



Rep. Donald L. Moffitt

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09700HB1362ham002

LRB097 05231 KMW 54930 a

1 AMENDMENT TO HOUSE BILL 1362

2 AMENDMENT NO. _____. Amend House Bill 1362, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Fire Protection District Act is amended by
6 changing Section 11a as follows:

7 (70 ILCS 705/11a) (from Ch. 127 1/2, par. 31a)

8 Sec. 11a. The Board of Trustees of any fire protection
9 district organized hereunder may contract with any corporation
10 organized to furnish fire protection service or with any
11 association organized to furnish fire protection service or
12 with any city, village, incorporated town, or organized fire
13 protection district lying adjacent to such district for fire
14 protection service to be furnished by such corporation or such
15 association or such municipality or fire protection district
16 for the property within such district or to be furnished by

1 such district for the property within such municipality. The
2 board of trustees may also contract for the installation,
3 rental or use of fire hydrants within the fire protection
4 district and for the furnishing of water to be used within such
5 district for fire protection purposes, and for mutual aid from
6 and to other fire protection districts, and for mutual aid from
7 and to corporations and associations organized to furnish fire
8 protection service and for mutual aid from and to
9 municipalities.

10 A municipality's fiscal obligations for fire protection
11 services under a contract with a fire protection district
12 entered into under this Section shall comply with the Local
13 Government Prompt Payment Act. If a municipality fails to make
14 a payment within 90 days, an interest penalty of 1% of any
15 amount approved and unpaid shall be added for each 90 days or
16 fraction thereof after the expiration of the 90 day period,
17 until final payment is made. In the case of an action in court
18 to collect delinquent fees from a contract for services between
19 a municipality and a fire protection district, the losing party
20 shall pay all reasonable legal fees incurred in the proceeding.

21 When the Board of Trustees of a Fire Protection District
22 purchases fire protection services from an organization
23 (specifically including without limitation a city, village,
24 incorporated town, or adjacent fire protection district) that
25 is required to be audited by "An Act in relation to audits of
26 the accounts of certain governmental units and to repeal an Act

1 therein named", approved May 10, 1967, or by The Illinois
2 Municipal Auditing Law, the scope of the audit of the
3 organization providing the fire protection services shall be
4 expanded to require the licensed public accountant performing
5 the audit to specifically report on compliance with the terms
6 of the contract as it relates to financial matters, including
7 but not limited to the amount charged to the purchasing Fire
8 Protection District. To the extent possible, the financial
9 statements of the providing organization shall segregate
10 accounts relating to fire protection service transactions and
11 present them as a separate fund or as a separate department
12 within a fund. A copy of the providing organization audit
13 report shall be furnished to the purchasing Fire Protection
14 District within 6 months after the close of the fiscal year of
15 the organization providing the fire protection services.

16 When the Board of Trustees of a Fire Protection District
17 purchases fire protection services from an organization
18 (specifically including without limitation a not-for-profit
19 corporation or a for-profit corporation or association) that is
20 not required to be audited by "An Act in relation to audits of
21 the accounts of certain governmental units and to repeal an Act
22 therein named", approved May 10, 1967, or by The Illinois
23 Municipal Auditing Law, the organization providing the fire
24 protection services shall employ a person licensed to practice
25 public accounting under the laws of this State to annually
26 audit the providing organization's financial statements of all

1 accounts, funds, and other moneys in the care, custody, or
2 control of the providing organization. Such audit shall be
3 conducted in accordance with Generally Accepted Auditing
4 Standards and the scope of such audit shall be expanded to
5 require the licensed public accountant performing the audit to
6 specifically report on compliance with the terms of the
7 contract as it relates to financial matters, including but not
8 limited to the amount charged to the purchasing Fire Protection
9 District. To the extent possible, the financial statements of
10 the providing organization shall segregate accounts relating
11 to fire protection service transactions and present them as a
12 separate fund or as a separate department within a fund. A copy
13 of the providing organization audit report shall be furnished
14 to the purchasing Fire Protection District within 6 months
15 after the close of the fiscal year of the organization
16 providing the fire protection services. Within 15 days after
17 the first meeting of the board of directors or trustees of the
18 organization providing the fire protection services that
19 occurs after receiving the audit report, the organization
20 providing the fire protection services shall publish excerpts
21 from the audit report that relate to fire protection service
22 operations in accordance with Section 7 of this Act. When fire
23 protection services are rendered in more than one geographic
24 area, publication or distribution should be made in each
25 geographic area served.

26 (Source: P.A. 86-216; 86-1023.)

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.".