

LEGISLATIVE BILL 1387

Approved by the Governor March 23, 1972

Introduced by Orval A. Keyes, 3rd District

AN ACT to amend sections 31-715 and 31-740, Revised Statutes Supplement, 1971, relating to sanitary and improvement districts; to provide for audits as prescribed; to provide when audits may be waived; to provide procedures for the detachment of land which is part of two districts; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 31-715, Revised Statutes Supplement, 1971, be amended to read as follows:

31-715. Each sanitary and improvement district shall have the books of account, kept by the board of trustees of the district, examined and audited by a certified public accountant or a public accountant for the year ending June 30 and file a copy of the audit with the office of the Auditor of Public Accounts by December 31 of the same year; Provided, that such audits may be waived by the Auditor of Public Accounts upon proper showing by the district that such an audit is unnecessary. Such examination and audit shall show (1) the gross income of the district from all sources for the previous year; (2) the amount spent for sewage disposal; (3) the amount expended on water mains; (4) the gross amount of sewage processed in said district; (5) the cost per thousand gallons of processing sewage; (6) the amount expended each year for (a) maintenance and repairs, (b) new equipment, (c) new construction work, (d) property purchased; (7) a detailed statement of all items of expense; (8) the number of employees; (9) the salaries and fees paid employees; (10) total amount of taxes levied upon the property within the district; and (11) all other facts necessary to give an accurate and comprehensive view of the cost of carrying on the activities and work of such sanitary and improvement district. The reports of all audits herein provided for shall be and remain a part of the public records in the office of the Auditor of Public Accounts. The expense of such audits shall be paid out of the funds of the district. The Auditor of Public Accounts shall be given access to all books and papers, contracts, minutes, bonds and other documents and memoranda of every kind and character of such district and be furnished all

additional information possessed by any present or past officer or employee of any such district, or by any other person, that is essential to the making of a comprehensive and correct audit.

Should any sanitary and improvement district fail or refuse to cause such annual audit to be made of all of its functions, activities and transactions for the fiscal year within a period of six months following the close of such fiscal year, unless such audit has been waived, the Auditor of Public Accounts shall, after due notice and a hearing to show cause by such district, appoint a certified public accountant or public accountant to conduct the annual audit of the district and the fee for such audit shall become a lien against the district.

Sec. 2. That section 31-740, Revised Statutes Supplement, 1971, be amended to read as follows:

31-740. The board of trustees of any district organized under sections 31-727 to 31-762 shall have power to provide for establishing, maintaining, and constructing electric service lines and conduits, water mains, sewers, and disposal plants, and disposing of drainage, waste, and sewage of such district in a satisfactory manner; for establishing, maintaining, and constructing sidewalks, public roads, streets, and highways, including the grading, changing grade, paving, repaving, graveling, regravelling, widening or narrowing roads, resurfacing or relaying existing pavement, or otherwise improving any road, street, or highway within the district; and may contract for electricity for street lighting for the public streets and highways within the district, and shall have power to provide for acquisition, improvement, maintenance and operation of public parks, playgrounds and recreational facilities; Provided, that power to construct clubhouses and similar facilities for the giving of private parties within the zoning jurisdiction of any city or village is not included in the powers herein granted. Any sewer system established shall be approved by the Department of Health. Prior to the installation of any of the improvements provided for in this section, the plans for such improvements, other than for public parks, playgrounds and recreational facilities, shall be approved by the public works department of any municipality when such improvements or any part thereof are within the area of the zoning jurisdiction of such municipality, and plans and exact costs for public parks, playgrounds and recreational facilities shall be approved by resolution of the governing body of such municipality. Such approval shall relate to conformity with the master plan and the construction specifications and standards

theretofore established by such municipality; Provided, where no master plan and construction specifications and standards have been established such approval shall not be required. In cases where such improvements are within the area of the zoning jurisdiction of more than one municipality, then such approval shall be required only from the most populous municipality, except that where such improvements are furnished to the district by contract with a particular municipality, the necessary approval may in all cases be given by such municipality. The district may construct its sewage disposal plant and other sewerage or water improvements, or both, in whole or in part, inside or outside the boundaries of the district and may contract with corporations or municipalities for disposal of sewage and use of existing sewerage improvements, and for a supply of water for fire protection and for resale to residents of the district. It may also contract with any corporation or municipality for the installation, maintenance, and cost of operating a system of street lighting upon the public streets and highways within the district or for installation, maintenance and operation of a water system or for the installation, maintenance and operation of electric service lines and conduits and to provide water service for fire protection and use by the residents of the district.

Each sanitary and improvement district shall have the books of account, kept by the board of trustees of the district, examined and audited by a certified public accountant or a public accountant for the year ending June 30 and file a copy of the audit with the office of the Auditor of Public Accounts by December 31 of the same year: Provided, that such audits may be waived by the Auditor of Public Accounts upon proper showing by the district that the audit is unnecessary. Such examination and audit shall show (1) the gross income of the district from all sources for the previous year: (2) the amount spent for sewage disposal: (3) the amount expended on water mains: (4) the gross amount of sewage processed in said district: (5) the cost per thousand gallons of processing sewage: (6) the amount expended each year for (a) maintenance and repairs, (b) new equipment, (c) new construction work, and (d) property purchased: (7) a detailed statement of all items of expense: (8) the number of employees: (9) the salaries and fees paid employees: (10) total amount of taxes levied upon the property within the district: and (11) all other facts necessary to give an accurate and comprehensive view of the cost of carrying on the activities and work of such sanitary and improvement district. The reports of all audits herein provided for shall be and remain a part of the public records in the office of the Auditor of Public

Accounts. The expense of such audits shall be paid out of the funds of the district. The Auditor of Public Accounts shall be given access to all books and papers, contracts, minutes, bonds and other documents and memoranda of every kind and character of such district and be furnished all additional information possessed by any present or past officer or employee of any such district, or by any other person, that is essential to the making of a comprehensive and correct audit.

Should any sanitary and improvement district fail or refuse to cause such annual audit to be made of all of its functions, activities and transactions for the fiscal year within a period of six months following the close of such fiscal year, unless such audit has been waived, the Auditor of Public Accounts shall, after due notice and a hearing to show cause by such district, appoint a certified public accountant or public accountant to conduct the annual audit of the district and the fee for such audit shall become a lien against the district.

Whenever the sanitary sewer system or any part thereof of a sanitary and improvement district is directly or indirectly connected to the sewerage system of a metropolitan city, such city, without enacting an ordinance or adopting any resolution for such purpose, may collect such city's applicable rental or use charge from the users in the sanitary and improvement district and from the owners of the property served within the sanitary and improvement district. The charges of such city shall be charged to each property served by the city sewerage system, shall be a lien upon the property served, and may be collected from the owner or the person, firm, or corporation using the service. If the city's applicable rental or service charge is not paid when due, such sum may be recovered by the municipality in a civil action, or it may be assessed against the premises served in the same manner as special taxes or assessments are assessed by such city of the metropolitan class, and collected and returned in the same manner as other municipal special taxes or assessments are enforced and collected. When any such tax or assessment is levied it shall be the duty of the city clerk to deliver a certified copy of the ordinance to the county treasurer of the county in which the premises assessed are located and such county treasurer shall collect the same as provided by law and return the same to the city treasurer of the metropolitan city. Funds of such city raised from such charges of the metropolitan city shall be used by it in accordance with laws applicable to its sewer service rental or charges. The governing body of a city of the metropolitan class may make all necessary rules and regulations governing the direct or indirect use of its

sewerage system by any user and premises within any sanitary and improvement district and may establish just and equitable rates or charges to be paid to such city of the metropolitan class for use of any of its disposal plants and sewerage system.

Sec. 3. When any land is a part of two sanitary and improvement districts and the owners of such land desire that it be a part of only one district, such owners shall file their request with the trustees of each district. The trustees of the districts shall meet jointly and develop an agreement for the detachment of the land from one of the districts and the adjustment of indebtedness. If the trustees are unable to reach an agreement, they shall file a petition in the district court of the county in which such land is located and the court shall have jurisdiction to detach the land and adjust the indebtedness.

Sec. 4. That original sections 31-715 and 31-740, Revised Statutes Supplement, 1971, are repealed.