

SENATE FILE NO. SF0012

Special districts-reporting.

Sponsored by: Joint Revenue Interim Committee

A BILL

for

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

5

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

7

8       **Section 1.** W.S. 9-1-507(a)(iii)(intro), (C), by  
9 creating new subparagraph (D), (v), (vii), (j) and by  
10 creating a new subsection (k), 16-4-121(f), 22-29-103(b),  
11 22-29-201(a) by creating a new paragraph (ix), 22-29-202 by  
12 creating a new subsection (f), 22-29-401 by creating a new  
13 subsection (b) and 22-29-408 by creating a new subsection  
14 (b) are amended to read:

15

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

4  
5           (a) The director of the state department of audit  
6 shall:

7  
8           (iii) Require state institutions, state  
9 agencies, the entities described in W.S. 16-4-104(g) ~~not~~  
10 ~~receiving loans or grants from the state loan and~~  
11 ~~investment board~~ and incorporated cities and towns with a  
12 population of less than four thousand (4,000) inhabitants  
13 to file with the department such reports of the books and  
14 accounts of the institution, agency, district or entity as  
15 the director deems necessary. The director shall promulgate  
16 rules under which special districts described in W.S.  
17 16-4-104(g) ~~and not receiving loans or grants from the~~  
18 ~~state loan and investment board~~ shall prepare and file an  
19 annual report of their books and records with the  
20 department of audit. These rules shall apply to special  
21 districts which are subject to administration by the courts  
22 as provided in subsection (e) of this section. These rules  
23 shall provide for different levels of oversight, at the  
24 expense of the district, depending upon the higher of the

1 total revenues received or expenditures made by the  
2 district during the fiscal year under review subject to the  
3 following limitations:

4  
5 (C) Less than one hundred thousand dollars  
6 (\$100,000.00) but more than twenty-five thousand dollars  
7 (\$25,000.00) - the only requirements shall be a proof of  
8 cash procedure conducted by an independent third party with  
9 a certification from two (2) authorized representatives of  
10 the district that the proof of cash procedure was performed  
11 by the independent third party in accordance with  
12 procedures required by the director and that to the best of  
13 their knowledge the financial information used was complete  
14 and accurate; ~~:-~~

15  
16 (D) Twenty-five thousand dollars  
17 (\$25,000.00) or less - the only requirement shall be the  
18 annual report of district revenues, expenses and ending  
19 cash balance.

20  
21 (v) Perform an audit or specified procedures of  
22 any books and records of any state institution, state  
23 agency, incorporated city or town with a population of less  
24 than four thousand (4,000) inhabitants or any district or

1 entity described in W.S. 16-4-104(g) ~~not receiving loans or~~  
2 ~~grants from the state loan and investment board,~~ whenever  
3 the director feels the audit or procedures are necessary.  
4 In lieu of performing such audit or procedures, the  
5 director may accept an audit or specified procedures  
6 performed by a certified public accountant;

7

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

15

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

18

19 (i) To the state treasurer by October 5 of each  
20 year, a list of counties, cities and towns which have  
21 failed to comply with paragraph (a)(vii) of this section.  
22 The state treasurer shall withhold the annual distribution,  
23 which would otherwise be made under W.S. 9-2-1014.1, to any  
24 county, city or town failing to comply with paragraph

1 (a) (vii) of this section. The withheld distribution shall  
2 be retained in the budget reserve account until the  
3 director of the department of audit certifies that the  
4 county, city or town has filed the required report;

5  
6 (ii) To the board of county commissioners and to  
7 the special district by October 5 of each year any special  
8 district in the county, no matter how formed, which has  
9 failed to comply with paragraph (a) (vii) of this section.  
10 If, by November 30 of that same year, the district has  
11 failed to comply with paragraph (a) (vii) of this section,  
12 the director of the department of audit shall file notice  
13 with the county commissioners, the county treasurer and the  
14 county clerk. The county commissioners shall place a  
15 public notice in a newspaper of general circulation in the  
16 county indicating the special district is in danger of  
17 being dissolved due to failure to comply with the legal  
18 reporting requirements. The county commissioners shall  
19 assess the special district the cost of the public notice.  
20 The county treasurer shall withhold any further  
21 distribution of money to the district until the department  
22 certifies to the county treasurer that the district has  
23 complied with all reporting requirements. If the special  
24 district fails to file the required report on or before

1 December 30 of that same year, the county commissioners  
2 shall seek to dissolve the special district in accordance  
3 with W.S. 22-29-401 et seq. This paragraph shall apply in  
4 addition to any other provision for dissolution in the  
5 principal act for a special district.

6  
7 (k) The director of the department of audit shall  
8 report on or before December 31 of each year to the  
9 governor and the legislature, financial information  
10 regarding counties, cities, towns and special districts.  
11 The information shall be obtained from the annual reports  
12 collected from the required reports in this section and  
13 shall be in a form required by the director.

14  
15 **16-4-121. Required annual audits; conduct; expenses;**  
16 **commencement and completion; additional requirements for**  
17 **school audits.**

18  
19 ~~(f) Except as provided in W.S. 9-1-507(d), districts~~  
20 ~~and entities described in W.S. 16-4-104(g), excluding~~  
21 ~~incorporated cities or towns under four thousand (4,000)~~  
22 ~~inhabitants, receiving loans or grants from the state loan~~  
23 ~~and investment board and~~ County memorial hospitals and  
24 hospital districts shall have an annual audit conducted by

1 an independent certified public accountant in accordance  
2 with generally accepted government auditing standards  
3 applicable to the district or entity. The audit expense  
4 shall be included in the operating budget of the district  
5 or entity.

6

7 **22-29-103. Applicability to special districts;**  
8 **general provisions.**

9

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

17

18 **22-29-201. Vacancies.**

19

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

23

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

6  
7           **22-29-202. Filling by appointment.**

8  
9           (f) Any vacancy created by failure of the board to  
10 comply with W.S. 9-1-507(a)(vii) shall be filled by  
11 appointment by the board of county commissioners for the  
12 sole purpose of acting as trustee to dissolve the district  
13 without election pursuant to W.S. 22-29-401 et seq.

14  
15           **22-29-401. Dissolution procedure.**

16  
17           (b) Dissolution of a district shall be initiated by  
18 resolution of the board of county commissioners if the  
19 director of the department of audit has notified the board  
20 of county commissioners of the district's failure to comply  
21 with the reporting requirements of W.S. 9-1-507, and the  
22 district has failed to comply with W.S. 9-1-507(a)(vii) by  
23 December 30 of that same calendar year. The board of  
24 county commissioners shall declare the board of directors



1 vacant under W.S. 22-29-201, and shall fill the board by  
2 appointment under W.S. 22-29-202 for the purpose of  
3 dissolving the district.

4  
5 **22-29-408. Dissolution without election.**

6  
7 (b) The election required by W.S. 22-29-404 shall be  
8 dispensed with and the board of county commissioners shall  
9 declare the district dissolved if the director of the  
10 department of audit has notified the board of county  
11 commissioners of the district's failure to comply with the  
12 reporting requirements of W.S. 9-1-507, and the district  
13 has failed to comply with W.S. 9-1-407(a)(vii) by December  
14 30 of that same calendar year.

15  
16 **Section 2.** W.S. 9-1-507(d) is repealed.

17  
18 **Section 3.** This act is effective July 1, 2002.

19  
20 (END)