

SAO proposed language regarding timing of Milton TIF audit

OPTION 1

Sec. X. TAX INCREMENT FINANCING DISTRICT AUDITS

Notwithstanding 32 V.S.A. § 5404a (1)(2), the first audit of the Milton Town Center TIF conducted by the State Auditor of Accounts shall be delayed one year to allow for completion of the first annual municipal audit that includes procedures required by 24 V.S.A. §1901(3)(A).

OPTION 2

Sec. X. 32 V.S.A. § 5404a (1) is amended to read:

§ 5404a. Tax Stabilization Agreements; Tax Increment Financing Districts

(1) The State Auditor of Accounts shall conduct performance audits of all tax increment financing districts according to a schedule, which will be arrived at in consultation with the Vermont Economic Progress Council. The cost of conducting each audit shall be considered a "related cost" as defined in 24 V.S.A. § 1891(6) and shall be billed back to the municipality. Audits conducted pursuant to this subsection shall include a review of a municipality's adherence to relevant statutes and rules adopted by the Vermont Economic Progress Council pursuant to subsection (j) of this section, an assessment of record keeping related to revenues and expenditures, and a validation of the portion of the tax increment retained by the municipality and used for debt repayment and the portion directed to the Education Fund.

(2) For municipalities with a district created after January 1, 2006 and approved by the Vermont Economic Progress Council, an audit shall be conducted five years after the first debt is incurred or one year after the first annual audit that includes procedures required by 24 V.S.A. §1901(3)(A), whichever is later, and a second audit seven years after completion of the first audit. A final audit will be conducted at the end of the period for retention of education increment.