

State of Arizona
House of Representatives
Fifty-first Legislature
First Regular Session
2013

HOUSE BILL 2572

AN ACT

AMENDING SECTION 48-805, ARIZONA REVISED STATUTES; AMENDING TITLE 48, CHAPTER 5, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 48-805.02; AMENDING SECTION 48-807, ARIZONA REVISED STATUTES; RELATING TO FIRE DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 48-805, Arizona Revised Statutes, is amended to
3 read:

4 48-805. Fire district; powers and duties

5 A. A fire district, through its board ~~or elected chief and~~
6 ~~secretary treasurer~~, shall:

7 1. Hold public meetings at least once each calendar month.

8 ~~2. Prepare an annual budget that contains detailed estimated~~
9 ~~expenditures for each fiscal year and that clearly shows salaries payable to~~
10 ~~employees of the district, including the appointed chief. For a fire~~
11 ~~district governed by an elected chief and elected secretary treasurer, and~~
12 ~~beginning on July 29, 2010, the amount of any salary for the chief and the~~
13 ~~secretary treasurer shall remain unchanged for the remainder of the term of~~
14 ~~office. The budget shall be posted in three public places and published in a~~
15 ~~newspaper of general circulation in the district twenty days before a public~~
16 ~~hearing at a meeting called by the board or elected chief to adopt the budget~~
17 ~~and if the fire district maintains a publicly viewable website, the budget~~
18 ~~shall be posted for the public on the website at least twenty days before the~~
19 ~~public hearing. Copies of the budget shall also be available to members of~~
20 ~~the public on written request to the district. Following the public hearing,~~
21 ~~the district board or elected chief and secretary treasurer shall adopt a~~
22 ~~budget.~~

23 ~~3.~~ 2. Determine the compensation payable to district personnel.

24 ~~4.~~ 3. Require probationary employees in a paid sworn firefighter
25 position, a reserve firefighter position or a volunteer firefighter position
26 to submit a full set of fingerprints to the fire district. The fire district
27 shall submit the fingerprints to the department of public safety for the
28 purpose of obtaining a state and federal criminal records check pursuant to
29 section 41-1750 and Public Law 92-544. The department of public safety may
30 exchange this fingerprint data with the federal bureau of investigation.

31 B. A fire district, through its board ~~or elected fire chief and~~
32 ~~secretary treasurer~~, may:

33 1. Employ any personnel and provide services deemed necessary for fire
34 protection, for preservation of life and for carrying out its other powers
35 and duties, including providing ambulance transportation services when
36 authorized to do so pursuant to title 36, chapter 21.1, article 2, but a
37 member of a district board shall not be an employee of the district. The
38 merger of two or more fire districts pursuant to section 48-820 or the
39 consolidation with one or more fire districts pursuant to section 48-822
40 shall not expand the boundaries of an existing certificate of necessity
41 unless authorized pursuant to title 36, chapter 21.1, article 2.

42 2. Construct, purchase, lease, lease-purchase or otherwise acquire the
43 following or any interest therein and, in connection with ~~such~~ **THE**
44 construction or other acquisition, purchase, lease, lease-purchase or grant a
45 lien on any or all of its present or future property, including:

1 (a) Apparatus, water and rescue equipment, including ambulances and
2 equipment related to any of the foregoing.

3 (b) Land, buildings, equipment and furnishings to house equipment and
4 personnel necessary or appropriate to carry out its purposes.

5 3. Finance the acquisition of property as provided in this section and
6 costs incurred in connection with the issuance of bonds as provided in
7 section 48-806. Bonds shall not be issued without the consent of a majority
8 of the electors of the district voting at an election held for that purpose.
9 For the purposes of an election held under this paragraph, all persons who
10 are eligible to vote in fire district elections under section 48-802 are
11 eligible to vote.

12 4. Enforce the fire code adopted by the district, if any, and assist
13 the state fire marshal in the enforcement of fire protection standards of
14 this state within the fire district including enforcement of a nationally
15 recognized fire code ~~when~~ IF expressly authorized by the state fire marshal.

16 5. After the approval of the qualified electors of the fire district
17 voting at a regular district election or at a special election called for
18 such purpose by the district board ~~or the elected chief and~~
19 ~~secretary-treasurer~~, as appropriate, or at any election held in the county
20 ~~which~~ THAT encompasses the fire district, adopt the _____ fire code,
21 which is a nationally recognized fire code approved by the state fire
22 marshal. The words appearing on the ballots shall be "should _____
23 fire district adopt the _____ fire code, which is a nationally
24 recognized fire code approved by the state fire marshal--yes", "should
25 _____ fire district adopt the _____ fire code, which is a
26 nationally recognized fire code approved by the state fire marshal--no".
27 ~~Such~~ THE code shall be enforced by the county attorney in the same manner as
28 any other law or ordinance of the county. Any inspection or enforcement
29 costs are the responsibility of the fire district involved. The district
30 shall keep THE CODE on file ~~such code~~ which shall be open to public
31 inspection for a period of thirty days ~~prior to~~ BEFORE any election for the
32 purpose of adopting a fire code. Copies of the order of election shall be
33 posted in three public places in the district ~~not less than~~ AT LEAST twenty
34 days before the date of the election, and if a newspaper is published in the
35 county having a general circulation in the district, the order shall be
36 published in the newspaper ~~not less than~~ AT LEAST once a week during each of
37 the three calendar weeks preceding the calendar week of the election.

38 6. Amend or revise the adopted fire code, including replacement of the
39 adopted fire code with an alternative nationally recognized fire code, with
40 the approval of the state fire marshal and after a hearing held pursuant to
41 posted and published notice as prescribed by ~~subsection A, paragraph 2 of~~
42 ~~this~~ section 48-805.02, SUBSECTION A. The district shall keep three copies
43 of the adopted code, amendments and revisions on file for public inspection.

- 1 7. Enter into an agreement procuring the services of an organized
2 private fire protection company or a fire department of a neighboring city,
3 town, district or settlement without impairing the fire district's powers.
- 4 8. Contract with a city or town for fire protection services for all
5 or part of the city or town area until the city or town elects to provide
6 regular fire department services to the area.
- 7 9. Retain a certified public accountant to perform an annual audit of
8 district books.
- 9 10. Retain private legal counsel.
- 10 11. Accept gifts, contributions, bequests and grants and comply with
11 any requirements of ~~such~~ THOSE gifts, contributions, bequests and grants THAT
12 ARE not inconsistent with this article.
- 13 12. Appropriate and expend annually ~~such~~ monies as are necessary for
14 the purpose of fire districts belonging to and paying dues in the Arizona
15 fire district association and other professional affiliations or entities.
- 16 13. Adopt resolutions establishing fee schedules both within and
17 outside of the jurisdictional boundaries of the district for providing fire
18 protection services and services for the preservation of life, including
19 emergency fire and emergency medical services, plan reviews, standby charges,
20 fire cause determination, users' fees, ~~OR~~ facilities benefit assessments or
21 any other fee schedule that may be required.
- 22 ~~14. Adopt resolutions for a schedule for financial reimbursement to~~
23 ~~taxpayers for installation of certain fire protection systems such as~~
24 ~~sprinklers and monitored alarms. Any resolution to offer reimbursements~~
25 ~~shall include all of the following:~~
- 26 ~~(a) A nationally recognized analysis of the cost savings to the~~
27 ~~district by using the fire protection systems.~~
- 28 ~~(b) The specifications of all qualifying systems.~~
- 29 ~~(c) The requirements for claiming reimbursement. The amount of~~
30 ~~reimbursement offered shall bear a reasonable relationship to the cost~~
31 ~~savings that accrue to the district as a result of the installation of~~
32 ~~qualifying systems.~~
- 33 ~~(d) The requirement that the resolution to offer reimbursements~~
34 ~~expires one year after its adoption unless specifically readopted by the~~
35 ~~governing board. A resolution to readopt a schedule for financial~~
36 ~~reimbursement shall additionally include a statement as to the program's~~
37 ~~effectiveness. The statement shall include the amount of reimbursements paid~~
38 ~~to each taxpayer for the installation of the fire protection system.~~
- 39 ~~15.~~ 14. With the approval of two of the three members of a three
40 member board, four of the five members of a five member board or five of the
41 seven members of a seven member board, change the district's name and on so
42 doing shall give written notice to the board of supervisors of the change.
43 The governing board of a fire district may place a question on the general
44 election ballot as to whether the fire district shall change its name.

1 ~~16-~~ 15. Require all employees to submit a full set of fingerprints as
2 prescribed by subsection A, paragraph ~~4-~~ 3 of this section.

3 ~~17-~~ 16. Enter into intergovernmental agreements or contracts as
4 follows:

5 (a) Enter into an intergovernmental agreement with another political
6 subdivision for technical or administrative services or to provide fire
7 services to the property owned by the political subdivision, including
8 property that is outside the district boundary.

9 (b) Enter into a contract with individuals to provide technical or
10 administrative services.

11 (c) Enter into a contract with individuals to provide fire protection
12 services or emergency medical services, or both, to the extent not regulated
13 by title 36, chapter 21.1 to property owned by the individual located outside
14 the district boundaries if the individual's property is not located in a
15 county island as defined in section 11-251.12 and at least one of the
16 following apply:

17 (i) The existing fire service provider where the individual's property
18 is located has issued a notice to the individual that the provider plans to
19 discontinue service.

20 (ii) Fire service is not available to the individual's property.

21 (iii) Fire service is offered pursuant to a contract or subscription
22 and the individual has not obtained service for a period of twenty-four
23 months before the date of the contract with the district.

24 (d) Enter into a contract with individuals to provide fire services to
25 property owned by the individual located outside the district boundaries,
26 where the individual's property is located in a county island as defined in
27 section 11-251.12, if both of the following apply:

28 (i) The existing fire service provider where the individual's property
29 is located has issued a notice to the residents of the county island and the
30 individual that the provider plans to discontinue or substantially reduce
31 service.

32 (ii) The district offers contracts to all residents and property
33 owners of the county island who will be affected by the discontinuance or
34 substantial reduction in service by the current fire service provider.

35 (e) For the purposes of subdivision (a), (b), (c) or (d) of this
36 paragraph, a district may contract with any public or private fire service
37 provider to provide some or all of the contractual services the district is
38 contracting to deliver.

39 (f) Any contract entered into pursuant to subdivisions (b), (c) and
40 (d) of this paragraph shall include a provision setting forth the cost of
41 service and performance criteria.

42 C. The chairman and clerk of the district board or their respective
43 designees ~~or the elected chief and secretary-treasurer~~, as applicable, shall
44 draw warrants on the county treasurer for money required to operate the
45 district in accordance with the budget and, as so drawn, the warrants shall

1 be sufficient to authorize the county treasurer to pay from the fire district
2 fund.

3 ~~D. The district shall not incur any debt or liability in excess of~~
4 ~~taxes levied and to be collected and the money actually available and~~
5 ~~unencumbered at the time in the fund, except as provided in subsection B,~~
6 ~~paragraph 2 of this section and in sections 48-806 and 48-807.~~

7 ~~E.~~ D. The district board may assess and levy a secondary property tax
8 pursuant to this article to pay for the costs of fire protection services or
9 emergency medical services except for services regulated pursuant to title
10 36, chapter 21.1.

11 ~~F.~~ E. The county attorney may advise and represent the district ~~when~~
12 IF in the county attorney's judgment ~~such~~ THE advice and representation are
13 appropriate and not in conflict with the county attorney's duties under
14 section 11-532. If the county attorney is unable to advise and represent the
15 district due to a conflict of interest, the district may retain private legal
16 counsel or may request the attorney general to represent it, or both.

17 Sec. 2. Title 48, chapter 5, article 1, Arizona Revised Statutes, is
18 amended by adding section 48-805.02, to read:

19 48-805.02. Fire district annual budget; levy; requirements

20 A. A FIRE DISTRICT SHALL PREPARE AN ANNUAL BUDGET THAT CONTAINS
21 DETAILED ESTIMATED EXPENDITURES FOR EACH FISCAL YEAR AND THAT CLEARLY SHOWS
22 SALARIES PAYABLE TO EMPLOYEES OF THE DISTRICT. THE BUDGET SUMMARY SHALL BE
23 POSTED IN THREE PUBLIC PLACES AND A COMPLETE COPY OF THE BUDGET SHALL BE
24 PUBLISHED ON THE DISTRICT'S OFFICIAL WEBSITE FOR TWENTY DAYS BEFORE A PUBLIC
25 HEARING AT A MEETING CALLED BY THE BOARD TO ADOPT THE BUDGET. COPIES OF THE
26 BUDGET SHALL ALSO BE AVAILABLE TO MEMBERS OF THE PUBLIC ON WRITTEN REQUEST TO
27 THE DISTRICT. FOLLOWING THE PUBLIC HEARING, THE DISTRICT BOARD SHALL ADOPT A
28 BUDGET. A COMPLETE COPY OF THE ADOPTED BUDGET SHALL BE POSTED IN A PROMINENT
29 LOCATION ON THE DISTRICT'S OFFICIAL WEBSITE WITHIN SEVEN BUSINESS DAYS AFTER
30 FINAL ADOPTION AND SHALL BE RETAINED ON THE WEBSITE FOR AT LEAST SIXTY
31 MONTHS. FOR ANY FIRE DISTRICT THAT DOES NOT MAINTAIN AN OFFICIAL WEBSITE,
32 THE FIRE DISTRICT MAY COMPLY WITH THIS SUBSECTION BY POSTING ON A WEBSITE OF
33 AN ASSOCIATION OF FIRE DISTRICTS IN THIS STATE.

34 B. NOT MORE THAN TEN DAYS AFTER THE ORGANIZATION OF A FIRE DISTRICT
35 AND NOT LATER THAN AUGUST 1 OF EACH YEAR THEREAFTER, THE CHAIRMAN OF THE
36 DISTRICT BOARD SHALL SUBMIT TO THE COUNTY BOARD OF SUPERVISORS A BUDGET
37 ESTIMATE THAT CONTAINS CERTIFICATIONS BY ITEM AND THAT SPECIFIES THE AMOUNT
38 OF MONEY REQUIRED FOR THE MAINTENANCE AND OPERATION OF THE DISTRICT FOR THE
39 ENSUING YEAR.

40 C. BASED ON THE BUDGET SUBMITTED BY THE DISTRICT, THE BOARD OF
41 SUPERVISORS SHALL LEVY THE TAX AS PRESCRIBED IN SECTION 48-807, SUBSECTION E.

42 D. EVERY BUDGET ADOPTED BY A FIRE DISTRICT SHALL INCLUDE THE
43 FOLLOWING:

44 1. A CERTIFICATION BY THE CHAIRMAN AND CLERK OF THE DISTRICT BOARD AS
45 TO BOTH OF THE FOLLOWING:

1 (a) THAT THE DISTRICT HAS NOT INCURRED ANY DEBT OR LIABILITY IN EXCESS
2 OF TAXES LEVIED AND TO BE COLLECTED AND THE MONEY ACTUALLY AVAILABLE AND
3 UNENCUMBERED AT THAT TIME IN THE DISTRICT GENERAL FUND, EXCEPT FOR THOSE
4 LIABILITIES AS PRESCRIBED IN SECTION 48-805, SUBSECTION B, PARAGRAPH 2 AND
5 SECTIONS 48-806 AND 48-807.

6 (b) THAT THE DISTRICT COMPLIES WITH SUBSECTION E OF THIS SECTION.

7 2. FOR EACH OF THE ITEMS LISTED IN THE BUDGET SUMMARY APPROVED
8 PURSUANT TO SUBSECTION A OF THIS SECTION, THE DISTRICT SHALL ESTIMATE THE
9 REVENUE OR EXPENSE FOR THE NEXT TWO FISCAL YEARS. ESTIMATES SHALL BE BASED
10 ON THE AVERAGE INCREASE OR DECREASE OF THE ITEM FOR THE PREVIOUS TWO FISCAL
11 YEARS UNLESS MORE CERTAIN INFORMATION IS AVAILABLE TO THE DISTRICT.
12 ESTIMATES SHALL INCLUDE ANY APPLICABLE LEVY OR RATE LIMITATIONS.

13 3. IF A DISTRICT'S TOTAL ESTIMATE OF EXPENSES EXCEEDS ITS TOTAL
14 ESTIMATE OF REVENUES FOR ANY FISCAL YEAR, THE DISTRICT SHALL UNDERTAKE A
15 STUDY OF MERGER, CONSOLIDATION OR JOINT OPERATING ALTERNATIVES. THE STUDY
16 REQUIRED BY THIS SUBSECTION SHALL BE PRESENTED TO THE FIRE DISTRICT BOARD IN
17 A SPECIAL PUBLIC MEETING CALLED FOR THE SOLE PURPOSE OF EVALUATING THE STUDY.
18 THE STUDY SHALL INCLUDE AN IDENTIFICATION OF DISTRICTS AVAILABLE FOR MERGER,
19 CONSOLIDATION OR JOINT OPERATIONS, AN ANALYSIS OF THE LEVEL OF SERVICE AND
20 COST OF SERVICE THAT MAY BE PROVIDED TO THE RESIDENTS OF A MERGED,
21 CONSOLIDATED OR JOINTLY OPERATED DISTRICT AS COMPARED TO THE LEVEL AND COST
22 OF SERVICE TO THE RESIDENTS OF THE DISTRICTS WITHOUT ANY MERGER,
23 CONSOLIDATION OR JOINT OPERATIONS.

24 E. WHEN A FIRE DISTRICT HAS ADOPTED A BUDGET AND THE BOARD OF
25 SUPERVISORS HAS LEVIED A FIRE DISTRICT TAX AS PROVIDED IN SUBSECTION C OF
26 THIS SECTION AND THE DISTRICT HAS INSUFFICIENT MONIES IN ITS GENERAL FUND
27 WITH THE COUNTY TREASURER TO OPERATE THE DISTRICT, THE CHAIRMAN OF THE FIRE
28 DISTRICT BOARD OF DIRECTORS, ON OR AFTER AUGUST 1 OF EACH YEAR, MAY DRAW
29 WARRANTS FOR THE PURPOSES PRESCRIBED IN SECTION 48-805 ON THE COUNTY
30 TREASURER, PAYABLE ON NOVEMBER 1 OF THAT YEAR OR ON APRIL 1 OF THE SUCCEEDING
31 YEAR. THE AGGREGATE AMOUNTS OF THE WARRANTS MAY NOT EXCEED NINETY PER CENT
32 OF THE TAXES LEVIED BY THE COUNTY FOR THE DISTRICT'S CURRENT FISCAL YEAR. IF
33 THE TREASURER CANNOT PAY A WARRANT FOR LACK OF MONIES IN THE FIRE DISTRICT
34 GENERAL FUND, THE WARRANT SHALL BE ENDORSED, BE REGISTERED, BEAR INTEREST AND
35 BE REDEEMED AS PROVIDED BY LAW FOR COUNTY WARRANTS, EXCEPT THAT THE WARRANTS
36 ARE PAYABLE ONLY FROM THE FIRE DISTRICT GENERAL FUND.

37 F. ANY AUDIT OR REPORT OF A FIRE DISTRICT MADE PURSUANT TO SECTION
38 48-253 SHALL BE PRESENTED IN PERSON TO THE DISTRICT BOARD BY THE AUDITOR AND
39 THE DISTRICT BOARD SHALL ACCEPT THE AUDIT OR REPORT. THE AUDIT OR REPORT
40 SHALL INCLUDE A CERTIFICATION BY THE AUDITOR OF THE DISTRICT AS TO BOTH OF
41 THE FOLLOWING:

42 1. THAT THE DISTRICT HAS NOT INCURRED ANY DEBT OR LIABILITY IN EXCESS
43 OF TAXES LEVIED AND TO BE COLLECTED AND THE MONIES ACTUALLY AVAILABLE AND
44 UNENCUMBERED AT THAT TIME IN THE DISTRICT GENERAL FUND EXCEPT FOR THOSE

1 LIABILITIES AS PRESCRIBED IN SECTION 48-805, SUBSECTION B, PARAGRAPH 2 AND
2 SECTIONS 48-806 AND 48-807.

3 2. THAT THE DISTRICT COMPLIES WITH SUBSECTION E OF THIS SECTION.

4 Sec. 3. Section 48-807, Arizona Revised Statutes, is amended to read:

5 48-807. County fire district assistance tax: annual budget:
6 override

7 A. The board of supervisors of a county shall levy, at the time of
8 levying other property taxes, a county fire district assistance tax on the
9 taxable property in the county of not more than ten cents per one hundred
10 dollars of assessed valuation. The tax levy provided for in this subsection
11 shall be a levy of secondary property taxes and shall not be subject to title
12 42, chapter 17, article 2. The county treasurer shall pay to each fire
13 district, including a fire district formed pursuant to section 48-851, in the
14 county from the proceeds of the tax an amount equal to twenty per cent of the
15 property tax levy adopted by the district for the fiscal year in which the
16 tax will be levied, except that:

17 1. The amount of assistance from the county to a fire district shall
18 be reduced as follows:

19 (a) Through the fiscal year that ends June 30, 2012, by the dollar
20 amount that the fire district receives from the fire district assistance tax
21 that exceeds three hundred thousand dollars from and after June 30 of each
22 fiscal year.

23 (b) Beginning with the fiscal year that starts July 1, 2012, by the
24 dollar amount that the fire district receives from the fire district
25 assistance tax that exceeds four hundred thousand dollars from and after
26 June 30 of each fiscal year, without regard to whether the district is
27 located in more than one county.

28 (c) Except as provided in paragraph 2 of this subsection, if the total
29 amount to be paid to all districts in the county under this paragraph exceeds
30 the amount to be raised by the levy of ten cents per one hundred dollars
31 assessed valuation, then the county treasurer shall pay an amount less than
32 twenty per cent of the property tax levy of each district. The amount to be
33 paid by the county treasurer to each district shall be determined by
34 multiplying the proceeds of the county fire district assistance tax against
35 the proportion that twenty per cent of the property tax levy of each district
36 bears to the total of twenty per cent of the property tax levies of all fire
37 districts in the county.

38 2. For fiscal years beginning from and after July 1, 1992, the amount
39 of assistance from the county to a fire district shall not be less than the
40 assistance provided from and after June 30, 1991 through June 30, 1992, if,
41 for the fiscal year in which the tax will be levied, the district levies a
42 tax, in addition to any tax levied under section 48-806, of three dollars per
43 one hundred dollars of assessed valuation and the assessed valuation is at
44 least ninety per cent of the assessed valuation for the 1991 tax year. This

1 paragraph does not apply to fire districts subject to paragraph 1,
2 subdivision (a) or (b) of this subsection.

3 B. For the purpose of subsection A of this section, the property tax
4 levy of the fire district shall include in lieu contributions pursuant to
5 chapter 1, article 8 of this title but shall not include property tax levies
6 to be applied to the payment of principal and interest on bonds issued
7 pursuant to section 48-806.

8 ~~C. Notwithstanding subsection A of this section and through the fiscal~~
9 ~~year that ends June 30, 2012, if two or more fire districts merge to form a~~
10 ~~consolidated district, the last amount received by each fire district from~~
11 ~~the fire district assistance tax prior to the merger shall be combined, and~~
12 ~~if the combined amount exceeds three hundred thousand dollars, the~~
13 ~~consolidated district may continue to receive the sum of the average of the~~
14 ~~fire district assistance tax received by each fire district in the three~~
15 ~~previous years prior to the merger from the fire district assistance tax.~~
16 Beginning with the fiscal year that starts July 1, 2012, a consolidated
17 district shall not receive more than four hundred thousand dollars in fire
18 district assistance tax monies, without regard to whether the consolidated
19 district is located in more than one county.

20 ~~D. Through the fiscal year that ends June 30, 2012, if two or more~~
21 ~~fire districts merge to form a consolidated district and the total of the~~
22 ~~amounts received by each fire district from the fire district assistance tax~~
23 ~~is less than three hundred thousand dollars, the consolidated district may~~
24 ~~continue to receive monies until its receipts total three hundred thousand~~
25 ~~dollars, as prescribed in subsection A of this section, without regard to~~
26 ~~whether the consolidated district is located in more than one county.~~
27 Beginning with the fiscal year that starts July 1, 2012, if two or more fire
28 districts merge to form a consolidated district and the total of the amounts
29 received by each fire district from the fire district assistance tax is less
30 than four hundred thousand dollars, the consolidated district may continue to
31 receive monies until its receipts total four hundred thousand dollars, as
32 prescribed in subsection A of this section, without regard to whether the
33 consolidated district is located in more than one county.

34 ~~E. Not more than ten days after the perfection of the organization of~~
35 ~~a fire district, and thereafter not later than August 1 of each year, the~~
36 ~~chief and the secretary-treasurer of the district, or if there is a district~~
37 ~~board, the chairman of the board, shall submit to the board of supervisors an~~
38 ~~estimate, certified by items, of the amount of money required for the~~
39 ~~equipment and maintenance of the district for the ensuing year.~~

40 ~~F.~~ E. The board, based on the budget submitted by the district, shall
41 levy, in addition to any tax levied as provided in section 48-806, a tax not
42 to exceed three dollars twenty-five cents per one hundred dollars of assessed
43 valuation, or the amount of the levy in the preceding tax year multiplied by
44 1.08, whichever levy is less, and minus any amounts required to reduce the
45 levy pursuant to subsection ~~I~~ H of this section, against all property

1 situated within the district boundaries and appearing on the last assessment
2 roll. The levy shall be made and the taxes collected in the manner, at the
3 time and by the officers provided by law for the collection of general county
4 taxes.

5 ~~G. Beginning in fiscal year 2013-2014, a complete copy of the adopted~~
6 ~~budget shall be posted in a prominent location on the district's official~~
7 ~~website, or on a website of an association of fire districts for districts~~
8 ~~that do not have official websites, within seven business days after final~~
9 ~~adoption and shall be retained on the website for at least sixty months.~~

10 ~~H.~~ F. The qualified electors of the district, voting in an election
11 as prescribed by subsection ~~I~~ G of this section, may authorize the board to
12 levy a tax exceeding the limits prescribed by subsection ~~F~~ E of this section
13 under one, but not both, of the following options:

14 1. The electors may authorize a permanent override allowing annual
15 levies without reference to the levy in the preceding tax year, but remaining
16 subject to the tax rate limit of three dollars twenty-five cents per one
17 hundred dollars of assessed valuation. An election for the purposes of this
18 paragraph must be held at a regularly scheduled general election held on the
19 first Tuesday following the first Monday in November as prescribed by section
20 16-204, subsection B, paragraph 1, subdivision (d).

21 2. If the net assessed valuation of all property in the district
22 declines by a combined total of twenty per cent or more over two consecutive
23 valuation years, the electors voting at the next regularly scheduled general
24 election held on the first Tuesday following the first Monday in November as
25 prescribed by section 16-204, subsection B, paragraph 1, subdivision (d) may
26 authorize an override for five consecutive tax years allowing annual levies
27 that are exempt from the tax rate limit of three dollars twenty-five cents,
28 but subject to an annual levy limit of the amount of the levy in the
29 preceding tax year multiplied by 1.05. After the fifth tax year, the
30 district is again subject to the limits prescribed by subsection ~~F~~ E of this
31 section, computed by multiplying the levy beginning in the year preceding the
32 override by 1.08 for each year through the current tax year.

33 ~~I.~~ G. The call for an override election held for the purposes of
34 subsection ~~H~~ F of this section must state:

35 1. The purpose for requesting additional secondary property tax
36 revenue for the district.

37 2. If the voters approve the levy:

38 (a) The maximum dollar amount of secondary property tax that may be
39 collected in the first year compared to the existing maximum secondary
40 property tax levy prescribed in subsection ~~F~~ E of this section.

41 (b) The estimated secondary property tax rate to fund the proposed
42 levy under subdivision (a) in the first tax year compared to the secondary
43 property tax rate levied in the current year.

44 ~~J.~~ H. If the district annexes additional territory, the limit under
45 subsection ~~F~~ E of this section shall be adjusted by applying the district's

1 tax rate to the assessed valuation of the annexed property in the preceding
2 tax year. If districts are merged or consolidated under this chapter, the
3 limitation under this subsection in the first year after the districts are
4 merged or consolidated is the total of the levies of the merged or
5 consolidated districts in the preceding tax year multiplied by 1.08 or the
6 amount of the levies allowed by the maximum rate prescribed by subsection ~~F~~
7 ~~E~~ of this section, whichever is less.

8 ~~K~~ I. The district shall maintain any property tax revenues collected
9 in excess of the sum of the amounts of taxes collectible pursuant to section
10 42-17054 and the allowable levy determined under subsection ~~F~~ ~~E~~ of this
11 section in a separate fund and used to reduce the property tax levy in the
12 following tax year.

13 ~~L~~ J. The levy limit under this section is considered to be increased
14 each year to the maximum limit permissible under subsection ~~F~~ ~~E~~ of this
15 section regardless of whether the district actually levies taxes up to the
16 maximum permissible amount in that year.

17 ~~M~~ K. The county treasurer shall keep the money received from taxes
18 levied pursuant to subsection ~~F~~ ~~E~~ of this section in a separate fund known
19 as the "fire district general fund" of the district for which collected. Any
20 surplus remaining in the fire district general fund at the end of the fiscal
21 year shall be credited to the fire district general fund of the district for
22 which it was collected for the succeeding fiscal year and after subtraction
23 of accounts payable and encumbrances, shall be used to reduce the property
24 tax levy in the following tax year.

25 ~~N~~ L. A fire district may maintain separate accounts with a financial
26 institution that is authorized to do business in this state for the purpose
27 of operating a payroll account or for holding ~~contributions, grants,~~ special
28 revenues or ~~trust monies~~ **AMBULANCE REVENUES, OR BOTH**, as necessary to fulfill
29 the district's fiduciary responsibilities.

30 ~~O~~ M. A fire district, through the county treasurer, shall establish
31 the relevant governmental funds necessary for the proper management and
32 fiscal accountability of district monies from property taxes, grants,
33 contributions and donations, as defined by the government accounting
34 standards board. Unless the monies received are legally restricted by
35 contract, agreement or law, those monies may be transferred between **FUND**
36 accounts according to the original or amended budget of the fire district.

37 **N. A FIRE DISTRICT SHALL RECONCILE ALL BALANCE SHEET ACCOUNTS FOR**
38 **ACCOUNTS FOR EACH CALENDAR MONTH OF THE FISCAL YEAR WITHIN THIRTY DAYS AFTER**
39 **THE END OF THAT CALENDAR MONTH. THE FIRE DISTRICT BOARD SHALL REVIEW THE**
40 **RECONCILED BALANCE SHEET ACCOUNTS MONTHLY.**

41 **O. A FIRE DISTRICT SHALL PRODUCE MONTHLY FINANCIAL REPORTS TO INCLUDE**
42 **A REGISTER OF CHECKS, WARRANTS AND DEPOSITS, A STATEMENT OF FINANCIAL**
43 **ACTIVITIES AND A STATEMENT OF NET ASSETS FOR EACH CALENDAR MONTH. A FIRE**
44 **DISTRICT SHALL PRODUCE A CASH FLOW PROJECTION REPORT FOR EACH FISCAL YEAR.**
45 **THE CASH FLOW PROJECTION REPORT SHALL BE UPDATED MONTHLY WITH THE ACTUAL**

1 REVENUES AND EXPENDITURES FROM THE PRECEDING MONTH. EACH MONTH, THE FIRE
2 DISTRICT BOARD SHALL REVIEW THE FINANCIAL REPORTS, THE UPDATED CASH FLOW
3 PROJECTIONS REPORT AND ALL MONTH-END FUND STATEMENTS AND REPORTS OF THE
4 PRECEDING MONTH TO INCLUDE THOSE REPORTS PROVIDED BY THE COUNTY TREASURER AND
5 EACH OF THE FINANCIAL INSTITUTIONS IN WHICH THE DISTRICT MAINTAINS AN
6 ACCOUNT. ANY FINANCIAL REPORT OR CASH FLOW PROJECTION REPORT THAT WOULD
7 INDICATE THAT THE DISTRICT IS LIKELY TO VIOLATE SECTION 48-805.02,
8 SUBSECTION D, PARAGRAPH 1 OR THAT WOULD INDICATE AN ADVERSE IMPACT ON THE
9 ONGOING OPERATIONS OR LIQUIDITY OF THE DISTRICT SHALL BE REPORTED BY THE FIRE
10 DISTRICT BOARD CHAIRMAN IN WRITING AND DELIVERED BY CERTIFIED MAIL TO THE
11 COUNTY TREASURER AND THE COUNTY BOARD OF SUPERVISORS WITHIN TEN DAYS AFTER
12 THE DISCOVERY.

13 P. Notwithstanding section 11-605, a fire district may register
14 warrants only if separate accounts are maintained by the county treasurer for
15 each governmental fund of a fire district. Warrants may only be registered
16 on the maintenance and operation account, the unrestricted capital outlay
17 account and the special revenue account, and only if the total cash balance
18 of all three accounts is insufficient to pay the warrants and after any
19 revolving line of credit has been expended as prescribed in section 11-635.

20 Q. When a fire district has adopted a budget and the board of
21 supervisors has levied a fire district tax as provided in subsection ~~F~~ E of
22 this section and the district has insufficient money in its general fund with
23 the county treasurer to operate the district, ~~the elected chief and the~~
24 ~~secretary-treasurer, or if there is a district board,~~ the chairman of the
25 board, on or after August 1 of each year, may draw warrants for the purposes
26 prescribed in section 48-805 on the county treasurer, payable on November 1
27 of that year or on April 1 of the succeeding year. The aggregate amounts of
28 the warrants may not exceed ninety per cent of the taxes levied by the county
29 for the district's current fiscal year. If the treasurer cannot pay a
30 warrant for lack of funds in the fire district general fund, the warrant
31 shall be endorsed, be registered, bear interest and be redeemed as provided
32 by law for county warrants, except that the warrants are payable only from
33 the fire district general fund.