

applicable provisions of State law distributed by the State Comptroller, the clerks of the court, or other units of State government.

(2) [The] UNLESS THE LEGISLATIVE AUDITOR DETERMINES, ON A CASE-BY-CASE BASIS, THAT MORE FREQUENT AUDITS ARE REQUIRED, THE Legislative Auditor may authorize an incorporated city or town or taxing district created by the State with annual revenues of less than \$50,000 in the prior 4 fiscal [year] YEARS to have an audit conducted [on a biennial basis, to cover 2 fiscal] ONCE EVERY 4 years.

(b) Each county shall establish uniform rules and regulations for the examination and auditing of the books, accounts, and records of every special taxing district created by and situated within the county which:

- (1) Is not subject to the provisions of subsection (a) of this section;
- (2) Receives moneys which were collected by the county from a county property tax levy imposed at the request of the special taxing district;
- (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 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.