

House Engrossed Senate Bill

FILED

KEN BENNETT

SECRETARY OF STATE

State of Arizona
Senate
Fifty-first Legislature
First Regular Session
2013

CHAPTER 113

SENATE BILL 1251

AN ACT

AMENDING SECTION 48-253, ARIZONA REVISED STATUTES; RELATING TO SPECIAL TAXING DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 48-253, Arizona Revised Statutes, is amended to
3 read:

4 48-253. District audits and financial reviews

5 A. Each district that is organized under this title, that is not
6 exempt under subsection F- G of this section and that is required to make an
7 annual report under this article shall have its reports audited in accordance
8 with generally accepted government auditing standards and the following:

9 1. Audits required by this section shall be performed annually for
10 districts whose budgets are one million dollars or more. Districts whose
11 budgets are one hundred thousand dollars or more but less than one million
12 dollars shall have a financial review performed annually. Districts whose
13 budgets are more than fifty thousand dollars and less than one hundred
14 thousand dollars shall have a financial review performed at least biennially.
15 Districts whose budgets are fifty thousand dollars or less shall have a
16 financial review performed at the request of the county board of supervisors
17 or on receipt of a request for a financial review that is signed by at least
18 ten residents of that district. A district shall not be required to perform
19 a financial review more than once per fiscal year.

20 2. A district may select an outside auditor who is a certified public
21 accountant or a representative who is selected by the board of supervisors
22 and who is trained as an auditor.

23 3. A district may advertise and use competitive bidding practices to
24 select an agent to perform the audits or financial reviews required by this
25 section.

26 B. Each district that submits a financial statement for the preceding
27 fiscal year that has been attested to by an independent certified public
28 accountant pursuant to section 48-251 is deemed to have complied with this
29 section by submitting a copy of the financial statement to the county
30 treasurer.

31 C. Each district shall submit a copy of the completed audit or
32 financial review to the county treasurer and the board of supervisors within
33 two hundred forty days after the close of the district's fiscal year or
34 within one hundred eighty days after a request for a financial review is
35 received by the district pursuant to subsection A, paragraph 1 of this
36 section.

37 D. If a district fails to submit an audit or financial review as
38 required by this section, any taxpayer residing in the district, the board of
39 supervisors or the county treasurer may petition the superior court in a
40 county where the district is organized to show cause why the audit or
41 financial review has not been submitted. On a failure to show cause the
42 court shall order the district to submit the audit or financial review within
43 ten days after the judgment is entered.

44 E. If the court enters a judgment against the district under this
45 section, the court may award the taxpayer, board of supervisors or county

1 treasurer reasonable attorney fees and costs associated with bringing the
2 action.

3 F. FOR DISTRICTS ORGANIZED UNDER CHAPTER 19 OF THIS TITLE, A DISTRICT
4 WITH AN ANNUAL BUDGET OF AT LEAST FIVE MILLION DOLLARS SHALL HAVE AN AUDIT
5 PERFORMED ANNUALLY AND A DISTRICT WITH AN ANNUAL BUDGET OF AT LEAST ONE
6 MILLION DOLLARS BUT LESS THAN FIVE MILLION DOLLARS SHALL HAVE AN AUDIT
7 PERFORMED EVERY FIVE YEARS AND A FINANCIAL REVIEW PERFORMED EACH YEAR AN
8 AUDIT IS NOT PERFORMED. A DISTRICT WITH AN ANNUAL BUDGET OF AT LEAST ONE
9 HUNDRED THOUSAND DOLLARS BUT LESS THAN ONE MILLION DOLLARS SHALL HAVE AN
10 AUDIT PERFORMED EVERY TEN YEARS AND A FINANCIAL REVIEW PERFORMED EACH YEAR AN
11 AUDIT IS NOT PERFORMED.

12 F. G. Districts organized under chapters 4, 6, 17, 22, 27 and 28 of
13 this title are exempt from the requirements of this section.

APPROVED BY THE GOVERNOR APRIL 16, 2013.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 17, 2013.

Passed the House March 25, 20 13,

Passed the Senate February 25, 20 13,

by the following vote: 58 Ayes,

by the following vote: 28 Ayes,

0 Nays, 2 Not Voting

0 Nays, 2 Not Voting

[Signature]
Speaker of the House

[Signature]
President of the Senate

[Signature]
Chief Clerk of the House

[Signature]
Secretary of the Senate

**EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR**

This Bill was received by the Governor this

_____ day of _____, 20____,

at _____ o'clock _____ M.

Secretary to the Governor

Approved this _____ day of

_____, 20____,

at _____ o'clock _____ M.

Governor of Arizona

S.B. 1251

**EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE**

This Bill was received by the Secretary of State

this _____ day of _____, 20____,

at _____ o'clock _____ M.

Secretary of State

SENATE CONCURS IN HOUSE
AMENDMENTS AND FINAL PASSAGE

Passed the Senate April 11, 2013

by the following vote: 27 Ayes,

0 Nays, 3 Not Voting

[Signature]
President of the Senate

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

11 day of April, 2013

at 3:12 o'clock P M.

[Signature]
Secretary to the Governor

Approved this 16th day of

April

at 3:10 o'clock P M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 17th day of April, 2013

at 8:41 o'clock A M.

[Signature]
Secretary of State