



**ARIZONA STATE SENATE**  
*Fifty-First Legislature, First Regular Session*

FACT SHEET FOR S.B. 1251

irrigation districts; audit requirements

Purpose

Establishes guidelines for audits and financial reviews of irrigation and water conservation districts.

Background

Current law states that all special taxing districts, including irrigation or water conservation districts, are required to submit an annual report to the board of supervisors of each county their district resides in (A.R.S. § 48-251). Each of the reports are to be audited in accordance with generally accepted government auditing standards, as well as the following requirements:

- a) each district with a budget of \$1,000,000 or more will be audited annually;
- b) each district with a budget between \$100,000 and \$1,000,000 will have a financial review performed annually;
- c) each district with a budget between \$50,000 and \$100,000 will have a financial review performed at least biennially;
- d) each district with a budget of \$50,000 or less will have a financial review performed at the request of the county board of supervisors or upon receipt of a request for a financial review signed by at least ten residents of that district; and
- e) no district will be required to perform a financial review more than once per fiscal year (A.R.S. § 48-253).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Specifies that an annual audit of an irrigation or water conservation district is required for districts with budgets of at least \$5,000,000.
2. Requires each irrigation or water conservation district with a budget of less than \$5,000,000 to have a financial review performed annually.
3. Makes conforming changes.

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4. Becomes effective on the general effective date.

Prepared by Senate Research

February 11, 2013

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