

MAINE STATE LEGISLATURE

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FIRST SPECIAL SESSION

ONE HUNDRED AND SIXTH LEGISLATURE

Legislative Document

No. 2423

S. P. 854

In Senate, January 23, 1974

Referred to the Committee on Legal Affairs. Sent down for concurrence and ordered printed.

HARRY N. STARBRANCH, Secretary

Presented by Senator Joly of Kennebec.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FOUR

AN ACT Relating to Municipal Reports and Audits.

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. R. S., T. 5, § 243, sub-§ 3-A, additional. Section 243 of Title 5 of the Revised Statutes, as amended, is further amended by adding a new subsection 3-A to read as follows:

3-A. Accounting systems for water and sanitary districts. To install uniform accounting systems and perform audits for special sanitary or water districts or other types of districts or corporations embracing a portion of a municipality, a single municipality or several municipalities in the same manner as audits are required for municipalities by Title 30, sections 5251 to 5253.

Sec. 2. R. S., T. 30, § 2225, sub-§ 2, amended. The first sentence of subsection 2 of section 2225 of Title 30 of the Revised Statutes, as enacted by chapter 64 of the public laws of 1973, is amended to read as follows:

It shall contain a record of all financial transactions of the municipality during the last municipal year, including an itemized list of receipts and disbursements indicating to whom and for what purpose each amount was paid, an analysis of all fund balances, a summary statement of cash receipts and disbursements, a report of property valuation, assessment and collection of taxes and a declaration of debts.

Sec. 3. R. S., T. 30, § 5253, amended. The first sentence of section 5253 of Title 30 of the Revised Statutes is amended to read as follows:

Each municipality and each quasi-municipal corporation, including sanitary and special water districts or corporations embracing a portion of a municipality, a single municipality or several municipalities, shall have an annual postaudit made of its accounts covering the last complete fiscal year by the State Department of Audit or by a qualified public accountant elected by ballot or, if not so elected, engaged by its officers.

STATEMENT OF FACT

Act is based on Recommendation 19, 20, Department of Audit, Maine Management and Cost Survey Report. It proposes to clarify the requirements for municipal financial reporting and to require local water and sanitary districts to install uniform accounting systems and have a postaudit of financial transactions under the same regulations as apply to municipalities. It was recommended for enactment by Governor Kenneth M. Curtis in his Special Message to the 106th Legislature dated January 10, 1974.