

ORIGINAL SENATE
FILE NO. 0012

ENROLLED ACT NO. 7, SENATE

FIFTY-SIXTH LEGISLATURE OF THE STATE OF WYOMING
2002 SPECIAL SESSION

AN ACT relating to special districts; providing for reporting requirements of special districts as specified; providing for dissolution; and providing for an effective date.

Be It Enacted by the Legislature of the State of Wyoming:

Section 1. W.S. 9-1-507(a)(iii)(intro), (C), by creating new subparagraph (D), (v), (vii), (j) and by creating a new subsection (k), 16-4-121(f), 22-29-103(b), 22-29-201(a) by creating a new paragraph (ix), 22-29-202 by creating a new subsection (f), 22-29-401 by creating a new subsection (b) and 22-29-408 by creating a new subsection (b) are amended to read:

9-1-507. Examination of books of state institutions, agencies and certain districts and entities; independent audit authorized; guidelines.

(a) The director of the state department of audit shall:

(iii) Require state institutions, state agencies, the entities described in W.S. 16-4-104(g) ~~not receiving loans or grants from the state loan and investment board~~ and incorporated cities and towns with a population of less than four thousand (4,000) inhabitants to file with the department such reports of the books and accounts of the institution, agency, district or entity as the director deems necessary. The director shall promulgate rules under which special districts described in W.S. 16-4-104(g) ~~and not receiving loans or grants from the state loan and investment board~~ shall prepare and file an annual report of their books and records with the department of audit. These rules shall apply to special

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districts which are subject to administration by the courts as provided in subsection (e) of this section. These rules shall provide for different levels of oversight, at the expense of the district, depending upon the higher of the total revenues received or expenditures made by the district during the fiscal year under review subject to the following limitations:

(C) Less than one hundred thousand dollars (\$100,000.00) but more than twenty-five thousand dollars (\$25,000.00) - the only requirements shall be a proof of cash procedure conducted by an independent third party with a certification from two (2) authorized representatives of the district that the proof of cash procedure was performed by the independent third party in accordance with procedures required by the director and that to the best of their knowledge the financial information used was complete and accurate;~~;~~

(D) Twenty-five thousand dollars (\$25,000.00) or less - the only requirement shall be the annual report of district revenues, expenses and ending cash balance.

(v) Perform an audit or specified procedures of any books and records of any state institution, state agency, incorporated city or town with a population of less than four thousand (4,000) inhabitants or any district or entity described in W.S. 16-4-104(g) ~~not receiving loans or grants from the state loan and investment board,~~ whenever the director feels the audit or procedures are necessary. In lieu of performing such audit or procedures, the director may accept an audit or specified procedures performed by a certified public accountant;

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(vii) Require each county, city and town, special district and joint powers board in this state to report to the department revenues received and expenditures made each fiscal year. The reports shall be made not later than September 30 for the prior fiscal year. The format of the reports required by this paragraph shall be established by the department of audit by rule.

(j) The director of the department of audit shall certify:

(i) To the state treasurer by October 5 of each year, a list of counties, cities and towns which have failed to comply with paragraph (a)(vii) of this section. The state treasurer shall withhold the annual distribution, which would otherwise be made under W.S. 9-2-1014.1, to any county, city or town failing to comply with paragraph (a)(vii) of this section. The withheld distribution shall be retained in the budget reserve account until the director of the department of audit certifies that the county, city or town has filed the required report;

(ii) To the board of county commissioners and to the special district by October 5 of each year any special district in the county, no matter how formed, which has failed to comply with paragraph (a)(vii) of this section. If, by November 30 of that same year, the district has failed to comply with paragraph (a)(vii) of this section, the director of the department of audit shall file notice with the county commissioners, the county treasurer and the county clerk. The county commissioners shall place a public notice in a newspaper of general circulation in the county indicating the special district is in danger of being dissolved due to failure to comply with the legal reporting requirements. The county commissioners shall assess the special district the cost of the public notice.

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The county treasurer shall withhold any further distribution of money to the district until the department certifies to the county treasurer that the district has complied with all reporting requirements. If the special district fails to file the required report on or before December 30 of that same year, the county commissioners shall seek to dissolve the special district in accordance with W.S. 22-29-401 et seq. This paragraph shall apply in addition to any other provision for dissolution in the principal act for a special district.

(k) The director of the department of audit shall report on or before December 31 of each year to the governor and the legislature, financial information regarding counties, cities, towns and special districts. The information shall be obtained from the annual reports collected from the required reports in this section and shall be in a form required by the director.

16-4-121. Required annual audits; conduct; expenses; commencement and completion; additional requirements for school audits.

~~(f) Except as provided in W.S. 9-1-507(d), districts and entities described in W.S. 16-4-104(g), excluding incorporated cities or towns under four thousand (4,000) inhabitants, receiving loans or grants from the state loan and investment board and~~ County memorial hospitals and hospital districts shall have an annual audit conducted by an independent certified public accountant in accordance with generally accepted government auditing standards applicable to the district or entity. The audit expense shall be included in the operating budget of the district or entity.

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**22-29-103. Applicability to special districts;
general provisions.**

(b) This act specifies requirements pertaining to elections and changes in the organization of the districts listed in subsection (a) of this section where the principal act is silent or unclear. Except as provided by W.S. 22-29-401(b), the specific provisions of a principal act are effective and controlling to the extent they conflict with this act.

22-29-201. Vacancies.

(a) A director's office shall be deemed to be vacant upon the occurrence of any one (1) of the following events prior to the expiration of the term of office:

(ix) If declared vacant by the board of county commissioners upon the failure of the district board to comply with W.S. 9-1-507(a)(vii) on or before December 30 of that same calendar year, after notice is given as provided by W.S. 9-1-507(j).

22-29-202. Filling by appointment.

(f) Any vacancy created by failure of the board to comply with W.S. 9-1-507(a)(vii) shall be filled by appointment by the board of county commissioners for the sole purpose of acting as trustee to dissolve the district without election pursuant to W.S. 22-29-401 et seq.

22-29-401. Dissolution procedure.

(b) Dissolution of a district shall be initiated by resolution of the board of county commissioners if the director of the department of audit has notified the board

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of county commissioners of the district's failure to comply with the reporting requirements of W.S. 9-1-507, and the district has failed to comply with W.S. 9-1-507(a)(vii) by December 30 of that same calendar year. The board of county commissioners shall declare the board of directors vacant under W.S. 22-29-201, and shall fill the board by appointment under W.S. 22-29-202 for the purpose of dissolving the district.

22-29-408. Dissolution without election.

(b) The election required by W.S. 22-29-404 shall be dispensed with and the board of county commissioners shall declare the district dissolved if the director of the department of audit has notified the board of county commissioners of the district's failure to comply with the reporting requirements of W.S. 9-1-507, and the district has failed to comply with W.S. 9-1-407(a)(vii) by December 30 of that same calendar year.

Section 2. W.S. 9-1-507(d) is repealed.

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Section 3. This act is effective July 1, 2002.

(END)

Speaker of the House

President of the Senate

Governor

TIME APPROVED: _____

DATE APPROVED: _____

I hereby certify that this act originated in the Senate.

Chief Clerk