

By: Estes

S.B. No. 1361

A BILL TO BE ENTITLED

AN ACT

relating to the audit report exemption for districts created pursuant to the Water Code.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 49.198, Water Code, is amended to read as follows:

Sec. 49.198. AUDIT REPORT EXEMPTION. (a) A district may elect to file annual financial reports with the executive director in lieu of the district's compliance with Section 49.191 provided:

(1) the district had no bonds or other long-term (more than one year) liabilities outstanding during the fiscal period;

(2) the district did not have gross receipts from operations, loans, taxes, or contributions in excess of \$250,000 [~~\$100,000~~] during the fiscal period; and

(3) the district's cash and temporary investments were not in excess of \$250,000 [~~\$100,000~~] at any time during the fiscal period.

(b) The annual financial report must be accompanied by an affidavit attesting to the accuracy and authenticity of the financial report signed by a duly authorized representative of the district.

(c) The annual financial report and affidavit in a format prescribed by the executive director must be on file with the executive director within 45 days after the close of the district's

1 fiscal year.

2 (d) Districts governed by this section are subject to
3 periodic audits by the executive director.