

Reminder: Each ESD is to submit its Fiscal Report to the Commissioners by June 1<sup>st</sup> each year. (A 30 day extension is possible subject to Commissioners Court approval.)

Here is the State Code regarding the above:

Sec. 775.082. AUDIT OF DISTRICT IN LESS POPULOUS COUNTIES. (a) The county auditor of a county that contains any part of the district shall have access to the books, records, officials, and assets of the district.

(b) A district shall prepare and file with the commissioners court of each county that contains any part of the district on or before June 1 of each year an audit report of the district's fiscal accounts and records. The audit shall be performed and the report shall be prepared at the expense of the district. The county auditor, with the approval of the commissioners court, shall adopt rules relating to the format of the audit and report. If a district is located in more than one county, the county auditors, with the approval of the commissioners court of each county in which the district is located, shall adopt uniform rules relating to the format of the audit and report.

(c) The person who performs the audit and issues the report must be an independent certified public accountant or firm of certified public accountants licensed in this state, unless the commissioners court by order requires the audit to be performed by the county auditor at least 120 days before the end of the district's fiscal year.

(d) The commissioners court, on application made to the commissioners court by the district, may extend up to an additional 30 days the deadline for filing the audit report.

(e) If the district fails to complete and file the audit report within the time provided by Subsection (b) or (d), the commissioners court may order the county auditor to perform the audit and issue the report. If a district is located in more than one county, the commissioners court of each county in which

the district is located shall designate by joint order a county auditor of one of the counties to perform the audit and issue the report.

(e-1) When a district located wholly in one county fails to complete and file the audit report by September 1 of each year and a county auditor is not ordered to prepare the report, the president and treasurer of the board are removed from the board and the commissioners court shall fill the vacancies as provided by Section 775.034.

(f) The district shall pay all costs incurred by the county auditor to perform an audit and issue the report required by this section, unless otherwise ordered by the commissioners court or by joint order of the commissioners courts, if the district is located in more than one county.

(g) This section does not apply to a district located wholly in a county with a population of more than three million.

Added by Acts 1993, 73rd Leg., ch. 195, Sec. 2, eff. Sept. 1, 1993. Amended by Acts 1997, 75th Leg., ch. 392, Sec. 5, eff. Sept. 1, 1997.

Amended by:

Acts 2005, 79th Leg., Ch. 120 (S.B. 1436), Sec. 2, eff. September 1, 2005.

Acts 2007, 80th Leg., R.S., Ch. 900 (H.B. 2653), Sec. 6, eff. September 1, 2007.

Acts 2007, 80th Leg., R.S., Ch. 900 (H.B. 2653), Sec. 7, eff. September 1, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 639 (S.B. 917), Sec. 12, eff. June 17, 2011.

This section was amended by the 84th Legislature. Pending publication of the current statutes, see H.B. 2257, 84th Legislature, Regular Session, for amendments affecting this section.

Sec. 775.0821. ALTERNATIVE TO AUDIT OF DISTRICT IN LESS POPULOUS COUNTIES. (a) This section applies only to a district to which Section 775.082 applies that:

(1) did not have any outstanding bonds or any outstanding liabilities having a term of more than one year during the previous fiscal year;

(2) did not receive more than a total of \$250,000 in gross receipts from operations, loans, taxes, or contributions during the previous fiscal year; and

(3) did not have a total of more than \$250,000 in cash and temporary investments during the previous fiscal year.

(b) Instead of filing an audit report under Section 775.082, a district to which this section applies may file compiled financial statements with the commissioners court of each county in which any part of the district is located.

(c) The district must file with the compiled financial statements an affidavit signed by an authorized district representative attesting to the accuracy and authenticity of the statements.

(d) The provisions of Section 775.082 relating to deadlines for filing an audit and the procedures and penalties relating to the failure of a district to file an audit apply to the filing of compiled financial statements under this section.