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AUDITOR OF PUBLIC ACCOUNTS

June 12, 2012

AUDITOR'S ALERT

Attention: Special Districts (taxing districts and non-taxing districts)

The Auditor's Office, in the form of an Auditor's Alert, periodically provides notifications, guidance, and recommendations to public officials regarding fiscal matters, accountability, and best practices. Accordingly, the Auditor's Office advises Special Districts that:

KRS Chapter 65 guides the formation, operation and dissolution of Special Districts.

Each Special District has the statutory responsibility to submit:

- A summary of finances to the fiscal court within sixty (60) days following the close of the fiscal year per KRS 65.070(1)(b) and publish details of the financial statement in accordance with KRS 65.070(1)(c).
- When required under KRS 65.065, an audit to the fiscal court within thirty (30) days of completion of the audit. [KRS 65.070(2)].
- A copy of the Special District's budget to each fiscal court where that Special District has operations thirty (30) days prior to the start of the Special District's fiscal year per KRS 65.065(1).

Special Districts which are also taxing districts must annually complete and file a Uniform Financial Information Report (UFIR) by May 1st [KRS 65.905].

During recent years, a significant number of Special Districts remain unaware of their statutory obligations to the necessary submittals referenced above. Auditor of Public Accounts Adam Edelen alerts Special Districts that compliance with these statutes is not only required by law; but, submitting the documents assists the Auditor of Public Accounts in keeping an accurate record on the financial status of Special Districts.

Recommendation: The Auditor of Public Accounts asks that, in addition to submitting the required forms referenced above, Special Districts complete the Special District's survey and return it to this office no later than June 26th, 2012. This survey will provide the Commonwealth with clarity regarding the operations of Special Districts and provide transparency to its citizens with the expenditure of their tax dollars.

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