington CDD	Manatee County
Longleaf CDD	Pasco County
Magnolia Creek CDD	Walton County
Moultrie Creek CDD	St. Johns County
Naples Reserve CDD	Collier County
North Bay Fire District	Okaloosa County
North Okaloosa County Fire District	Okaloosa County
Northwood CDD	Pasco County
Orange Hill Soil and Water Conservation District	Washington County
Osprey Oaks CDD	Palm Beach County
Panther Trace CDD	Hillsborough County
Panther Trace II CDD	Hillsborough County
Pasco County Housing Authority	Pasco County
Paseo CDD	Lee County
Pembroke Harbor CDD	Broward County
Preserve at Wilderness Lake CDD	Pasco County
River Bend CDD	Hillsborough County
River Glen CDD	Nassau County
Rivercrest CDD	Hillsborough County
Seminole County Housing Authority	Seminole County
Seminole Soil and Water Conservation District	Seminole County
Six Mile Creek CDD	St. Johns County
South Bay CDD	Hillsborough County
South Fork East CDD	Hillsborough County
Southern Hills Plantation III CDD	Hernando County
Spring Ridge CDD	Hernando County
State Road CDD	Hillsborough County
Sterling Hill CDD	Hernando County

Sumter Soil and Water Conservation District	Sumter County
Suwannee Valley Transit Authority	Columbia, Hamilton, and Suwannee Counties
Tampa Bay Area Regional Transportation Authority	Citrus, Hernando, Hillsborough, Manatee, Pasco, Pinellas and Sarasota Counties
Tradition CDD No. 10	St. Lucie County
Trails CDD	Duval County
Twelve Oaks Special District	Hillsborough County
Vizcaya CDD	Broward County
Walton, Okaloosa, Santa Rosa Regional Utility Authority	Walton, Okaloosa, and Santa Rosa Counties
Yellow River Soil and Water Conservation District	Okaloosa County

List 2 *Special Districts (Dependent)*

<i>Name</i>	<i>Location</i>
Housing Authority of The City of Arcadia	DeSoto County
Avon Park Housing Authority	Highlands County
Columbia Co. Industrial Development Authority	Columbia County
Town of Eatonville Community Redevelopment Agency	Orange County
Fort Myers Housing Authority	Lee County
Fort Pierce Redevelopment Agency	St. Lucie County
Gadsden Co. Industrial Development Authority	Gadsden County
Hardee Co. Industrial Development Authority	Hardee County
Housing Authority of The City of Lakeland	Polk County
Ormond Beach Housing Authority	Volusia County
Polk County Health Facilities Authority	Polk County
Riviera Beach Housing Authority	Palm Beach County
Sanford Housing Authority	Seminole County
Springfield Community Redevelopment Agency	Bay County
Westwood Dependent Tax District	Hillsborough County

NOTE: Special districts that file their required reports prior to February 6, 2012, will not be included in the notification to the Department of Economic Opportunity.

The motion passed without objection.

A motion was made by Sen. Lynn to direct Committee staff to contact the Department of Economic Opportunity on July 2, 2012, and direct them, in accordance with s. 11.40(2)(b), F.S., to proceed pursuant to the provisions specified in s. 189.4044 or s. 189.421, F.S., for the special districts on List 3.

List 3 *Special Districts (Independent)*

<i>Name</i>	<i>Location</i>
Bella Verde Golf CDD	Pasco County
Chapel Creek CDD	Pasco County
CrossCreek CDD	Manatee County
Highland Meadows CDD	Polk County
New River CDD	Pasco County
Palm River CDD	Hillsborough County

NOTE: Special districts that file their required reports prior to July 2, 2012, will not be included in the notification to the Department of Economic Opportunity.

The motion passed without objection.

A motion was made by Rep. Clemens that the Chair, with the consent of the Vice Chair, be permitted to delay action against the entities on Lists 1, 2 and 3 if additional information is brought to their attention that should be considered in determining the effective date of the Committee's action. Staff shall deliver a copy of any such decision to the members of the Committee, the President of the Senate, and the Speaker of the House of Representatives.

The motion passed without objection.

A motion was made by Sen. Joyner that the Committee continue to delay state action for the special districts on List 4 and direct staff to continue to monitor them.

List 4 Special Districts (Independent)

<i>Name</i>	<i>Location</i>
Cordoba Ranch CDD	Hillsborough County
Freedom Walk CDD	Okaloosa County
Morningside CDD	Bay County
Santa Rosa Bay Bridge Authority	Santa Rosa County
Southbay CDD	Manatee County
Tidewater Preserve CDD	Manatee County
Vizcaya in Kendall CDD	Miami-Dade County
Zephyr Ridge CDD	Pasco County

The motion passed without objection

Discussion of the Committee's responsibility to direct an audit for the Department of the Lottery for the fiscal year ending June 30, 2012

Kathy DuBose, Coordinator, explained that the Committee is required by s. 24.123, F.S., to contract for an annual financial audit of the Department of the Lottery, which is to include an evaluation of internal accounting controls. The audit is to include recommendations to enhance the earning capacity of the Lottery and to improve the efficiency of department operations.

A motion was made by Rep. Campbell that the Committee direct the Auditor General and OPPAGA to conduct the audit of the Department of the Lottery for the 2011-12 fiscal year. The Auditor General will be responsible for the financial statements, internal control, and compliance issues. The Auditor General may also use his discretion to include operational topics. OPPAGA will be responsible for developing recommendations to enhance the earning capability of the Lottery and to improve the efficiency of the department's operations.

The motion passed without objection.

Presentation of the Auditor General's audit of the Agency for Health Care Administration's (AHCA) Medicaid fraud and abuse systems, as required by Ch. 2010-144, L.O.F.

Jane Flowers, Auditor General's office, presented the Auditor General's report concerning AHCA's Medicaid fraud and abuse systems. Ms. Flowers' presentation is included in the meeting packet.

Eric Miller, AHCA's Inspector General, spoke on behalf of the agency.

Presentation of the OPPAGA report on Florida's Prison Diversion Drug Courts

Lucy Ann Walker-Frasier, OPPAGA, presented the report to the Committee. Ms. Walker-Frasier's presentation is included in the meeting packet.

Brian Pitts, Justice-2-Jesus, spoke regarding the report.

Rep. Clemens moved to rise.