

(3) Has annual expenditures of over \$50,000; and

(4) Has moneys disbursed and expended by a person or body independent of the county government.

(c) At a minimum, the rules and regulations required by subsection (b) of this section shall provide for the examination and audit to:

(1) Be conducted by a certified public accountant in the capacity of either an independent auditor or official auditor of the county who shall be in compliance with the provisions of [Article 75A of this Code] THE MARYLAND PUBLIC ACCOUNTANCY ACT or by an auditing committee approved by the official auditor of the county[.];

(2) Determine whether tax funds have been received, deposited and disbursed in accordance with approved appropriations and State and local law[.];

(3) Include the following financial statements:

(i) Balance sheet;

(ii) Statement of revenues;

(iii) Statement of expenditures and encumbrances; and

(iv) Statement of changes in fund balance[.];

AND

(4) Be completed and filed with the appropriate county officials not later than 90 days following the close of the fiscal year.

(d) For a special district created by and situated within the county with annual expenditures of less than \$50,000, the county shall require annual financial reports and shall require an audit every 4 years, unless the county determines, on a case-by-case basis, that more frequent audits are required.

(e) If a special district subject to [subsections] SUBSECTION (b) or (d) of this section does not submit a financial report or audit report as required by the county, the county may withhold the distributions of taxes imposed on behalf of the special district until the financial report and/or audit report is received.

(f) At the time it forwards its audit report to the Legislative Auditor, the county also shall forward copies of all audit reports and financial reports received from the special districts subject to [subsections] SUBSECTION (b) or (d) of this