

LOCAL GOVERNMENT CODE

TITLE 4. FINANCES

SUBTITLE A. MUNICIPAL FINANCES

CHAPTER 103. AUDIT OF MUNICIPAL FINANCES

Sec. 103.001. ANNUAL AUDIT; FINANCIAL STATEMENT. (a) A municipality shall have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit.

(b) A municipality subject to Section 16.356, Water Code, must include in its financial statement a specific report on compliance with that section.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987. Amended by Acts 1999, 76th Leg., ch. 404, Sec. 1, eff. Sept. 1, 1999.

Sec. 103.002. AUDITOR. A municipality whose records and accounts are not audited annually by a person prescribed by statute, by charter, or by a person in the regular employ of the municipality shall employ at its own expense a certified public accountant who is licensed in this state or a public accountant who holds a permit to practice from the Texas State Board of Public Accountancy to conduct the audit and to prepare the annual financial statement.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 103.003. FILING; PUBLIC RECORD. (a) The annual financial statement, including the auditor's opinion on the statement, shall be filed in the office of the municipal secretary or clerk within 180 days after the last day of the municipality's fiscal year.

(b) The financial statement is a public record.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 862 (H.B. 1456), Sec. 1, eff. June 15, 2007.

Sec. 103.004. VALUATION OF CERTAIN BENEFIT PROGRAMS. (a) A

municipality that provides a continuing organized program of service retirement benefits, disability retirement benefits, or death benefits for any of its officers or employees must include in the annual financial statement a valuation of the financial assets and liabilities of the program as shown in the most recent actuarial valuation of the program.

(b) This section does not apply to:

(1) a program for which the only funding agency is a life insurance company;

(2) a program providing only workers' compensation benefits; or

(3) a program administered by the municipality as a member of the Texas Municipal Retirement System.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.