

*Shingle Creek at Bronson
Community Development District*

Agenda

February 3, 2020

AGENDA

Shingle Creek at Bronson Community Development District

219 E. Livingston Street, Orlando, Florida 32801
Phone: 407-841-5524 – Fax: 407-839-1526

January 27, 2020

Board of Supervisors
Shingle Creek Community
Development District

Dear Board Members:

The meeting of the Board of Supervisors of the Shingle Creek at Bronson Community Development District will be held **Monday, February 3, 2020 at 11:00 a.m. at the Oasis Club at ChampionsGate, 1520 Oasis Club Blvd., ChampionsGate, Florida.** Following is the advance agenda for the regular meeting:

1. Roll Call
2. Public Comment Period
3. Approval of Minutes of the December 24, 2019 Meeting
4. Financing Matters
 - A. Consideration of Engineer's Report
 - B. Consideration of Master Assessment Methodology Report
 - C. Consideration of Resolution 2020-16 Declaring Special Assessments
 - D. Consideration of Resolution 2020-17 Setting a Public Hearing for Special Assessments
 - E. Consideration of Resolution 2020-18 Bond Delegation Resolution
5. Staff Reports
 - A. Attorney
 - i. Update on Auditing Requirements
 - B. Engineer
 - C. District Manager's Report
 - i. Balance Sheet and Income Statement
 - ii. Ratification of Funding Request #2
6. Other Business
7. Supervisor's Requests
8. Adjournment

The second order of business of the Board of Supervisors Meeting is the Public Comment Period where the public has an opportunity to be heard on propositions coming before the Board as reflected on the agenda, and any other items.

The third order of business is the approval of minutes of the December 24, 2019 meeting. The minutes are enclosed for your review.

The fourth order of business is Financing Matters. Items A-E will be provided under separate cover.

The fifth order of business is Staff Reports. Section 1 of the Attorney's Report is an update on the auditing requirements. Chapter 2019-15 (SB7014) is enclosed for your review. Section 1 of the District Manager's Report includes the balance sheet and income statement for review and Section 2 includes Funding Request #2 for ratification. The funding request and supporting documentation is enclosed for your review.

The balance of the agenda will be discussed at the meeting. In the meantime, if you should have any questions, please contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "G. Flint", with a stylized flourish at the end.

George S. Flint
District Manager

Cc: Jan Carpenter, District Counsel
David Reid, Interim District Engineer
Steve Sanford, Bond Counsel
Jon Kessler, Underwriter
Stacey Johnson, Trustee

Enclosures

MINUTES

MINUTES OF MEETING
SHINGLE CREEK AT BRONSON
COMMUNITY DEVELOPMENT DISTRICT

An Organizational meeting of the Board of Supervisors of the Shingle Creek at Bronson Community Development District was held on Tuesday, December 24, 2019 at 9:00 a.m. at the Oasis Club at ChampionsGate, 1520 Oasis Club Blvd., ChampionsGate, Florida.

Present and constituting a quorum were:

Adam Morgan	Chairman
Rob Bonin	Vice Chairman
Lane Register	Assistant Secretary
Mark Revell	Assistant Secretary

Also present were:

Jason Showe	District Manager
Jan Carpenter	District Counsel

FIRST ORDER OF BUSINESS

Introduction

A. Call to Order

Mr. Showe called the meeting to order and called the roll. Three Board Members were present, constituting a quorum.

B. Public Comment Period

No members of the public were present for the meeting.

C. Oath of Office

Mr. Showe being a Notary Public of the State of Florida and duly authorized, administered the Oath of Office to Mr. Morgan, Mr. Register and Mr. Revell.

Mr. Showe: I will notarize the Oaths.

Ms. Carpenter: Since you are all members of other Boards, I will not discuss the Sunshine Law, Ethics and Public Records. We will send you a reminder to refresh yourself.

SECOND ORDER OF BUSINESS

Organizational Matters

A. Confirmation of Notice of Meeting

Mr. Showe: We have placed a notice in The Orlando Sentinel on December 17, 2019.

B. Information on Community Development Districts and Public Official Responsibilities and Florida Statutes Chapter 190

Mr. Showe: As Jan said, we included some information on Community Development Districts (CDDs) and the responsibilities of public officials, as well as Florida Statute, Chapter 190. As you are members of other Boards we won't go through these specifically, but if you have any questions, Jan and I can assist you.

C. Election of Officers

Mr. Showe: Typically Boards will appoint a Chair and Vice Chair and then the rest of the Board Members serve as Assistant Secretaries. We ask that you elect George Flint and I Assistant Secretaries for the purpose of signing documents. At this time, is there a recommendation for a Chair?

Mr. Morgan: I nominate Mr. Morgan as Chairman, Mr. Bonin as Vice Chairman and the remaining Board members and Mr. Showe as Assistant Secretaries.

1. Consideration of Resolution 2020-01 Designating Officers

Mr. Showe: Resolution 2020-01 designates Mr. Morgan as Chairman, Mr. Bonin as Vice Chair, Mr. Showe as Secretary and Mr. Revell, Mr. Katnazari, Jr., Mr. Register and Mr. Showe as Assistant Secretaries. We need a motion to adopt Resolution 2020-01.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor Resolution 2020-01 designating the officers as stated above was adopted.

2. Resolution 2020-02 Appointing Treasurer & Assistant Treasurer

Mr. Showe: Most of our Districts don't have an Assistant Treasurer, so we ask that you appoint Ariel Lovera in our office as Treasurer to handle the bank accounts and process all checks.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor Resolution 2020-02 Appointing Ariel Lovera as Treasurer was adopted.

Mr. Bonin joined the meeting.

• **Oath of Office**

Mr. Showe being a Notary Public of the State of Florida and duly authorized, administered the Oath of Office to Mr. Bonin.

THIRD ORDER OF BUSINESS

Retention of District Staff

A. Consideration of Contract for District Management Services

Mr. Showe: We provided a contract for District management services from Governmental Management Services (GMS). It is in line with all of the other contracts you have seen from GMS, so we can take any questions or an approval.

Ms. Carpenter: It does match the other contracts.

Mr. Showe: We need a motion to approve.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor retaining Government Management Services as the District Manager and approving the District Management Services contract was approved.

B. Consideration of Appointment of District Counsel

Mr. Showe: We provided a contract from Latham, Shuker, Edan & Beaudine, LLP. It matches other contracts in other Districts, so we need a motion to approve the contract.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor retaining Latham, Shuker, Edan & Beaudine, LLP. as District Counsel and approving their contract was approved.

C. Consideration of Resolution 2020-03 Designating a Registered Agent and Office

Mr. Showe: This designates District Counsel as Registered Agent for the District. In the event there were any legal requirements or court proceedings, they would be the first one to be notified. We need a motion to adopt Resolution 2020-03.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor Resolution 2020-03 Designating Jan Carpenter as Registered Agent and the offices of Latham, Luna, Eden & Beaudine, LLP, 111 N. Magnolia Avenue, Suite 1400, Orlando, Florida as the Registered Office was adopted.

D. Request Authorization to Issue RFQ for Engineering Services

Mr. Showe: Under the Florida Statutes, we are required to issue a Request for Qualifications (RFQ) for District engineering services. We prepared that document so we can go out and officially hire a District Engineer. Jan, I don't know if you have anything to add.

Ms. Carpenter: That's correct. An Interim Engineer will be appointed to perform the bond validation work, but this is the official process you must go through.

Mr. Showe: We need a motion to authorize the issuance of the RFQ.

On MOTION by Mr. Register seconded by Mr. Morgan with all in favor authorization for Staff to advertise a Request for Qualifications for District engineering services was approved.

FOURTH ORDER OF BUSINESS

Designation of Meetings and Hearing Dates

A. Designation of Regular Monthly Meeting Date, Time and Location

Mr. Showe: The Board is required to approve an annual meeting notice. You typically meet the first Monday of every month. It looks like you have some time at 11:00 a.m., which would be prior to the other Shingle Creek meeting.

Mr. Morgan: 11:00 a.m. is fine.

Mr. Showe: So the meetings would be the first Monday of every month at 11:00 a.m. Due to notice requirements, we won't be able to get a notice into the newspaper until February 3rd. We need a motion to that effect.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor designating the first Monday of each month, at 11:00 a.m., at the Oasis Club at ChampionsGate, 1520 Oasis Club Blvd., ChampionsGate, Florida as the regular meeting date, time and location was approved.

B. Designation of Landowner's Meeting Date, Time and Location

Mr. Showe: We must set some hearings. With notice requirements, we recommend March 2nd to conduct the official landowner's election for the District. We need a motion to designate.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor designating March 2, 2020 at 11:00 a.m., at the Oasis Club at ChampionsGate, 1520 Oasis Club Blvd., ChampionsGate, Florida as the landowner's meeting date, time and location was approved.

C. Designation of Date of Public Hearing to Adopt Rules of Procedure in accordance with Section 120.54, Florida Statutes

1. Consideration of Resolution 2020-04 Setting a Public Hearing to Consider the Proposed Rules of the District

Mr. Showe: We are looking at March 2nd for a lot of these public hearings, due to notice requirements and holidays. The first public hearing is to adopt the Rules of Procedure for the District. In coordination with that, we prepared Resolution 2020-04. Once again, we recommend March 2nd, which would give us plenty of time to get the notices into the newspaper and need a motion to that effect.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor Resolution 2020-04 Setting a Public Hearing for March 2, 2020 at 11:00 a.m., at the Oasis Club at ChampionsGate, 1520 Oasis Club Blvd., ChampionsGate, Florida to consider the Proposed Rules of the District was adopted.

D. Designation of Dates of Public Hearing on the Budget for Fiscal Year 2020

1. Consideration of Resolution 2020-05 Setting the Public Hearing and Approving the Proposed Fiscal Year 2020 Budget

Mr. Showe: The budget is typical of a developer funded District and has all of the pass-through costs. We would once again recommend setting March 2nd as your public hearing date for the budget and need a motion to that effect.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor Resolution 2020-05, Setting a Public Hearing for March 2, 2020 at 11:00 a.m., at the Oasis Club at ChampionsGate, 1520 Oasis Club Blvd., ChampionsGate, Florida to approve the Proposed Fiscal Year 2020 Budget was adopted.

2. Approval of the Fiscal Year 2019-2020 Developer Funding Agreement

Mr. Showe: We need a motion to approve the Developer Funding Agreement.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor the Fiscal Year 2019-2020 Developer Funding Agreement was approved.

E. Designation of Date of Public Hearing Expressing the District's Intent to Utilize the Uniform Method of Levying, Collecting and Enforcing Non Ad-Valorem Assessments in accordance with Section 197.3632, Florida Statutes

Mr. Showe: Next is the designation of a public hearing date for expressing the District's intent to use the uniform collection method. We recommend March 2nd for the public hearing.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor designating the public hearing to express the District's intent to utilize the uniform method of levying, collecting and enforcing non ad-valorem assessments in accordance with Section 197.3632, Florida Statutes for March 2, 2020 at 11:00 a.m., at the Oasis Club at ChampionsGate, 1520 Oasis Club Blvd., ChampionsGate, Florida was approved.

FIFTH ORDER OF BUSINESS

Other Organizational Matters

A. Selection of District Depository

Mr. Showe: I think we have been putting all of your funds in a SunTrust account, so it's probably easier, administratively to continue doing that. So if there is no opposition, we recommend a motion to select SunTrust as District depository.

Ms. Carpenter: They meet all of the statutory requirements.

Mr. Showe: Correct.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor selecting SunTrust as the District's Depository was approved.

B. Authorization of Bank Account Signatories

Mr. Showe: We typically have the Secretary and Treasurer as signatories, which would be Ariel Lovera and George Flint. If there is no opposition, we need a motion to approve.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor authorizing the Secretary, George Flint and the Treasurer, Ariel Lovera as bank account signatories was approved.

C. Consideration of Resolution 2020-06 Relating to Defense of Board Members

Mr. Showe: Jan, do you want to report on that?

Ms. Carpenter: Yes. The Board Members, within their scope of their duties, could get named to a lawsuit. This resolution authorizes the District to help defend that lawsuit.

Mr. Showe: It ratifies and makes it formal in the District records.

On MOTION by On MOTION by Mr. Morgan seconded by Mr. Register with all in favor Resolution 2020-06 Relating to the Defense of Board Members was adopted.

D. Consideration of Resolution 2020-07 Approving District Counsel to Record the "Notice of Establishment" in the Property Records of Osceola County in accordance with Chapter 190.0485, Florida Statutes

Mr. Showe: We need a motion to adopt Resolution 2020-07.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor Resolution 2020-07 Approving District Counsel to Record the "Notice of Establishment" in the Property Records of Osceola County in Accordance with Chapter 190.0485, Florida Statutes was adopted.

E. Consideration of Resolution 2020-08 Adopting Investment Guidelines

Mr. Showe: This provides some guidelines and gives us some basis for how we want to invest funds for the District. I think these are typical with what you have seen in all of the districts we established. So we recommend a motion to adopt Resolution 2020-08.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor Resolution 2020-08 Adopting the Investment Guidelines was adopted.

F. Consideration of Resolution 2020-09 Authorizing Execution of Public Depositor Report

Mr. Showe: Along with authorizing the execution of the Public Depositor Report, Resolution 2020-09 directs the Treasurer of the District and the District Manager to complete any necessary items that are required for financial reporting. We need a motion to adopt Resolution 2020-09.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor Resolution 2020-09 Authorizing Execution of the Public Depositor Report was adopted.

G. Consideration of Resolution 2020-10 Designating a Policy for Public Comment

Mr. Showe: These are standard. We are setting these up in a lot of our Districts.

Ms. Carpenter: It incorporates the statutory part of the public notice. It is nice to have it in place. We need a motion to adopt Resolution 2020-10.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor Resolution 2020-10 Designating a Policy for Public Comment was adopted.

H. Consideration of Resolution 2020-11 Adopting a Travel and Reimbursement Policy

Mr. Showe: It may not be applicable now, but it is nice to have these in place down the road, should travel be required by the Board. We need a motion to adopt Resolution 2020-11.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor Resolution 2020-11 Adopting a Travel and Reimbursement Policy was adopted.

I. Consideration of Resolution 2020-12 Adopting a Records Retention Policy

Mr. Showe: This is in line with Florida Statutes and tells us what records we need to keep and the length of time. Later, we will set the location to keep the records in the county, but at this time, we need a motion to adopt Resolution 2020-12.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor Resolution 2020-12 Adopting a Records Retention Policy was adopted.

J. Consideration of Resolution 2020-13 Approving an Interlocal Agreement with Osceola County

Mr. Showe: This resolution authorizes the Chair to ratify any actions related to an Interlocal Agreement between Osceola County and the District.

Ms. Carpenter: This is part of the petition process, which requires an Interlocal Agreement.

Mr. Showe: We need a motion to adopt Resolution 2020-13.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor Resolution 2020-13 Approving an Interlocal Agreement with Osceola County was adopted.

K. Consideration of Compensation of Board Members

Mr. Showe: Is the Board waiving compensation at this time?

Mr. Register: Yes.

Mr. Morgan: Yes.

Mr. Revell: Yes.

Mr. Bonin: Yes.

Mr. Showe: If you change your mind at any point, we can always change it. We just have to give you some additional paperwork to fill out.

L. Selection of District Records Office Within Osceola County

Mr. Showe: We typically kept the records onsite here. Is that amenable to the Board?

Mr. Register: Yes.

Mr. Morgan: Yes.

Mr. Showe: Then we need a motion to approve the District records office.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor selecting the Oasis Club at ChampionsGate, 1520 Oasis Club Blvd., ChampionsGate, Florida, as the District Records Office within Osceola County was approved.

M. Consideration of Website Services Agreement

Mr. Showe: Next is an agreement from VGlobalTech to set up the website for the District. The proposal is \$2,575 to set up your website so it is in ADA compliance. This is the company we have been using to set up our websites. GMS can maintain it going forward, as we have the software to put documents on there. It just takes them some time to build it. So we need a motion to approve the VGlobalTech agreement.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor the Website Services Agreement with VGlobalTech in the amount of \$2,575 was approved.

N. Authorization to Prepare Public Facilities Report in Accordance with Chapter 189.08 Florida Statutes to Coincide with Special District Filing Date of August 1st for Osceola County

Mr. Showe: This is direction for the District Manager to prepare the Public Facilities Report.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor authorization for the District Manager to prepare the Public Facilities Report in accordance with Chapter 189.08 of the Florida Statutes to coincide with the Special District filing date of August 1st for Osceola County was approved.

SIXTH ORDER OF BUSINESS

Capital Improvements

Mr. Showe: We obtained some proposals to set up your financing team.

A. Appointment of Financing Team

1. Bond Counsel

Mr. Showe: We provided you with an agreement from Greenberg Traurig to serve as Bond Counsel. We need a motion to approve the agreement.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor appointing Greenberg Traurig as Bond Counsel was approved.

2. Interim Engineer

Mr. Showe: We provided you a proposal from Hamilton Surveying & Engineering to serve as Interim District Engineer.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor appointing Hamilton Surveying & Engineering as the Interim Engineer was approved.

3. Underwriter

Mr. Showe: Next is a proposal from FMSBonds to act as bond agent.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor appointing FMS Bonds as the Underwriter was approved.

4. Assessment Administrator

Mr. Showe: Assessment services are part of your management agreement with GMS. We don't have a separate agreement.

5. Trustee

Mr. Showe: We provided you an agreement from U.S. Bank to serve as Trustee for the District.

Mr. Register: Is this the firm that we currently use?

Mr. Showe: Yes.

On MOTION by Mr. Register seconded by Mr. Morgan with all in favor appointing U.S. Bank as Trustee was approved.

B. Approval of Financing Team Funding Agreement

Mr. Showe: We have an agreement between Shingle Creek at Bronson CDD and Lennar Homes to fund in advance of the bond as needed. We need a motion to approve the agreement.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor the Financing Team Funding Agreement between the Shingle Creek at Bronson CDD and Lennar Homes was approved.

SEVENTH ORDER OF BUSINESS

Financing Matters

A. Consideration of Resolution 2020-15 Authorizing the Issuance of Bonds and Authorizing the Commencement of Validation Proceedings

Mr. Showe: So we can work on financing matters, we provided Resolution 2020-15, authorizing the issuance of bonds and the commencement of validation proceedings. This is the first step in obtaining funding. Jan, did you want to talk about the process?

Ms. Carpenter: Sure. The validation of the bonds is required by statute. We have done this in other Districts. We do this when Greenberg is Bond Counsel. The Engineer submitted a very rough draft. We will get started on that and file it in Osceola County, which is one of the quicker counties to get it done in. Are there any comments?

Mr. Showe: I have none.

Ms. Carpenter: We will file it after the first of the year, as the State Attorney handling it is on maternity leave.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor, Resolution 2020-15 Authorizing the Issuance of Bonds and Authorizing the Commencement of Validation Proceedings was adopted.

EIGHTH ORDER OF BUSINESS

Business Items

A. Consideration of Resolution 2020-14 Approving the Execution of the Cove at Storey Lake III Plat

Mr. Showe: We need a motion to adopt Resolution 2020-14.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor Resolution 2020-14 Approving the Execution of the Cove at Storey Lake III Plat was adopted.

NINTH ORDER OF BUSINESS

Other Business

A. Staff Reports

i. Attorney

There not being any, the next item followed.

ii. Manager

There not being any, the next item followed.

B. Supervisors Requests

There not being any, the next item followed.

C. Approval of Funding Request No. 1

Mr. Showe: This funding request is to get the insurance, advertisements and the website as well as some funds to open up the operating accounts. We need a motion to approve the funding request.

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor Funding Request No. 1 was approved.

Mr. Showe: Are there any other items for the Board to discuss? Hearing none, we need a motion to adjourn.

NINTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Morgan seconded by Mr. Register with all in favor the meeting was adjourned.

Secretary/Assistant Secretary

Chairman/Vice Chairman

SECTION IV

*Exhibits A - E will be provided
separately*

SECTION V

SECTION A

SECTION 1

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1
2 An act relating to government accountability; amending
3 s. 11.40, F.S.; specifying that the Governor, the
4 Commissioner of Education, or the designee of the
5 Governor or of the commissioner, may notify the
6 Legislative Auditing Committee of an entity's failure
7 to comply with certain auditing and financial
8 reporting requirements; amending s. 11.45, F.S.;
9 revising definitions and defining the terms "abuse,"
10 "fraud," and "waste"; excluding water management
11 districts from certain audit requirements; removing a
12 cross-reference; authorizing the Auditor General to
13 conduct audits of tourist development councils and
14 county tourism promotion agencies; revising reporting
15 requirements applicable to the Auditor General;
16 amending s. 11.47, F.S.; specifying that any person
17 who willfully fails or refuses to provide access to an
18 employee, officer, or agent of an entity under audit
19 is subject to a penalty; amending s. 28.35, F.S.;
20 revising reporting requirements applicable to the
21 Florida Clerks of Court Operations Corporation;
22 amending s. 43.16, F.S.; revising the responsibilities
23 of the Justice Administrative Commission, each state
24 attorney, each public defender, the criminal conflict
25 and civil regional counsel, the capital collateral
26 regional counsel, and the Guardian Ad Litem Program,
27 to include the establishment and maintenance of
28 certain internal controls; amending ss. 129.03,
29 129.06, and 166.241, F.S.; requiring counties and

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30 municipalities to maintain certain budget documents on
31 the entities' websites for a specified period;
32 amending s. 215.86, F.S.; revising the purposes for
33 which management systems and internal controls must be
34 established and maintained by each state agency and
35 the judicial branch; amending s. 215.97, F.S.;
36 revising certain audit threshold requirements;
37 amending s. 215.985, F.S.; revising the requirements
38 for a monthly financial statement provided by a water
39 management district; amending s. 218.31, F.S.:
40 revising the definition of the term "financial audit";
41 amending s. 218.32, F.S.; authorizing the Department
42 of Financial Services to request additional
43 information from a local governmental entity in
44 preparation of an annual report; requiring a local
45 governmental entity to respond to such requests within
46 a specified timeframe; requiring the department to
47 notify the Legislative Auditing Committee of
48 noncompliance; amending s. 218.33, F.S.; requiring
49 local governmental entities to establish and maintain
50 internal controls to achieve specified purposes;
51 amending s. 218.391, F.S.; revising membership, and
52 restrictions thereof, for an auditor selection
53 committee; prescribing requirements and procedures for
54 selecting an auditor if certain conditions exist;
55 amending s. 373.536, F.S.; deleting obsolete language;
56 requiring water management districts to maintain
57 certain budget documents on the districts' websites
58 for specified periods; amending s. 1001.42, F.S.;

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59 authorizing additional internal audits as directed by
60 the district school board; amending s. 1002.33, F.S.;
61 revising the responsibilities of the governing board
62 of a charter school to include the establishment and
63 maintenance of internal controls; amending s. 1002.37,
64 F.S.; requiring completion of an annual financial
65 audit of the Florida Virtual School; specifying audit
66 requirements; requiring an audit report to be
67 submitted to the board of trustees of the Florida
68 Virtual School and the Auditor General; deleting
69 obsolete provisions; amending s. 1010.01, F.S.;
70 requiring each school district, Florida College System
71 institution, and state university to establish and
72 maintain certain internal controls; creating ss.
73 1012.8551 and 1012.915, F.S.; specifying applicable
74 standards as to employee background screening and
75 investigations of Florida College System and State
76 University System personnel, respectively; amending s.
77 218.503, F.S.; conforming provisions and cross-
78 references to changes made by the act; providing a
79 declaration of important state interest; providing an
80 effective date.

81
82 Be It Enacted by the Legislature of the State of Florida:

83
84 Section 1. Subsection (2) of section 11.40, Florida
85 Statutes, is amended to read:

86 11.40 Legislative Auditing Committee.—

87 (2) Following notification by the Auditor General, the

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88 Department of Financial Services, ~~or~~ the Division of Bond
89 Finance of the State Board of Administration, the Governor or
90 his or her designee, or the Commissioner of Education or his or
91 her designee of the failure of a local governmental entity,
92 district school board, charter school, or charter technical
93 career center to comply with the applicable provisions within s.
94 11.45(5)-(7), s. 218.32(1), s. 218.38, or s. 218.503(3), the
95 Legislative Auditing Committee may schedule a hearing to
96 determine if the entity should be subject to further state
97 action. If the committee determines that the entity should be
98 subject to further state action, the committee shall:

99 (a) In the case of a local governmental entity or district
100 school board, direct the Department of Revenue and the
101 Department of Financial Services to withhold any funds not
102 pledged for bond debt service satisfaction which are payable to
103 such entity until the entity complies with the law. The
104 committee shall specify the date that such action must ~~shall~~
105 begin, and the directive must be received by the Department of
106 Revenue and the Department of Financial Services 30 days before
107 the date of the distribution mandated by law. The Department of
108 Revenue and the Department of Financial Services may implement
109 ~~the provisions of~~ this paragraph.

110 (b) In the case of a special district created by:

111 1. A special act, notify the President of the Senate, the
112 Speaker of the House of Representatives, the standing committees
113 of the Senate and the House of Representatives charged with
114 special district oversight as determined by the presiding
115 officers of each respective chamber, the legislators who
116 represent a portion of the geographical jurisdiction of the

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special district, and the Department of Economic Opportunity that the special district has failed to comply with the law. Upon receipt of notification, the Department of Economic Opportunity shall proceed pursuant to s. 189.062 or s. 189.067. If the special district remains in noncompliance after the process set forth in s. 189.0651, or if a public hearing is not held, the Legislative Auditing Committee may request the department to proceed pursuant to s. 189.067(3).

2. A local ordinance, notify the chair or equivalent of the local general-purpose government pursuant to s. 189.0652 and the Department of Economic Opportunity that the special district has failed to comply with the law. Upon receipt of notification, the department shall proceed pursuant to s. 189.062 or s. 189.067. If the special district remains in noncompliance after the process set forth in s. 189.0652, or if a public hearing is not held, the Legislative Auditing Committee may request the department to proceed pursuant to s. 189.067(3).

3. Any manner other than a special act or local ordinance, notify the Department of Economic Opportunity that the special district has failed to comply with the law. Upon receipt of notification, the department shall proceed pursuant to s. 189.062 or s. 189.067(3).

(c) In the case of a charter school or charter technical career center, notify the appropriate sponsoring entity, which may terminate the charter pursuant to ss. 1002.33 and 1002.34.

Section 2. Subsection (1), paragraph (j) of subsection (2), paragraph (u) of subsection (3), and paragraph (i) of subsection (7) of section 11.45, Florida Statutes, are amended, and paragraph (x) is added to subsection (3) of that section, to

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read:

11.45 Definitions; duties; authorities; reports; rules.—

(1) DEFINITIONS.—As used in ss. 11.40-11.51, the term:

(a) "Abuse" means behavior that is deficient or improper when compared with behavior that a prudent person would consider a reasonable and necessary operational practice given the facts and circumstances. The term includes the misuse of authority or position for personal gain.

(b)~~(a)~~ "Audit" means a financial audit, operational audit, or performance audit.

(c)~~(b)~~ "County agency" means a board of county commissioners or other legislative and governing body of a county, however styled, including that of a consolidated or metropolitan government, a clerk of the circuit court, a separate or ex officio clerk of the county court, a sheriff, a property appraiser, a tax collector, a supervisor of elections, or any other officer in whom any portion of the fiscal duties of a body or officer expressly stated in this paragraph are ~~the above are under law~~ separately placed by law.

(d)~~(c)~~ "Financial audit" means an examination of financial statements in order to express an opinion on the fairness with which they are presented in conformity with generally accepted accounting principles and an examination to determine whether operations are properly conducted in accordance with legal and regulatory requirements. Financial audits must be conducted in accordance with auditing standards generally accepted in the United States and government auditing standards ~~as adopted by the Board of Accountancy~~. When applicable, the scope of financial audits must ~~shall~~ encompass the additional activities

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necessary to establish compliance with the Single Audit Act Amendments of 1996, 31 U.S.C. ss. 7501-7507, and other applicable federal law.

(e) "Fraud" means obtaining something of value through willful misrepresentation, including, but not limited to, intentional misstatements or intentional omissions of amounts or disclosures in financial statements to deceive users of financial statements, theft of an entity's assets, bribery, or the use of one's position for personal enrichment through the deliberate misuse or misapplication of an organization's resources.

(f)~~(d)~~ "Governmental entity" means a state agency, a county agency, or any other entity, however styled, that independently exercises any type of state or local governmental function.

(g)~~(e)~~ "Local governmental entity" means a county agency, municipality, tourist development council, county tourism promotion agency, or special district as defined in s. 189.012. The term,~~but~~ does not include any housing authority established under chapter 421.

(h)~~(f)~~ "Management letter" means a statement of the auditor's comments and recommendations.

(i)~~(g)~~ "Operational audit" means an audit whose purpose is to evaluate management's performance in establishing and maintaining internal controls, including controls designed to prevent and detect fraud, waste, and abuse, and in administering assigned responsibilities in accordance with applicable laws, administrative rules, contracts, grant agreements, and other guidelines. Operational audits must be conducted in accordance with government auditing standards. Such audits examine internal

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controls that are designed and placed in operation to promote and encourage the achievement of management's control objectives in the categories of compliance, economic and efficient operations, reliability of financial records and reports, and safeguarding of assets, and identify weaknesses in those internal controls.

(j)~~(h)~~ "Performance audit" means an examination of a program, activity, or function of a governmental entity, conducted in accordance with applicable government auditing standards or auditing and evaluation standards of other appropriate authoritative bodies. The term includes an examination of issues related to:

1. Economy, efficiency, or effectiveness of the program.
2. Structure or design of the program to accomplish its goals and objectives.
3. Adequacy of the program to meet the needs identified by the Legislature or governing body.
4. Alternative methods of providing program services or products.
5. Goals, objectives, and performance measures used by the agency to monitor and report program accomplishments.
6. The accuracy or adequacy of public documents, reports, or requests prepared under the program by state agencies.
7. Compliance of the program with appropriate policies, rules, or laws.
8. Any other issues related to governmental entities as directed by the Legislative Auditing Committee.

(k)~~(i)~~ "Political subdivision" means a separate agency or unit of local government created or established by law and

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includes, but is not limited to, the following and the officers thereof: authority, board, branch, bureau, city, commission, consolidated government, county, department, district, institution, metropolitan government, municipality, office, officer, public corporation, town, or village.

(1)~~(j)~~ "State agency" means a separate agency or unit of state government created or established by law and includes, but is not limited to, the following and the officers thereof: authority, board, branch, bureau, commission, department, division, institution, office, officer, or public corporation, as the case may be, except any such agency or unit within the legislative branch of state government other than the Florida Public Service Commission.

(m) "Waste" means the act of using or expending resources unreasonably, carelessly, extravagantly, or for no useful purpose.

(2) DUTIES.—The Auditor General shall:

(j) Conduct audits of local governmental entities when determined to be necessary by the Auditor General, when directed by the Legislative Auditing Committee, or when otherwise required by law. No later than 18 months after the release of the audit report, the Auditor General shall perform such appropriate followup procedures as he or she deems necessary to determine the audited entity's progress in addressing the findings and recommendations contained within the Auditor General's previous report. The Auditor General shall notify each member of the audited entity's governing body and the Legislative Auditing Committee of the results of his or her determination. For purposes of this paragraph, local

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262 governmental entities do not include water management districts.

263
264 The Auditor General shall perform his or her duties
265 independently but under the general policies established by the
266 Legislative Auditing Committee. This subsection does not limit
267 the Auditor General's discretionary authority to conduct other
268 audits or engagements of governmental entities as authorized in
269 subsection (3).

270 (3) AUTHORITY FOR AUDITS AND OTHER ENGAGEMENTS.—The Auditor
271 General may, pursuant to his or her own authority, or at the
272 direction of the Legislative Auditing Committee, conduct audits
273 or other engagements as determined appropriate by the Auditor
274 General of:

275 (u) The Florida Virtual School ~~pursuant to s. 1002.37.~~

276 (x) Tourist development councils and county tourism
277 promotion agencies.

278 (7) AUDITOR GENERAL REPORTING REQUIREMENTS.—

279 (i) The Auditor General shall annually transmit by July 15,
280 to the President of the Senate, the Speaker of the House of
281 Representatives, and the Department of Financial Services, a
282 list of all school districts, charter schools, charter technical
283 career centers, Florida College System institutions, state
284 universities, and local governmental entities ~~water management~~
285 ~~districts~~ that have failed to comply with the transparency
286 requirements as identified in the audit reports reviewed
287 pursuant to paragraph (b) and those conducted pursuant to
288 subsection (2).

289 Section 3. Subsection (3) of section 11.47, Florida
290 Statutes, is amended to read:

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291 11.47 Penalties; failure to make a proper audit or
292 examination; making a false report; failure to produce documents
293 or information.—

294 (3) Any person who willfully fails or refuses to provide
295 access to an employee, officer, or agent of an entity subject to
296 an audit or to furnish or produce any book, record, paper,
297 document, data, or sufficient information necessary to a proper
298 audit or examination which the Auditor General or the Office of
299 Program Policy Analysis and Government Accountability is by law
300 authorized to perform commits ~~shall be guilty of~~ a misdemeanor
301 of the first degree, punishable as provided in s. 775.082 or s.
302 775.083.

303 Section 4. Paragraph (d) of subsection (2) of section
304 28.35, Florida Statutes, is amended to read:

305 28.35 Florida Clerks of Court Operations Corporation.—

306 (2) The duties of the corporation shall include the
307 following:

308 (d) Developing and certifying a uniform system of workload
309 measures and applicable workload standards for court-related
310 functions as developed by the corporation and clerk workload
311 performance in meeting the workload performance standards. These
312 workload measures and workload performance standards shall be
313 designed to facilitate an objective determination of the
314 performance of each clerk in accordance with minimum standards
315 for fiscal management, operational efficiency, and effective
316 collection of fines, fees, service charges, and court costs. The
317 corporation shall develop the workload measures and workload
318 performance standards in consultation with the Legislature. When
319 the corporation finds a clerk has not met the workload

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performance standards, the corporation shall identify the nature of each deficiency and any corrective action recommended and taken by the affected clerk of the court. For quarterly periods ending on the last day of March, June, September, and December of each year, the corporation shall notify the Legislature of any clerk not meeting workload performance standards and provide a copy of any corrective action plans. Such notifications must be submitted no later than 45 days after the end of the preceding quarterly period. As used in this subsection, the term:

1. "Workload measures" means the measurement of the activities and frequency of the work required for the clerk to adequately perform the court-related duties of the office as defined by the membership of the Florida Clerks of Court Operations Corporation.

2. "Workload performance standards" means the standards developed to measure the timeliness and effectiveness of the activities that are accomplished by the clerk in the performance of the court-related duties of the office as defined by the membership of the Florida Clerks of Court Operations Corporation.

Section 5. Present subsections (6) and (7) of section 43.16, Florida Statutes, are renumbered as subsections (7) and (8), respectively, and a new subsection (6) is added to that section, to read:

43.16 Justice Administrative Commission; membership, powers and duties.—

(6) The commission, each state attorney, each public defender, the criminal conflict and civil regional counsel, the

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capital collateral regional counsel, and the Guardian Ad Litem
Program shall establish and maintain internal controls designed
to:

(a) Prevent and detect fraud, waste, and abuse as defined
in s. 11.45(1).

(b) Promote and encourage compliance with applicable laws,
rules, contracts, grant agreements, and best practices.

(c) Support economical and efficient operations.

(d) Ensure reliability of financial records and reports.

(e) Safeguard assets.

Section 6. Paragraph (c) of subsection (3) of section
129.03, Florida Statutes, is amended to read:

129.03 Preparation and adoption of budget.—

(3) The county budget officer, after tentatively
ascertaining the proposed fiscal policies of the board for the
next fiscal year, shall prepare and present to the board a
tentative budget for the next 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.

(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. The tentative budget must be posted on the county's
official website at least 2 days before the public hearing to
consider such budget and must remain on the website for at least

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378 45 days. The final budget must be posted on the website within
379 30 days after adoption and must remain on the website for at
380 least 2 years. The tentative budgets, adopted tentative budgets,
381 and final budgets shall be filed in the office of the county
382 auditor as a public record. Sufficient reference in words and
383 figures to identify the particular transactions must ~~shall~~ be
384 made in the minutes of the board to record its actions with
385 reference to the budgets.

386 Section 7. Paragraph (f) of subsection (2) of section
387 129.06, Florida Statutes, is amended to read:

388 129.06 Execution and amendment of budget.—

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

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

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

406 2. If the board amends the budget pursuant to this

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paragraph, the adopted amendment must be posted on the county's official website within 5 days after adoption and must remain on the website for at least 2 years.

Section 8. Subsections (3) and (5) of section 166.241, Florida Statutes, are amended to read:

166.241 Fiscal years, budgets, and budget amendments.—

(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 and must remain on the website for at least 45 days. The final adopted budget must be posted on the municipality's official website within 30 days after adoption and must remain on the website for at least 2 years. 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.

(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 and must remain on the website for at least 2 years. 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.

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Section 9. Section 215.86, Florida Statutes, is amended to read:

215.86 Management systems and controls.—Each state agency and the judicial branch as defined in s. 216.011 shall establish and maintain management systems and internal controls designed to:

(1) Prevent and detect fraud, waste, and abuse as defined in s. 11.45(1). ~~that~~

(2) Promote and encourage compliance with applicable laws, rules, contracts, and grant agreements.†

(3) Support economical and ~~economic,~~ efficient, ~~and effective operations.~~†

(4) Ensure reliability of financial records and reports.†

(5) Safeguard ~~and safeguarding of assets. Accounting systems and procedures shall be designed to fulfill the requirements of generally accepted accounting principles.~~

Section 10. Paragraph (a) of subsection (2) of section 215.97, Florida Statutes, is amended to read:

215.97 Florida Single Audit Act.—

(2) As used in this section, the term:

(a) "Audit threshold" means the threshold amount used to determine when a state single audit or project-specific audit of a nonstate entity shall be conducted in accordance with this section. Each nonstate entity that expends a total amount of state financial assistance equal to or in excess of \$750,000 in any fiscal year of such nonstate entity shall be required to have a state single audit, or a project-specific audit, for such fiscal year in accordance with the requirements of this section. ~~Every 2 years the Auditor General,~~ After consulting with the

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465 Executive Office of the Governor, the Department of Financial
466 Services, and all state awarding agencies, the Auditor General
467 shall periodically review the threshold amount for requiring
468 audits under this section and may recommend any appropriate
469 statutory change to revise the threshold amount in the annual
470 report submitted to the Legislature pursuant to s. 11.45(7) (h)
471 ~~adjust such threshold amount consistent with the purposes of~~
472 ~~this section.~~

473 Section 11. Subsection (11) of section 215.985, Florida
474 Statutes, is amended to read:

475 215.985 Transparency in government spending.—

476 (11) Each water management district shall provide a monthly
477 financial statement in the form and manner prescribed by the
478 Department of Financial Services to the district's ~~its~~ governing
479 board and make such monthly financial statement available for
480 public access on its website.

481 Section 12. Subsection (17) of section 218.31, Florida
482 Statutes, is amended to read:

483 218.31 Definitions.—As used in this part, except where the
484 context clearly indicates a different meaning:

485 (17) "Financial audit" means an examination of financial
486 statements in order to express an opinion on the fairness with
487 which they are presented in conformity with generally accepted
488 accounting principles and an examination to determine whether
489 operations are properly conducted in accordance with legal and
490 regulatory requirements. Financial audits must be conducted in
491 accordance with auditing standards generally accepted in the
492 United States and government auditing standards ~~as adopted by~~
493 ~~the Board of Accountancy and as prescribed by rules promulgated~~

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494 ~~by the Auditor General.~~ When applicable, the scope of financial
495 audits must ~~shall~~ encompass the additional activities necessary
496 to establish compliance with the Single Audit Act Amendments of
497 1996, 31 U.S.C. ss. 7501-7507, and other applicable federal law.

498 Section 13. Subsection (2) of section 218.32, Florida
499 Statutes, is amended to read:

500 218.32 Annual financial reports; local governmental
501 entities.—

502 (2) The department shall annually by December 1 file a
503 verified report with the Governor, the Legislature, the Auditor
504 General, and the Special District Accountability Program of the
505 Department of Economic Opportunity showing the revenues, both
506 locally derived and derived from intergovernmental transfers,
507 and the expenditures of each local governmental entity, regional
508 planning council, local government finance commission, and
509 municipal power corporation that is required to submit an annual
510 financial report. In preparing the verified report, the
511 department may request additional information from the local
512 governmental entity. The information requested must be provided
513 to the department within 45 days after the request. If the local
514 governmental entity does not comply with the request, the
515 department shall notify the Legislative Auditing Committee,
516 which may take action pursuant to s. 11.40(2). The report must
517 include, but is not limited to:

518 (a) The total revenues and expenditures of each local
519 governmental entity that is a component unit included in the
520 annual financial report of the reporting entity.

521 (b) The amount of outstanding long-term debt by each local
522 governmental entity. For purposes of this paragraph, the term

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"long-term debt" means any agreement or series of agreements to pay money, which, at inception, contemplate terms of payment exceeding 1 year in duration.

Section 14. Present subsection (3) of section 218.33, Florida Statutes, is renumbered as subsection (4), and a new subsection (3) is added to that section, to read:

218.33 Local governmental entities; establishment of uniform fiscal years and accounting practices and procedures.—

(3) Each local governmental entity shall establish and maintain internal controls designed to:

(a) Prevent and detect fraud, waste, and abuse as defined in s. 11.45(1).

(b) Promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices.

(c) Support economical and efficient operations.

(d) Ensure reliability of financial records and reports.

(e) Safeguard assets.

Section 15. Subsections (2), (3), and (4) of section 218.391, Florida Statutes, are amended, and subsection (9) is added to that section, to read:

218.391 Auditor selection procedures.—

(2) The governing body of a ~~charter~~ county, municipality, special district, district school board, charter school, or charter technical career center shall establish an auditor selection ~~audit~~ committee.

(a) The auditor selection committee for a ~~Each noncharter~~ county must ~~shall establish an audit committee that~~, at a minimum, ~~shall~~ consist of each of the county officers elected pursuant to the county charter or s. 1(d), Art. VIII of the

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552 State Constitution, ~~or their respective designees a designee,~~
553 and one member of the board of county commissioners or its
554 designee.

555 (b) The auditor selection committee for a municipality,
556 special district, district school board, charter school, or
557 charter technical career center must consist of at least three
558 members. One member of the auditor selection committee must be a
559 member of the governing body of an entity specified in this
560 paragraph, who shall serve as the chair of the committee.

561 (c) An employee, a chief executive officer, or a chief
562 financial officer of the county, municipality, special district,
563 district school board, charter school, or charter technical
564 career center may not serve as a member of an auditor selection
565 committee established under this subsection; however, an
566 employee, a chief executive officer, or a chief financial
567 officer of the county, municipality, special district, district
568 school board, charter school, or charter technical career center
569 may serve in an advisory capacity.

570 (d) The primary purpose of the auditor selection ~~audit~~
571 committee is to assist the governing body in selecting an
572 auditor to conduct the annual financial audit required in s.
573 218.39; however, the ~~audit~~ committee may serve other audit
574 oversight purposes as determined by the entity's governing body.
575 The public may ~~shall~~ not be excluded from the proceedings under
576 this section.

577 (3) The auditor selection ~~audit~~ committee shall:

578 (a) Establish factors to use for the evaluation of audit
579 services to be provided by a certified public accounting firm
580 duly licensed under chapter 473 and qualified to conduct audits

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581 in accordance with government auditing standards as adopted by
582 the Florida Board of Accountancy. Such factors shall include,
583 but are not limited to, ability of personnel, experience,
584 ability to furnish the required services, and such other factors
585 as may be determined by the committee to be applicable to its
586 particular requirements.

587 (b) Publicly announce requests for proposals. Public
588 announcements must include, at a minimum, a brief description of
589 the audit and indicate how interested firms can apply for
590 consideration.

591 (c) Provide interested firms with a request for proposal.
592 The request for proposal shall include information on how
593 proposals are to be evaluated and such other information the
594 committee determines is necessary for the firm to prepare a
595 proposal.

596 (d) Evaluate proposals provided by qualified firms. If
597 compensation is one of the factors established pursuant to
598 paragraph (a), it shall not be the sole or predominant factor
599 used to evaluate proposals.

600 (e) Rank and recommend in order of preference no fewer than
601 three firms deemed to be the most highly qualified to perform
602 the required services after considering the factors established
603 pursuant to paragraph (a). If fewer than three firms respond to
604 the request for proposal, the committee shall recommend such
605 firms as it deems to be the most highly qualified.

606 (4) The governing body shall inquire of qualified firms as
607 to the basis of compensation, select one of the firms
608 recommended by the auditor selection ~~audit~~ committee, and
609 negotiate a contract, using one of the following methods:

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610 (a) If compensation is not one of the factors established
611 pursuant to paragraph (3)(a) and not used to evaluate firms
612 pursuant to paragraph (3)(e), the governing body shall negotiate
613 a contract with the firm ranked first. If the governing body is
614 unable to negotiate a satisfactory contract with that firm,
615 negotiations with that firm shall be formally terminated, and
616 the governing body shall then undertake negotiations with the
617 second-ranked firm. Failing accord with the second-ranked firm,
618 negotiations shall then be terminated with that firm and
619 undertaken with the third-ranked firm. Negotiations with the
620 other ranked firms shall be undertaken in the same manner. The
621 governing body, in negotiating with firms, may reopen formal
622 negotiations with any one of the three top-ranked firms, but it
623 may not negotiate with more than one firm at a time.

624 (b) If compensation is one of the factors established
625 pursuant to paragraph (3)(a) and used in the evaluation of
626 proposals pursuant to paragraph (3)(d), the governing body shall
627 select the highest-ranked qualified firm or must document in its
628 public records the reason for not selecting the highest-ranked
629 qualified firm.

630 (c) The governing body may select a firm recommended by the
631 audit committee and negotiate a contract with one of the
632 recommended firms using an appropriate alternative negotiation
633 method for which compensation is not the sole or predominant
634 factor used to select the firm.

635 (d) In negotiations with firms under this section, the
636 governing body may allow a designee to conduct negotiations on
637 its behalf.

638 (9) If the entity fails to select the auditor in accordance

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639 with the requirements of subsections (3)-(6), the entity must
640 again perform the auditor selection process in accordance with
641 this section to select an auditor to conduct audits for
642 subsequent fiscal years.

643 Section 16. Paragraph (e) of subsection (4), paragraph (d)
644 of subsection (5), and paragraph (d) of subsection (6) of
645 section 373.536, Florida Statutes, are amended to read:

646 373.536 District budget and hearing thereon.—

647 (4) BUDGET CONTROLS; FINANCIAL INFORMATION.—

648 (e) ~~By September 1, 2012,~~ Each district shall provide a
649 monthly financial statement in the form and manner prescribed by
650 the Department of Financial Services to the district's governing
651 board and make such monthly financial statement available for
652 public access on its website.

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

655 (d) Each district shall, by August 1 of each year, submit
656 for review a tentative budget and a description of any
657 significant changes from the preliminary budget submitted to the
658 Legislature pursuant to s. 373.535 to the Governor, the
659 President of the Senate, the Speaker of the House of
660 Representatives, the chairs of all legislative committees and
661 subcommittees having substantive or fiscal jurisdiction over
662 water management districts, as determined by the President of
663 the Senate or the Speaker of the House of Representatives, as
664 applicable, the secretary of the department, and the governing
665 body of each county in which the district has jurisdiction or
666 derives any funds for the operations of the district. The
667 tentative budget must be posted on the district's official

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website at least 2 days before budget hearings held pursuant to s. 200.065 or other law and must remain on the website for at least 45 days.

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

(d) The final adopted budget must be posted on the water management district's official website within 30 days after adoption and must remain on the website for at least 2 years.

Section 17. Paragraph (1) of subsection (12) of section 1001.42, Florida Statutes, as amended by chapter 2018-5, Laws of Florida, is amended to read:

1001.42 Powers and duties of district school board.—The district school board, acting as a board, shall exercise all powers and perform all duties listed below:

(12) FINANCE.—Take steps to assure students adequate educational facilities through the financial procedure authorized in chapters 1010 and 1011 and as prescribed below:

(1) *Internal auditor.*—May or, in the case of a school district receiving annual federal, state, and local funds in excess of \$500 million, shall employ an internal auditor. The scope of the internal auditor shall not be restricted and shall include every functional and program area of the school system.

1. The internal auditor shall perform ongoing financial verification of the financial records of the school district, a comprehensive risk assessment of all areas of the school system every 5 years, and other audits and reviews as the district school board directs for determining:

a. The adequacy of internal controls designed to prevent and detect fraud, waste, and abuse as defined in s. 11.45(1).

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b. Compliance with applicable laws, rules, contracts, grant agreements, district school board-approved policies, and best practices.

c. The efficiency of operations.

d. The reliability of financial records and reports.

e. The safeguarding of assets.

f. Financial solvency.

g. Projected revenues and expenditures.

h. The rate of change in the general fund balance.

2. The internal auditor shall prepare audit reports of his or her findings and report directly to the district school board or its designee.

3. Any person responsible for furnishing or producing any book, record, paper, document, data, or sufficient information necessary to conduct a proper audit or examination which the internal auditor is by law authorized to perform is subject to the provisions of s. 11.47(3) and (4).

Section 18. Paragraph (j) of subsection (9) of section 1002.33, Florida Statutes, is amended to read:

1002.33 Charter schools.—

(9) CHARTER SCHOOL REQUIREMENTS.—

(j) The governing body of the charter school shall be responsible for:

1. Establishing and maintaining internal controls designed to:

a. Prevent and detect fraud, waste, and abuse as defined in s. 11.45(1).

b. Promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices.

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726 c. Support economical and efficient operations.

727 d. Ensure reliability of financial records and reports.

728 e. Safeguard assets.

729 ~~2.1.~~ Ensuring that the charter school has retained the
730 services of a certified public accountant or auditor for the
731 annual financial audit, pursuant to s. 1002.345(2), who shall
732 submit the report to the governing body.

733 ~~3.2.~~ Reviewing and approving the audit report, including
734 audit findings and recommendations for the financial recovery
735 plan.

736 ~~4.a.3.a.~~ Performing the duties in s. 1002.345, including
737 monitoring a corrective action plan.

738 b. Monitoring a financial recovery plan in order to ensure
739 compliance.

740 ~~5.4.~~ Participating in governance training approved by the
741 department which must include government in the sunshine,
742 conflicts of interest, ethics, and financial responsibility.

743 Section 19. Present subsections (6) through (10) of section
744 1002.37, Florida Statutes, are renumbered as subsections (7)
745 through (11), respectively, present subsection (6) is amended,
746 and a new subsection (6) is added to that section, to read:

747 1002.37 The Florida Virtual School.—

748 (6) The Florida Virtual School shall have an annual
749 financial audit of its accounts and records conducted by an
750 independent auditor who is a certified public accountant
751 licensed under chapter 473. The independent auditor shall
752 conduct the audit in accordance with rules adopted by the
753 Auditor General pursuant to s. 11.45 and, upon completion of the
754 audit, shall prepare an audit report in accordance with such

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755 rules. The audit report must include a written statement by the
756 board of trustees describing corrective action to be taken in
757 response to each of the independent auditor's recommendations
758 included in the audit report. The independent auditor shall
759 submit the audit report to the board of trustees and the Auditor
760 General no later than 9 months after the end of the preceding
761 fiscal year.

762 (7)(6) The board of trustees shall annually submit to the
763 Governor, the Legislature, the Commissioner of Education, and
764 the State Board of Education the audit report prepared pursuant
765 to subsection (6) and a complete and detailed report setting
766 forth:

767 (a) The operations and accomplishments of the Florida
768 Virtual School within the state and those occurring outside the
769 state as Florida Virtual School Global.

770 (b) The marketing and operational plan for the Florida
771 Virtual School and Florida Virtual School Global, including
772 recommendations regarding methods for improving the delivery of
773 education through the Internet and other distance learning
774 technology.

775 (c) The assets and liabilities of the Florida Virtual
776 School and Florida Virtual School Global at the end of the
777 fiscal year.

778 ~~(d) A copy of an annual financial audit of the accounts and~~
779 ~~records of the Florida Virtual School and Florida Virtual School~~
780 ~~Global, conducted by an independent certified public accountant~~
781 ~~and performed in accordance with rules adopted by the Auditor~~
782 ~~General.~~

783 (d)(e) Recommendations regarding the unit cost of providing

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services to students through the Florida Virtual School and Florida Virtual School Global. In order to most effectively develop public policy regarding any future funding of the Florida Virtual School, it is imperative that the cost of the program is accurately identified. The identified cost of the program must be based on reliable data.

(e) ~~(f)~~ Recommendations regarding an accountability mechanism to assess the effectiveness of the services provided by the Florida Virtual School and Florida Virtual School Global.

Section 20. Subsection (5) is added to section 1010.01, Florida Statutes, to read:

1010.01 Uniform records and accounts.—

(5) Each school district, Florida College System institution, and state university shall establish and maintain internal controls designed to:

(a) Prevent and detect fraud, waste, and abuse as defined in s. 11.45(1).

(b) Promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices.

(c) Support economical and efficient operations.

(d) Ensure reliability of financial records and reports.

(e) Safeguard assets.

Section 21. Section 1012.8551, Florida Statutes, is created to read:

1012.8551 Employee background screening and investigations for Florida College System personnel.—Section 110.1127 applies to each institution in the Florida College System. Each institution must designate the positions subject to background screening and investigation pursuant to that section.

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Section 22. Section 1012.915, Florida Statutes, is created to read:

1012.915 Employee background screening and investigations for State University System personnel.—Section 110.1127 applies to each institution in the State University System. Each institution must designate the positions subject to background screening and investigation pursuant to that section.

Section 23. Subsection (3) of section 218.503, Florida Statutes, is amended to read:

218.503 Determination of financial emergency.—

(3) Upon notification that one or more of the conditions in subsection (1) have occurred or will occur if action is not taken to assist the local governmental entity or district school board, the Governor or his or her designee shall contact the local governmental entity or the Commissioner of Education or his or her designee shall contact the district school board, as appropriate, to determine what actions have been taken by the local governmental entity or the district school board to resolve or prevent the condition. The information requested must be provided within 45 days after the date of the request. If the local governmental entity or the district school board does not comply with the request, the Governor or his or her designee or the Commissioner of Education or his or her designee shall notify ~~the members of~~ the Legislative Auditing Committee, which ~~who~~ may take action pursuant to s. 11.40(2) ~~11.40~~. The Governor or the Commissioner of Education, as appropriate, shall determine whether the local governmental entity or the district school board needs state assistance to resolve or prevent the condition. If state assistance is needed, the local governmental

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entity or district school board is considered to be in a state of financial emergency. The Governor or the Commissioner of Education, as appropriate, has the authority to implement measures as set forth in ss. 218.50-218.504 to assist the local governmental entity or district school board in resolving the financial emergency. Such measures may include, but are not limited to:

(a) Requiring approval of the local governmental entity's budget by the Governor or approval of the district school board's budget by the Commissioner of Education.

(b) Authorizing a state loan to a local governmental entity and providing for repayment of same.

(c) Prohibiting a local governmental entity or district school board from issuing bonds, notes, certificates of indebtedness, or any other form of debt until such time as it is no longer subject to this section.

(d) Making such inspections and reviews of records, information, reports, and assets of the local governmental entity or district school board as are needed. The appropriate local officials shall cooperate in such inspections and reviews.

(e) Consulting with officials and auditors of the local governmental entity or the district school board and the appropriate state officials regarding any steps necessary to bring the books of account, accounting systems, financial procedures, and reports into compliance with state requirements.

(f) Providing technical assistance to the local governmental entity or the district school board.

(g)1. Establishing a financial emergency board to oversee the activities of the local governmental entity or the district

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871 school board. If a financial emergency board is established for
872 a local governmental entity, the Governor shall appoint board
873 members and select a chair. If a financial emergency board is
874 established for a district school board, the State Board of
875 Education shall appoint board members and select a chair. The
876 financial emergency board shall adopt such rules as are
877 necessary for conducting board business. The board may:

878 a. Make such reviews of records, reports, and assets of the
879 local governmental entity or the district school board as are
880 needed.

881 b. Consult with officials and auditors of the local
882 governmental entity or the district school board and the
883 appropriate state officials regarding any steps necessary to
884 bring the books of account, accounting systems, financial
885 procedures, and reports of the local governmental entity or the
886 district school board into compliance with state requirements.

887 c. Review the operations, management, efficiency,
888 productivity, and financing of functions and operations of the
889 local governmental entity or the district school board.

890 d. Consult with other governmental entities for the
891 consolidation of all administrative direction and support
892 services, including, but not limited to, services for asset
893 sales, economic and community development, building inspections,
894 parks and recreation, facilities management, engineering and
895 construction, insurance coverage, risk management, planning and
896 zoning, information systems, fleet management, and purchasing.

897 2. The recommendations and reports made by the financial
898 emergency board must be submitted to the Governor for local
899 governmental entities or to the Commissioner of Education and

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the State Board of Education for district school boards for appropriate action.

(h) Requiring and approving a plan, to be prepared by officials of the local governmental entity or the district school board in consultation with the appropriate state officials, prescribing actions that will cause the local governmental entity or district school board to no longer be subject to this section. The plan must include, but need not be limited to:

1. Provision for payment in full of obligations outlined in subsection (1), designated as priority items, which are currently due or will come due.

2. Establishment of priority budgeting or zero-based budgeting in order to eliminate items that are not affordable.

3. The prohibition of a level of operations which can be sustained only with nonrecurring revenues.

4. Provisions implementing the consolidation, sourcing, or discontinuance of all administrative direction and support services, including, but not limited to, services for asset sales, economic and community development, building inspections, parks and recreation, facilities management, engineering and construction, insurance coverage, risk management, planning and zoning, information systems, fleet management, and purchasing.

Section 24. The Legislature finds that a proper and legitimate state purpose is served when internal controls are established to prevent and detect fraud, waste, and abuse and to safeguard and account for government funds and property.
Therefore, the Legislature determines and declares that this act fulfills an important state interest.

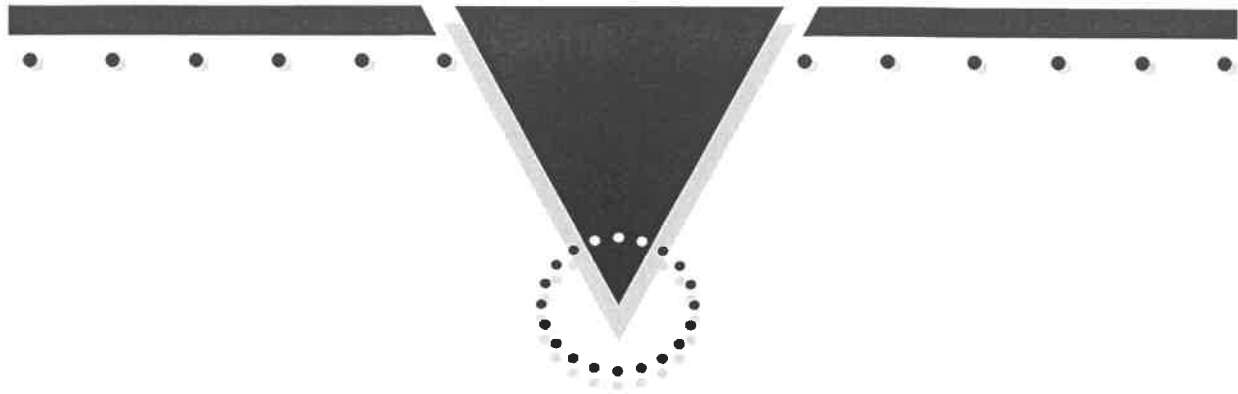
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Section 25. This act shall take effect July 1, 2019.

SECTION C

SECTION 1



Shingle Creek at Bronson Community Development District

**Unaudited Financial Reporting
December 31, 2019**



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SHINGLE CREEK AT BRONSON

COMMUNITY DEVELOPMENT DISTRICT

BALANCE SHEET

December 31, 2019

	General Fund
<u>ASSETS:</u>	
DUE FROM DEVELOPER	\$17,500
TOTAL ASSETS	<u>\$17,500</u>
<u>LIABILITIES:</u>	
ACCOUNTS PAYABLE	\$1,582
<u>FUND EQUITY:</u>	
FUND BALANCES:	
UNASSIGNED	\$15,918
TOTAL LIABILITIES & FUND EQUITY	<u>\$17,500</u>

SHINGLE CREEK AT BRONSON

COMMUNITY DEVELOPMENT DISTRICT

GENERAL FUND

Statement of Revenues & Expenditures

For The Period Ending December 31, 2019

	ADOPTED BUDGET	PRORATED BUDGET THRU 12/31/19	ACTUAL THRU 12/31/19	VARIANCE
<u>REVENUES:</u>				
DEVELOPER CONTRIBUTIONS	\$70,494	\$7,833	\$17,500	\$9,667
TOTAL REVENUES	\$70,494	\$7,833	\$17,500	\$9,667
<u>EXPENDITURES:</u>				
<u>ADMINISTRATIVE:</u>				
ENGINEERING	\$9,000	\$1,000	\$0	\$1,000
ATTORNEY	\$18,750	\$2,083	\$923	\$1,160
MANAGEMENT FEES	\$26,250	\$2,917	\$659	\$2,258
INFORMATION TECHNOLOGY	\$900	\$100	\$0	\$100
WEBSITE CREATION/ADA COMPLIANCE	\$2,500	\$278	\$0	\$278
TELEPHONE	\$225	\$25	\$0	\$25
POSTAGE	\$750	\$83	\$0	\$83
INSURANCE	\$5,000	\$5,000	\$0	\$5,000
PRINTING & BINDING	\$750	\$83	\$0	\$83
LEGAL ADVERTISING	\$5,000	\$556	\$0	\$556
OTHER CURRENT CHARGES	\$750	\$83	\$0	\$83
OFFICE SUPPLIES	\$469	\$52	\$0	\$52
DUES, LICENSE & SUBSCRIPTIONS	\$150	\$150	\$0	\$150
TOTAL EXPENDITURES	\$70,494	\$12,410	\$1,582	\$10,829
EXCESS REVENUES (EXPENDITURES)	\$0		\$15,918	
FUND BALANCE - Beginning	\$0		\$0	
FUND BALANCE - Ending	\$0		\$15,918	

SHINGLE CREEK AT BRONSON

Community Development District

REVENUES:	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept.	Total
DEVELOPER CONTRIBUTIONS	\$0	\$0	\$17,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,500
TOTAL REVENUES	\$0	\$0	\$17,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,500
EXPENDITURES:													
ADMINISTRATIVE:													
ENGINEERING	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ATTORNEY	\$0	\$0	\$923	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$923
MANAGEMENT FEES	\$0	\$0	\$659	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$659
INFORMATION TECHNOLOGY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
WEBSITE CREATION/ADA COMPLIANCE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TELEPHONE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
POSTAGE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
INSURANCE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PRINTING & BINDING	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LEGAL ADVERTISING	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER CURRENT CHARGES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OFFICE SUPPLIES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DUES, LICENSES & SUBSCRIPTIONS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$0	\$0	\$1,582	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,582
EXCESS REVENUES (EXPENDITURES)	\$0	\$0	\$15,918	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,918

SHINGLE CREEK AT BRONSON
Community Development District
Developer Contributions/Due from Developer

Funding Request #	Prepared Date	Payment Received Date	Check Amount	Total Funding Request	General Fund Portion (20)	Due from Capital	Over and (short) Balance Due
1	12/16/19		\$	17,500.00	\$ 17,500.00	\$ -	\$ 17,500.00
2	1/27/20		\$	4,498.30	\$ 4,498.30	\$ -	\$ 4,498.30
				\$	\$ -	\$ -	\$ -
				\$	\$ -	\$ -	\$ -
				\$	\$ -	\$ -	\$ -
Due from Developer				\$ 21,998.30	\$ 21,998.30	\$ -	\$ 21,998.30

Total Developer Contributions FY20

\$ 21,998.30

SECTION 2

Shingle Creek at Bronson

Community Development District

FY20 Funding Request #2

January 27, 2020

Payee		General Fund	
1	Governmental Management Services-CF, LLC Inv# 1 - Management Fees - December 2019/January 2020	\$	3,575.30
2	Latham, Luna, Eden & Beaudine, LLP Inv# 89547 - General Counsel - December 2019	\$	923.00
Total:		\$	4,498.30

Please make check payable to:

Shingle Creek at Bronson Community Development District

1408 Hamlin Avenue, Unit E

St. Cloud, FL 34771

GMS-Central Florida, LLC
1001 Bradford Way
Kingston, TN 37763

Invoice

Invoice #: 1
Invoice Date: 1/27/20
Due Date: 1/27/20
Case:
P.O. Number:

Bill To:
Shingle Creek @ Bronson CDD
219 E Livingston St.
Orlando, FL 32801

Description	Hours/Qty	Rate	Amount
Management Fees - January 2020		2,916.67	2,916.67
Management Fees - December 2019 - Prorated		658.63	658.63
		Total	\$3,575.30
		Payments/Credits	\$0.00
		Balance Due	\$3,575.30

LATHAM, LUNA, EDEN & BEAUDINE, LLP
ATTORNEYS AT LAW

111 N. MAGNOLIA AVE, STE 1400
ORLANDO, FLORIDA 32801
POST OFFICE BOX 3353
ORLANDO, FLORIDA 32802
TELEPHONE: (407) 481-5800
FACSIMILE: (407) 481-5801

January 17, 2020

Shingle Creek at Bronson CDD
c/o GMS-CFL, LLC
219 E. Livingston Street
Orlando, FL 32801

INVOICE

Matter ID: 7768-001
General

Invoice # 89547
Federal ID # 59-3366512

For Professional Services Rendered:

12/24/2019	JAC	Travel to and attend Organizational Meeting of CDD	1.90 hr	\$674.50
12/26/2019	JAC	Compile and transmit Resolution of Board approving Cove at Storey Lake Plat III to County and Engineer; related emails with KPM Franklin, Lennar & County	0.70 hr	\$248.50
Total Professional Services:				<u>\$923.00</u>

INVOICE SUMMARY

For Professional Services:	2.60 Hours	<u>\$923.00</u>
Total Due:		\$923.00

Billed Through: December 31, 2019