

COMMITTEE ACTION
JOINT LEGISLATIVE AUDITING COMMITTEE
March 8, 2010

Members in attendance:

Representative Greg Evers, Chair
Senator Alex Diaz de la Portilla, Vice Chair
Senator Andy Gardiner
Senator Charlie Justice
Representative Betty Reed
Representative Dwayne L. Taylor
Representative John Tobia
Senator Stephen R. Wise

Senator Jeremy Ring and Representative Charles Van Zant were excused.

Presentation by OPPAGA on a series of reports on the Florida Retirement System and state employee benefits

Gary VanLandingham, Ph.D., OPPAGA Director, presented a series of OPPAGA reports concerning the Florida Retirement System and state employee benefits.

Sarabeth Snuggs, Director of the Division of Retirement, provided information regarding the pension plan.

Local Government Financial Reporting

Presentation by the Auditor General on significant findings and financial trends identified in local governmental entity audit reports and annual financial reports

Marilyn Rosetti, Audit Manager, presented Auditor General Report No. 2010-113, *Report on Significant Financial Trends and Findings Identified in Local Governmental Entity Audit Reports and Annual Financial Reports*, to the Committee.

Discussion of the state's involvement with Financial Emergencies

Debbie White, JLAC staff, briefed the Committee on the law relating to financial emergencies of local governmental entities and the Committee's role.

Melinda Miguel, Chief Inspector General, explained the role of the Governor's Office and the actions taken by the Governor's Office related to local governmental entities that have either met a financial emergency condition or have been determined to be in a state of financial emergency.

Discussion of the difficulties faced by community development districts

Kathy DuBose, Staff Director, presented an overview of community development districts.

Cheryl Stuart, an attorney with Hopping Green and Sams, representing the Association of Florida Community Developers, spoke concerning community development districts.

Update on the local governmental entities the Committee took action against in 2009 for failing to file required financial reports

Debbie White gave the status regarding the local governmental entities that the Committee took action against in 2009 for failing to comply with reporting requirements of s. 218.32 and/or s. 218.39, Florida Statutes.

The entities were:

- Highlands Road and Bridge District (Pasco County)
- Magnolia Bluff Community Development District (Walton County)
- Town of Caryville (Washington County)
- City of Islandia (Miami-Dade County)
- City of Weeki Wachee (Hernando County)
- Town of Westville (Holmes County)
- Baker Fire District (Okaloosa County)
- Belmont Lakes Community Development District (Broward County)
- Pasco Heights Road and Bridge District (Pasco County)

The Committee is expected to take action against certain local governmental entities that have failed to file an annual financial report and annual financial audit (if required) due September 30, 2009, or earlier pursuant to s. 11.40(5), Florida Statutes.

Debbie White discussed 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 to direct Committee staff to contact the Department of Revenue and the Department of Financial Services by March 15, 2010, 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(5)(a), F.S., for the municipalities on List 1.

List 1 *Municipalities* -

- Town of Altha (Calhoun County)
- City of Belle Glade (Palm Beach County)
- Town of Belleair (Pinellas County)
- Town of Belleair Shore (Pinellas County)
- City of Bonifay (Holmes County)
- Town of Century (Escambia County)
- Town of Esto (Holmes County)
- Town of Fort White (Columbia County)
- City of Gulf Breeze (Santa Rosa County)
- City of Hampton (Bradford County)
- Town of Mangonia Park (Palm Beach County)
- Village of Miami Shores (Miami-Dade County)
- City of Port Richey (Pasco County)
- Town of Sewall's Point (Martin County)
- Town of Southwest Ranches (Broward County)
- Town of St. Lucie Village (St. Lucie County)
- City of Webster (Sumter County)

The motion passed without objection.

A motion was made to direct Committee staff to contact the Department of Revenue and the Department of Financial Services by July 15, 2010, 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 (5)(a), F.S., for the municipalities on List 2.

List 2 *Municipalities*

- City of Cottondale (Jackson County)
- Town of Eatonville (Orange County)
- Town of Jupiter Island (Martin County)
- City of Laurel Hill (Okaloosa County)
- City of Pahokee (Palm Beach County)
- City of Polk City (Polk County)
- City of Umatilla (Lake County)

The motion passed without objection.

A motion was made to direct Committee staff to contact the Department of Community Affairs by May 1, 2010, and direct them, in accordance with s. 11.40(5)(b), F.S., to proceed pursuant to the provisions specified in s. 189.421, F.S., for the special districts on List 3.

List 3 *Special Districts - Independent*

Almarante Fire District (Okaloosa County)
Bermont Drainage District (Charlotte County)
Collier Soil and Water Conservation District (Collier County)
Cypress Club Recreation District (Broward County)
DeSoto County Hospital District (DeSoto County)
Dorcas Fire District (Okaloosa County)
Downtown Development Authority City of Miami (Miami-Dade County)
Hardee County Housing Authority (Hardee County)
The Heights Community Development District (Hillsborough County)
Hernando County Housing Authority (Hernando County)
Kenmare at Lake Annie Community Development District (Polk County)
Kindlewood Community Development District (Clay County)
Naples Reserve Community Development District (Collier County)
Nassau Soil and Water Conservation District (Nassau County)
Pembroke Harbor Community Development District (Brevard County)
Seminole County Housing Authority (Seminole County)

Special Districts - Dependent

Apalachicola Housing Authority (Franklin County)
Housing Authority of the City of Arcadia (DeSoto County)
Housing Authority of the City of Fernandina Beach (Nassau County)
Melbourne Housing Authority (Brevard County)
Ormond Beach Housing Authority (Volusia County)
Volusia County Industrial Development Authority (Volusia County)

The motion passed without objection.

A motion was made to direct Committee staff to contact the Department of Community Affairs by September 1, 2010, and direct them, in accordance with s. 11.40(5)(b), F.S., to proceed pursuant to the provisions specified in s. 189.421, F.S., for the special districts on List 4.

List 4 *Special Districts - Independent*

Broward Soil and Water Conservation District (Broward County)
Forest Brooke Community Development District (Hillsborough County)
Lanark Village Water and Sewer District (Franklin County)
Ochlocknee River Soil and Water Conservation District (Leon County)
Palm Vista Preserve East Community Development District (Brevard Co.)
Peace River Soil and Water Conservation District (DeSoto County)
Portofino Springs Community Development District (Lee County)
Santa Rosa Bay Bridge Authority (Santa Rosa County)
Seminole County Expressway Authority (Seminole County)
Shingle Creek Community Development District (Osceola County)
South Dade Soil and Water Conservation District (Miami-Dade County)
Tidewater Preserve Community Development District (Manatee County)

Treeline Preserve Community Development District (Lee County)
Verandahs Community Development District (Pasco County)
Verona Community Development District (Lee County)
Vizcaya in Kendall Community Development District (Miami-Dade Co.)
Willford Place Community Development District (Clay County)

Bella Verde Golf Community Development District (Pasco County)
Blackman Fire District (Okaloosa County)
Buckeye Park Community Development District (Manatee County)
Chapel Creek Community Development District (Pasco County)
Holt Fire District (Okaloosa County)
New River Community Development District (Pasco County)
Orange Hill Soil and Water Conservation District (Washington County)
Sanctuary Cove Community Development District (Manatee County)
South Dade Soil and Water Conservation District (Miami-Dade County)
Southbay Community Development District (Manatee County)
Tri-County Airport Authority (Holmes, Jackson and Washington Counties)

The motion passed without objection.

Presentation by OPPAGA on consolidation of fire and EMS services in Pinellas County; Report No. 10-25

Kara Collins-Gomez, OPPAGA Staff Director, presented Report No. 10-25 concerning fire and EMS service consolidation in Pinellas County.

Representative Janet Long attended the meeting and had questions and comments regarding the OPPAGA report.

Discussion of Committee decisions during the interim

A motion was made that the Chair, with the concurrence of the Vice Chair, be permitted to deal with Committee issues, such as audit requests, local government reporting, and other concerns, that may arise if the Committee is not able to meet between now and the Organizational Session.

The motion passed without objection.

Senator Wise moved to rise.