§ 181-b. Independent audit of fire districts. 1. The commissioner of each fire district with revenues of four hundred thousand dollars or more shall obtain an annual audit of its records by an independent certified public accountant or an independent public accountant. The report of such annual audit shall be presented to the fire district board of fire commissioners by such accountant. Such fire district audit shall include, but not be limited to, the district's financial conditions and resources and such other things as the state comptroller may designate. A copy of the audit report in form prescribed by the state comptroller and certified by the accountant, shall be furnished to the commissioners, the town boards served by the district and the state comptroller within one hundred eighty days following the end of the fiscal year audited.

2. The commissioner of each fire district with revenues of less than four hundred thousand dollars shall report the district's financial conditions and resources and such other things as the state comptroller may designate on a form prescribed by him or her. A copy of such report shall be issued to the state comptroller within one hundred eighty days following the end of the fiscal year. The state comptroller may designate an amount below which no report shall be required.

3. On or after January first, two thousand seven, all fire districts subject to the provisions of subdivision one of this section shall utilize a competitive request for proposal process when contracting for such annual audit. In addition, no audit engagement shall be for a term longer than five consecutive years; provided, however, that nothing in this subdivision shall preclude a district, in its discretion, from permitting an independent certified public accountant or an independent public accountant engaged under an existing contract for such services to (i) submit a proposal for such services in response to a request for competitive proposals, or (ii) be awarded a contract to provide such services under a request for proposal process.

4. Notwithstanding the provisions of subparagraph one of paragraph (b) of subdivision four of section thirty-five of the general municipal law, each fire district shall (i) prepare a corrective action plan in

response to any findings contained in the annual external audit report or management letter, or any final audit report issued by the state comptroller, within ninety days of receipt of such report or letter, and (ii) to the extent practicable, begin implementation of such corrective action plan no later than the end of the next fiscal year.