

SECOND REGULAR SESSION

HOUSE BILL NO. 1730

92ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE STEVENSON.

Read 1st time April 13, 2004, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

4934L.011

AN ACT

To repeal sections 29.230, 30.900, 50.1030, 56.809, 57.958, 67.680, 70.605, 166.209, 196.947, 217.595, 238.272, 256.635, 301.350, and 321.690, RSMo, and to enact in lieu thereof fourteen new sections relating to the authority to audit.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 29.230, 30.900, 50.1030, 56.809, 57.958, 67.680, 70.605, 166.209, 196.947, 217.595, 238.272, 256.635, 301.350, and 321.690, RSMo, are repealed and fourteen new sections enacted in lieu thereof, to be known as sections 29.230, 30.900, 50.1030, 56.809, 57.958, 67.680, 70.605, 166.209, 196.947, 217.595, 238.272, 256.635, 301.350, and 321.690, to read as follows:

29.230. 1. In every county which does not elect a county auditor, the state auditor [shall] **may** audit, without cost to the county, at least once during the term for which any county officer is chosen, the accounts of the various county officers supported in whole or in part by public moneys. The audit shall be made as near the expiration of the term of office as the auditing force of the state auditor will permit.

2. The state auditor [shall] **may** audit any political subdivision of the state, including counties having a county auditor, if requested to do so by a petition signed by the requisite percent of the qualified voters of the political subdivision. The requisite percent of qualified voters to cause such an audit to be conducted shall be determined as follows:

(1) If the number of qualified voters of the political subdivision determined on the basis of the votes cast in the last gubernatorial election held prior to the filing of the petition is less than one thousand, twenty-five percent of the qualified voters of the political subdivision

EXPLANATION — Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law. Matter in boldface type in the above law is proposed language.

13 determined on the basis of the registered voters eligible to vote at the last gubernatorial election
14 held prior to the filing of the petition;

15 (2) If the number of qualified voters of the political subdivision determined on the basis
16 of the votes cast in the last gubernatorial election held prior to the filing of the petition is one
17 thousand or more but less than five thousand, fifteen percent of the qualified voters of the
18 political subdivision determined on the basis of the votes cast in the last gubernatorial election
19 held prior to the filing of the petition, provided that the number of qualified voters signing such
20 petition is not less than two hundred;

21 (3) If the number of qualified voters of the political subdivision determined on the basis
22 of the votes cast in the last gubernatorial election held prior to the filing of the petition is five
23 thousand or more but less than fifty thousand, ten percent of the qualified voters of the political
24 subdivision determined on the basis of the votes cast in the last gubernatorial election held prior
25 to the filing of the petition, provided that the number of qualified voters signing such petition is
26 not less than seven hundred fifty;

27 (4) If the number of qualified voters of the political subdivision determined on the basis
28 of the votes cast in the last gubernatorial election held prior to the filing of the petition is fifty
29 thousand or more, five percent of the qualified voters of the political subdivision determined on
30 the basis of the votes cast in the last gubernatorial election held prior to the filing of the petition,
31 provided that the number of qualified voters signing such petition is not less than five thousand.

32

33 The political subdivision shall pay the actual cost of audit. The petition that requests an audit
34 of a political subdivision shall state on its face the estimated cost of the audit and that it will be
35 paid by the political subdivision being audited. The estimated cost of the audit shall be provided
36 by the state auditor within sixty days of such request. The costs of the audit may be billed and
37 paid on an interim basis with individual billing periods to be set at the state auditor's discretion.
38 Moneys held by the state on behalf of a political subdivision may be used to offset unpaid
39 billings for audit costs of the political subdivision. All moneys received by the state in payment
40 of the costs of petition audits shall be deposited in the state treasury and credited to the "Petition
41 Audit Revolving Trust Fund" which is hereby created with the state treasurer as custodian. The
42 general assembly may appropriate additional moneys to the fund as it deems necessary. The state
43 auditor shall administer the fund and approve all disbursements, upon appropriation, from the
44 fund to apply to the costs of performing petition audits. The provisions of section 33.080,
45 RSMo, to the contrary notwithstanding, money in the fund shall not be transferred and placed
46 to the credit of general revenue until the amount in the fund at the end of any biennium exceeds
47 one million dollars. The amount in the fund which shall lapse is the amount which exceeds one
48 million dollars. No political subdivision shall be audited by petition more than once in any three

49 calendar or fiscal years.

30.900. 1. There is hereby created in the treasury a fund to be known as "The Revenue
2 Sharing Trust Fund". All funds received by this state from the federal government under the
3 provisions of the State and Local Fiscal Assistance Act of 1972 (Title I, Public Law 92-512)
4 shall be deposited in this fund together with any interest or other earnings on the principal of this
5 fund and no expenditure shall be made from this fund for any purpose prohibited by the State and
6 Local Assistance Act of 1972 and no expenditure shall be made except by an appropriation made
7 in the same manner as from general revenue.

8 2. Other provisions of law notwithstanding, appropriations shall not be made transferring
9 funds from this fund to other funds nor shall funds from this fund lapse into other funds.
10 Appropriations from this fund may be made for periods of two years.

11 3. The state auditor [shall] **may** audit and report on the expenditure of money from this
12 fund in the same manner as other state funds.

50.1030. 1. The general administration and the responsibility for the proper operation
2 of the fund and the system and the investment of the funds of the system are vested in a board
3 of directors of eleven persons. Nine directors shall be elected by a secret ballot vote of the
4 county employee members of this state. Two directors, who have no beneficiary interest in the
5 system, shall be appointed by the governor with the advice and consent of the senate. No more
6 than one director at any one time shall be employed by the same elected county office. Directors
7 shall be chosen for terms of four years from the first day of January next following their election.
8 It shall be the responsibility of the board to establish procedures for the conduct of future
9 elections of directors and such procedures shall be approved by a majority vote by secret ballot
10 by members of the system. The board shall have all powers and duties that are necessary and
11 proper to enable it, its officers, employees and agents to fully and effectively carry out all the
12 purposes of sections 50.1000 to 50.1300.

13 2. The board of directors shall elect one of their number as chairman and one of their
14 number as vice chairman and may employ an administrator who shall serve as secretary to the
15 board. The board shall hold regular meetings at least once each quarter. Board meetings shall
16 be held in Jefferson City. Other meetings may be called as necessary by the chairman. Notice
17 of such meetings shall be given in accordance with chapter 610, RSMo.

18 3. The board of directors shall retain an actuary as technical advisor to the board.

19 4. The board of directors shall retain investment counsel to be an investment advisor to
20 the board.

21 5. The state auditor [shall] **may** provide for biennial audits of the Missouri county
22 employees' retirement system and the operations of the board, to be paid for out of the funds of
23 the system.

24 6. The board of directors shall serve without compensation for their services, but each
25 director shall be paid out of the funds of the system for any actual and necessary expenses
26 incurred in the performance of duties authorized by the board.

27 7. The board of directors shall be allowed administrative costs for the operation of the
28 system to be paid out of the funds of the system.

29 8. The board shall keep a record of its proceedings which shall be open to public
30 inspection. It shall annually prepare a report showing the financial condition of the system. The
31 report shall contain, but not be limited to, an auditor's opinion, financial statements prepared in
32 accordance with generally accepted accounting principles, an actuary's certification along with
33 actuarial assumptions and financial solvency tests.

34 9. The board shall conduct an annual review, to determine if, among other things, the
35 following actions are actuarially feasible:

36 (1) An adjustment to the formula described in section 50.1060, subject to the limitations
37 of subsection 4 of section 50.1060;

38 (2) An adjustment in the flat dollar pension benefit credit described in subsection 1 of
39 section 50.1060;

40 (3) The cost-of-living increase as described in section 50.1070;

41 (4) An adjustment in the matching contribution described in section 50.1230;

42 (5) An adjustment in the twenty-five year service cap on creditable service; or

43 (6) An adjustment to the target replacement ratio.

44

45 Based upon the findings of the actuarial review, the board may recommend to the general
46 assembly an actual change to implement none, one, or more than one of the above actions.

56.809. 1. The general administration and the responsibility for the proper operation of
2 the fund are vested in a board of trustees of five persons. Trustees shall be elected by a secret
3 ballot vote of the prosecuting attorneys and circuit attorneys of this state. Trustees shall be
4 chosen for terms of four years from the first day of January next following their election except
5 that the members of the first board shall be appointed by the governor by and with the consent
6 of the senate after notification in writing, respectively, by the prosecuting attorneys and circuit
7 attorneys of eighty percent of the counties in the state, including a city not within a county, that
8 the prosecuting attorney or circuit attorney has elected to come under the provisions of sections
9 56.800 to 56.840. It shall be the responsibility of the initial board to establish procedures for the
10 conduct of future elections of trustees and such procedures shall be approved by a majority vote
11 by secret ballot of the prosecuting attorneys and circuit attorneys in this state. The board shall
12 have all powers and duties that are necessary and proper to enable it, its officers, employees and
13 agents to fully and effectively carry out all the purposes of sections 56.800 to 56.840.

14 2. The board of trustees shall elect one of their number as chairman and one of their
15 number as vice chairman and may employ an administrator who shall serve as executive
16 secretary to the board. The Missouri office of prosecution services, sections 56.750 to 56.775,
17 may, in the discretion of the board of trustees, act as administrative employees to carry out all
18 of the purposes of sections 56.800 to 56.840. In addition, the board of trustees may appoint such
19 other employees as may be required. The board shall hold regular meetings at least once each
20 quarter. Other meetings may be called as necessary by the chairman or by any three members
21 of the board. Notice of such meetings shall be given in accordance with chapter 610, RSMo.

22 3. The board of trustees shall appoint an actuary or firm of actuaries as technical advisor
23 to the board of trustees.

24 4. The board of trustees shall retain investment advisors to be investment advisors to the
25 board.

26 5. The board of trustees may retain legal counsel to advise the board and represent the
27 system in legal proceedings.

28 6. The board shall arrange for annual audits of the records and accounts of the system
29 by a certified public accountant or by a firm of certified public accountants. The state auditor
30 [shall] **may** examine such audits [at least once every three years] and report to the board of
31 trustees and to the governor.

32 7. The board of trustees shall serve without compensation for their services as such;
33 except that each trustee shall be paid from the system's funds for any necessary expenses incurred
34 in the performance of duties authorized by the board.

35 8. The board of trustees shall be authorized to appropriate funds from the system for
36 administrative costs in the operation of the system.

37 9. The board of trustees shall, from time to time, after receiving the advice of its actuary,
38 adopt such mortality and other tables of experience, and a rate or rates of regular interest, as shall
39 be necessary for the actuarial requirements of the system, and shall require its executive secretary
40 to keep in convenient form such data as shall be necessary for actuarial investigations of the
41 experience of the system, and such data as shall be necessary for the annual actuarial valuations
42 of the system.

43 10. The board of trustees shall, after reasonable notice to all interested parties, hear and
44 decide questions arising from the administration of sections 56.800 to 56.835; except that within
45 thirty days after a decision or order, any member, retirant, beneficiary or political subdivision
46 adversely affected by that determination or order may make an appeal under the provisions of
47 chapter 536, RSMo.

48 11. The board of trustees shall arrange for adequate surety bonds covering the executive
49 secretary and any other custodian of funds or investments of the board. When approved by the

50 board, such bonds shall be deposited in the office of the Missouri secretary of state.

51 12. Subject to the limitations of sections 56.800 to 56.835, the board of trustees shall
52 formulate and adopt rules and regulations for the government of its own proceedings and for the
53 administration of the retirement system.

54 13. The board of trustees shall be the trustees of the funds of the system. Subject to the
55 provisions of any applicable federal or state laws, the board of trustees shall have full power to
56 invest and reinvest the moneys of the system, and to hold, purchase, sell, assign, transfer or
57 dispose of any of the securities and investments in which such moneys shall have been invested,
58 as well as the proceeds of such investments and such moneys.

59 14. Notwithstanding any other provision of the law to the contrary, the board of trustees
60 may delegate to its duly appointed investment advisors authority to act in place of the board of
61 trustees in the investment and reinvestment of all or part of the moneys of the system, and may
62 also delegate to such advisors the authority to act in place of the board of trustees in the holding,
63 purchasing, selling, assigning, transferring or disposing of any or all of the securities and
64 investments in which such moneys shall have been invested, as well as the proceeds of such
65 investments and such moneys. Such investment counselor shall be registered as an investment
66 advisor with the United States Securities and Exchange Commission. In exercising or delegating
67 its investment powers and authority, members of the board of trustees shall exercise ordinary
68 business care and prudence under the facts and circumstances prevailing at the time of the action
69 or decision. In so doing, the board of trustees shall consider the long-term and short-term needs
70 of the system in carrying out its purposes, the system's present and anticipated financial
71 requirements, the expected total return on the system's investment, the general economic
72 conditions, income, growth, long-term net appreciation, and probable safety of funds. No
73 member of the board of trustees shall be liable for any action taken or omitted with respect to the
74 exercise of or delegation of these powers and authority if such member shall have discharged the
75 duties of his or her position in good faith and with that degree of diligence, care and skill which
76 prudent men and women would ordinarily exercise under similar circumstances in a like
77 position.

78 15. The board shall keep a record of its proceedings which shall be open to public
79 inspection. It shall annually prepare a report showing the financial condition of the system. The
80 report shall contain, but not be limited to, an auditor's opinion, financial statements prepared in
81 accordance with generally accepted accounting principles, an actuary's certification along with
82 actuarial assumptions and financial solvency tests.

 57.958. 1. The general administration and the responsibility for the proper operation of
2 the fund and the investment of the fund are vested in a board of directors of five persons.
3 Directors shall be elected by a secret ballot vote of the sheriffs of counties. Directors shall be

4 chosen for terms of four years from the first day of January next following their election, except
5 that the members of the first board shall be appointed by the governor by and with the consent
6 of the senate after notification in writing, respectively, by the sheriffs of eighty percent of the
7 counties in the state, excluding the city of St. Louis and those counties of the first class having
8 a charter form of government, that the sheriff has elected to come under the provisions of
9 sections 57.949 to 57.997. Upon completion of the appointment of the board, the governor shall
10 declare the system established. It shall be the responsibility of the initial board to establish
11 procedures for the conduct of future elections of trustees and such procedures must be approved
12 by a majority vote by secret ballot of the sheriffs of all the counties. The board shall have all
13 powers and duties that are necessary and proper to enable it, its officers, employees and agents
14 to fully and effectively carry out all the purposes of sections 57.949 to 57.997.

15 2. The board of directors shall elect one of their number as chairman and one of their
16 number as vice chairman and may employ an administrator who shall serve as secretary to the
17 board. The board shall hold regular meetings at least once each quarter. Other meetings may
18 be called as necessary by the chairman. Notice of such meetings shall be given in accordance
19 with chapter 610, RSMo.

20 3. The board of directors shall retain an actuary as technical advisor to the board of
21 directors.

22 4. The board of directors shall retain investment counsel to be an investment advisor to
23 the board.

24 5. The board of directors [shall] **may** arrange for annual audits by a certified public
25 accountant.

26 6. The board of directors shall serve without compensation for their services as such;
27 except that each director shall be paid for any necessary expenses incurred in the performance
28 of duties authorized by the board.

29 7. The board of directors shall be allowed administrative costs for the operation of the
30 system.

31 8. The board shall keep a record of its proceedings which shall be open to public
32 inspection. It shall annually prepare a report showing the financial condition of the system. The
33 report shall contain, but not be limited to, [an auditor's opinion,] financial statements prepared
34 in accordance with generally accepted accounting principles, an actuary's certification along with
35 actuarial assumptions and financial solvency tests.

36 9. Other provisions of law to the contrary notwithstanding, after the expiration of the
37 terms of the board of trustees or directors holding office on July 11, 1991, the words "trustees"
38 and "directors" meaning directors, as defined in section 57.949, the directors elected as
39 successors to those directors holding office on July 11, 1991, shall be elected to staggered terms

40 of four years each in the following manner: two directors shall be elected for a two-year term
41 with their successors being elected to four-year terms and three directors shall be elected for a
42 four-year term. The procedures for such elections and the designation of which terms will
43 initially be two-year terms and which will be four-year terms shall be established solely by the
44 board of directors of the sheriffs' retirement system. Directors shall be elected by a secret ballot
45 vote of the active sheriffs and members of the sheriffs' retirement system. Beginning with the
46 election of directors under the provisions of this subsection, at least one but not more than two
47 of the directors shall be a retired member of the sheriffs' retirement system, except that any
48 vacancies occurring on the board after all members have been duly elected shall be filled by the
49 board and such appointed member shall serve until the next regularly scheduled election for such
50 filled position.

51 10. Notwithstanding any provision of law to the contrary, any board member who was
52 elected to the board as an active member representative and becomes a retired member of the
53 system after such election shall, with the approval of the board, continue to serve on the board
54 as an active member representative until the next regularly scheduled election for that position.

67.680. 1. All tourism sales taxes under sections 67.671 to 67.685 collected by the
2 county collector, less one percent for cost of collection which shall be deposited in the county's
3 general revenue fund after payment of premiums for surety bonds required by subsection 4 of
4 this section, shall be deposited with the county treasurer in a special trust fund, which is hereby
5 created, to be known as the "County Advertising and Tourism Promotion Trust Fund". The
6 moneys in the county advertising and tourism promotion trust fund shall be deemed to be
7 dedicated county funds and shall not be commingled with any other funds of the county. The
8 county treasurer shall keep accurate records of the amount of money in the trust fund and the
9 records shall be open to the inspection of officers of the county, the state and the public.

10 2. The county treasurer may make refunds from the amounts in the trust fund and
11 credited to any county for erroneous payments and overpayments made. If the county abolishes
12 the tax in any area, the county collector may retain, in the trust fund, for a period of one year, two
13 percent of the amount collected from such area to cover possible refunds or overpayments of the
14 tax within such area. After one year has elapsed after the effective date of abolition of the tax
15 in such area, the county treasurer shall close the account of that area.

16 3. The county treasurer shall annually report on his **or her** management of the trust fund
17 and administration of such tourism sales taxes. He shall provide the governing body of the
18 county with a detailed accounting of the source of all funds received by him for the county.
19 Notwithstanding any other provisions of law, the state auditor [shall] **may** annually audit the
20 trust fund.

21 4. The county collector and the county treasurer and any of their deputies, assistants and

22 employees, who shall have any duties or responsibilities in connection with the collection,
23 deposit, transfer, transmittal, disbursement, safekeeping, accounting, or recording of funds which
24 come into their hands under the provisions of sections 67.671 to 67.685 shall enter additional
25 surety bonds, payable to the counties in whose behalf such funds have been collected under the
26 provisions of sections 67.671 to 67.685, as may be required by the governing body of their
27 respective counties. The cost of the premium for the additional surety bonds shall be paid from
28 the county advertising and tourism promotion trust fund.

70.605. 1. For the purpose of providing for the retirement or pensioning of the officers
2 and employees and the widows and children of deceased officers and employees of any political
3 subdivision of the state, there is hereby created and established a retirement system which shall
4 be a body corporate, which shall be under the management of a board of trustees herein
5 described, and shall be known as the "Missouri Local Government Employees' Retirement
6 System". Such system may sue and be sued, transact business, invest funds, and hold cash,
7 securities, and other property. All suits or proceedings directly or indirectly against the system
8 shall be brought in Cole County. The system shall begin operations on the first day of the
9 calendar month next following sixty days after the date the board of trustees has received
10 certification from ten political subdivisions that they have elected to become employers.

11 2. The general administration and the responsibility for the proper operation of the
12 system is vested in a board of trustees of seven persons: three persons to be elected as trustees
13 by the members of the system; three persons to be elected trustees by the governing bodies of
14 employers; and one person, to be appointed by the governor, who is not a member, retirant, or
15 beneficiary of the system and who is not a member of the governing body of any political
16 subdivision.

17 3. Trustees shall be chosen for terms of four years from the first day of January next
18 following their election or appointment, except that of the first board shall all be appointed by
19 the governor by and with the consent of the senate, as follows:

20 (1) Three persons who are officers or officials of political subdivisions, one for a term
21 of three years, one for a term of two years, and one for a term of one year; and

22 (2) Three persons who are employees of political subdivisions and who would, if the
23 subdivision by which they are employed becomes an employer, be eligible as members, one for
24 a term of three years, one for a term of two years, and one for a term of one year; and

25 (3) That person appointed by the governor under the provisions of subsection 2 of this
26 section.

27

28 All the members of the first board shall take office as soon as appointed by the governor, but
29 their terms shall be computed from the first day of January next following their appointment, and

30 only one member may be from any political subdivision or be a policeman or fireman.

31 4. Successor trustees elected or appointed as member trustees shall be members of the
32 retirement system; provided, that not more than one member trustee shall be employed by any
33 one employer, and not more than one member trustee shall be a policeman, and not more than
34 one member trustee shall be a fireman.

35 5. Successor trustees elected as employer trustees shall be elected or appointed officials
36 of employers and shall not be members of the retirement system; provided, that not more than
37 one employer trustee shall be from any one employer.

38 6. An annual meeting of the retirement system shall be called by the board in the last
39 calendar quarter of each year in Jefferson City, or at such place as the board shall determine, for
40 the purpose of electing trustees and to transact such other business as may be required for the
41 proper operation of the system. Notice of such meeting shall be sent by registered mail to the
42 clerk or secretary of each employer not less than thirty days prior to the date of such meeting.
43 The governing body of each employer shall certify to the board the name of one delegate who
44 shall be an officer of the employer, and the members of the employer shall certify to the board
45 a member of the employer to represent such employer at such meeting. The delegate certified
46 as member delegate shall be elected by secret ballot by the members of such employer, and the
47 clerk or secretary of each employer shall be charged with the duty of conducting such election
48 in a manner which will permit each member to vote in such election. Under such rules and
49 regulations as the board shall adopt, approved by the delegates, the member delegates shall elect
50 a member trustee for each such position on the board to be filled, and the officer delegates shall
51 elect an employer trustee for each such position on the board to be filled.

52 7. In the event any member trustee ceases to be a member of the retirement system, or
53 any employer trustee ceases to be an appointed or elected official of an employer, or becomes
54 a member of the retirement system, or if the trustee appointed by the governor becomes a
55 member of the retirement system or an elected or appointed official of a political subdivision,
56 or if any trustee fails to attend three consecutive meetings of the board, unless in each case
57 excused for cause by the remaining trustees attending such meeting or meetings, he or she shall
58 be considered as having resigned from the board and the board shall, by resolution, declare his
59 or her office of trustee vacated. If a vacancy occurs in the office of trustee, the vacancy shall be
60 filled for the unexpired term in the same manner as the office was previously filled; provided,
61 however, that the remaining trustees may fill employer and member trustee vacancies on the
62 board until the next annual meeting.

63 8. Each trustee shall be commissioned by the governor, and before entering upon the
64 duties of his **or her** office, shall take and subscribe to an oath or affirmation to support the
65 Constitution of the United States, and of the state of Missouri, and to demean himself **or herself**

66 faithfully in his or her office. Such oath as subscribed to shall be filed in the office of the
67 secretary of state of this state.

68 9. Each trustee shall be entitled to one vote in the board of trustees. Four votes shall be
69 necessary for a decision by the trustees at any meeting of the board of trustees. Four trustees, of
70 whom at least two shall be member trustees and at least two shall be employer trustees, shall
71 constitute a quorum at any meeting of the board. Unless otherwise expressly provided herein,
72 a meeting need not be called or held to make any decision on a matter before the board. Each
73 member must be sent by the executive secretary a copy of the matter to be decided with full
74 information from the files of the board. The concurring decisions of four trustees may decide
75 the issue by signing a document declaring their decision and sending the written instrument to
76 the executive secretary, provided that no other trustee shall send a dissenting decision to the
77 executive secretary within fifteen days after the document and information was mailed to him
78 or her. If any trustee is not in agreement with the four trustees, the matter is to be passed on at
79 a regular board meeting or a special meeting called for that purpose. The board shall hold
80 regular meetings at least once each quarter, the dates of these meetings to be designated in the
81 rules and regulations adopted by the board. Other meetings as deemed necessary may be called
82 by the chairman or by any four trustees acting jointly.

83 10. The board of trustees shall elect one of their number as chairman, and one of their
84 number as vice chairman, and shall employ an executive secretary, not one of their number, who
85 shall be the executive officer of the board. Other employees of the board shall be chosen only
86 upon the recommendation of the executive secretary.

87 11. The board shall appoint an actuary or a firm of actuaries as technical advisor to the
88 board on matters regarding the operation of the system on an actuarial basis. The actuary or
89 actuaries shall perform such duties as are required of him or her under sections 70.600 to 70.755,
90 and as are from time to time required by the board.

91 12. The board may appoint an attorney-at-law or firm of attorneys-at-law to be the legal
92 advisor of the board and to represent the board in all legal proceedings.

93 13. The board may appoint an investment counselor to be the investment advisor of the
94 board.

95 14. The board shall from time to time, after receiving the advice of its actuary, adopt
96 such mortality and other tables of experience, and a rate or rates of regular interest, as shall be
97 necessary for the actuarial requirements of the system, and shall require its executive secretary
98 to keep in convenient form such data as shall be necessary for actuarial investigations of the
99 experience of the system, and such data as shall be necessary for the annual actuarial valuations
100 of the system.

101 15. The board shall keep a record of its proceedings, which shall be open to public

102 inspection. It shall prepare annually and render to each employer a report showing the financial
103 condition of the system as of the preceding June thirtieth. The report shall contain, but shall not
104 be limited to, a financial balance sheet; a statement of income and disbursements; a detailed
105 statement of investments acquired and disposed of during the year, together with a detailed
106 statement of the annual rates of investment income from all assets and from each type of
107 investment; an actuarial balance sheet prepared by means of the last valuation of the system, and
108 such other data as the board shall deem necessary or desirable for a proper understanding of the
109 condition of the system.

110 16. The board of trustees shall, after reasonable notice to all interested parties, conduct
111 administrative hearings to hear and decide questions arising from the administration of sections
112 70.600 to 70.755; except, that such hearings may be conducted by a hearing officer who shall be
113 appointed by the board. The hearing officer shall preside at the hearing and hear all evidence and
114 rule on the admissibility of evidence. The hearing officer shall make recommended findings of
115 fact and may make recommended conclusions of law to the board. All final orders or
116 determinations or other final actions by the board shall be approved in writing by at least four
117 members of the board. Any board member approving in writing any final order, determination
118 or other final action, who did not attend the hearing, shall do so only after certifying that he or
119 she reviewed all exhibits and read the entire transcript of the hearing. Within thirty days after
120 a decision or order or final action of the board, any member, retirant, beneficiary or political
121 subdivision adversely affected by that determination or order or final action may take an appeal
122 under the provisions of chapter 536, RSMo. Jurisdiction over any dispute regarding the
123 interpretation of sections 70.600 to 70.755 and the determinations required thereunder shall lie
124 in the circuit court of Cole County.

125 17. The board shall arrange for adequate surety bonds covering the executive secretary
126 and any other custodian of the funds or investments of the board. When approved by the board,
127 said bonds shall be deposited in the office of the secretary of state.

128 18. The board shall arrange for annual audits of the records and accounts of the system
129 by a certified public accountant or by a firm of certified public accountants. The state auditor
130 [shall] **may** examine such audits [at least once every three years] and report to the board and the
131 governor.

132 19. The headquarters of the retirement system shall be in Jefferson City.

133 20. The board of trustees shall serve as trustees without compensation for their services
134 as such; except that each trustee shall be paid for any necessary expenses incurred in attending
135 meetings of the board or in the performance of other duties authorized by the board.

136 21. Subject to the limitations of sections 70.600 to 70.755, the board shall formulate and
137 adopt rules and regulations for the government of its own proceedings and for the administration

138 of the retirement system.

166.209. The board shall annually prepare or cause to be prepared an accounting of the
2 fund and shall transmit a copy of the accounting to the governor, the president pro tem of the
3 senate, and the speaker of the house of representatives. The board shall also make available the
4 accounting of the fund to purchasers of the trust. The accounts of the board [shall] **may** be
5 subject to annual audits by the state auditor.

196.947. All moneys received for state milk inspection shall be deposited in the state
2 treasury and credited to the "State Milk Inspection Fee Fund", which is hereby created, subject
3 to appropriation by the general assembly and to be appropriated to the state milk board and used
4 exclusively for the purpose of defraying the cost of state milk inspection and to other state
5 agencies for such services in addition thereto that are provided by the state government. The
6 state milk board shall remit to the treasury of the local jurisdictions for which it may contract to
7 provide services for administering milk inspection if other than by its own employees, moneys
8 not exceeding five cents per one hundred pounds of milk or milk products. The unexpended
9 balance in the state milk inspection fee fund at the end of the biennium shall not be transferred
10 to the general revenue fund of the state treasury and, accordingly, shall be exempt from the
11 provisions of section 33.080, RSMo, relating to the transfer of funds to the general revenue fund
12 of the state by the state treasurer. The financial proceedings of the board [shall] **may** be subject
13 to an annual audit by a certified public accountant and the audit report shall be a public record,
14 subject to [the] inspection by the general public.

217.595. 1. Receipts from the vocational enterprises program shall be paid into the state
2 treasury and credited to the "Working Capital Revolving Fund", which is hereby created.

3 2. All funds derived from the disposal of plants and machinery in accordance with
4 chapters 217 and 558, RSMo, shall be deposited to the credit of the working capital revolving
5 fund.

6 3. The working capital revolving fund shall be used for the establishment, maintenance,
7 rehabilitation, expansion and operation of the vocational enterprises programs, and expenditures
8 from the fund shall be used for, but not limited to:

9 (1) The purchase of machinery, equipment, raw materials, seed, fertilizer and farm
10 animals;

11 (2) The repair, improvement and replacement of buildings, machinery and equipment;

12 (3) Payment for offender labor;

13 (4) Necessary expenses included in operation and administration;

14 (5) Necessary expenses for vocational training.

15 4. Vocational enterprises shall be accounted for on an accrual basis as an enterprise fund.

16 Financial reports shall be rendered to the director as he may require.

17 5. None of the earnings of the vocational enterprises program shall be transferred to the
18 general revenue fund of the state at the end of each fiscal year. All of the earnings shall be
19 retained by the working capital revolving fund and the vocational enterprises program, to obtain
20 new equipment, material and real property for expansion and maintenance of the enterprises'
21 programs with a goal that all general population offenders shall learn a skill or service and are
22 employed. Should a net loss occur, such loss shall be charged against the working capital
23 revolving fund.

24 6. The state auditor [shall] **may** audit the working capital revolving fund at the end of
25 each fiscal year and report his **or her** findings to the director, the governor and the general
26 assembly.

27 7. Effective August 28, 1994, the vocational education and training fund shall be
28 dissolved and all funds credited to it shall be transferred to the working capital revolving fund.

 238.272. The state auditor [shall] **may** audit each district [not less than once every three
2 years, and may audit more] **as** frequently [if] **as** the state auditor deems appropriate. The costs
3 of this audit shall be paid by the district.

 256.635. 1. The state auditor [shall] **may** audit the financial transactions of the division
2 in connection with the administration of sections 256.600 to 256.640.

3 2. All money collected by the division under the provisions of sections 256.600 to
4 256.640 shall be deposited in the state treasury to the credit of a special fund hereby established
5 to be known as the "Groundwater Protection Fund". Moneys in the fund shall be expended only
6 for the purposes of administering sections 256.600 to 256.640. Notwithstanding the provisions
7 of section 33.080, RSMo, any balance remaining in the fund at the end of an appropriation period
8 shall not be transferred to general revenue, except that should there be a balance remaining in
9 the fund at the end of an appropriation period exceeding one-half of the next year's projected
10 operating budget for administration of sections 256.600 to 256.640, the amount exceeding
11 one-half of the next year's projected budget shall be transferred to the general revenue fund.

12 3. Any balance in the water well drillers' fund on August 28, 1997, shall be transferred
13 to the groundwater protection fund on that date, and following such transfer, the water well
14 drillers' fund shall be abolished.

 301.350. 1. Upon receipt of an application for registration of a motor vehicle, trailer,
2 manufacturer or dealer, as provided in this chapter, the director of revenue shall file such
3 application and register such motor vehicle, trailer, manufacturer or dealer, together with the
4 facts stated in the application, under a distinctive number assigned to such motor vehicle, trailer,
5 manufacturer or dealer. Separate records shall be kept as follows:

- 6 (1) Motor vehicles registered by owners;
7 (2) Commercial motor vehicles;

- 8 (3) Trailers;
- 9 (4) Motorcycles and motor tricycles;
- 10 (5) Manufacturers and dealers.
- 11 2. The director of revenue may keep such other classifications and records as he **or she**
- 12 may deem necessary and may enter contracts or agreements or otherwise make arrangements for
- 13 computerized access to odometer and title information.
- 14 3. All of such books and records shall be kept open to public inspection during
- 15 reasonable business hours.
- 16 4. The [governor may cause the] records of the department of revenue [to] **may** be
- 17 audited by the state auditor at any time.
- 321.690. 1. In counties of the first classification having a charter form of government
- 2 and having more than nine hundred thousand inhabitants and in counties of the first classification
- 3 which contain a city with a population of one hundred thousand or more inhabitants which
- 4 adjoins no other county of the first classification, the governing body of each fire protection
- 5 district [shall] **may** cause an audit to be performed consistent with rules and regulations
- 6 promulgated by the state auditor.
- 7 2. (1) All such districts [shall] **may** cause an audit to be performed biennially. Each
- 8 such audit shall cover the period of the two previous fiscal years.
- 9 (2) Any fire protection district with less than fifty thousand dollars in annual revenues
- 10 may, with the approval of the state auditor, be exempted from the audit requirement of this
- 11 section if it files appropriate reports on its affairs with the state auditor within five months after
- 12 the close of each fiscal year and if these reports comply with the provisions of section 105.145,
- 13 RSMo. These reports shall be reviewed, approved and signed by a majority of the members of
- 14 the governing body of the fire protection district seeking exemption.
- 15 3. Copies of each audit report must be completed and submitted to the fire protection
- 16 district and the state auditor within six months after the close of the audit period. One copy of
- 17 the audit report and accompanying comments shall be maintained by the governing body of the
- 18 fire protection district for public inspection at reasonable times in the principal office of the
- 19 district. The state auditor [shall] **may** also maintain a copy of the audit report and comment. If
- 20 any audit report fails to comply with the rules promulgated by the state auditor, that official shall
- 21 notify the fire protection district and specify the defects. If the defects specified are not corrected
- 22 within ninety days from the date of the state auditor's notice to the district, or if a copy of the
- 23 required audit report and accompanying comments have not been received by the state auditor
- 24 within six months after the end of the audit period, the state auditor shall make, or cause to be
- 25 made, the required audit at the expense of the fire protection district.
- 26 4. The provisions of this section shall not apply to any fire protection district based and

27 substantially located in a county of the third classification with a population of at least thirty-one
28 thousand five hundred but not greater than thirty-three thousand.