

11-14-302 Resolution -- Negotiability -- Registration -- Maturity -- Interest -- Payment -- Redemption -- Combining issues -- Sale -- Financing plan.

- (1)
 - (a) Bonds issued under this chapter:
 - (i) shall:
 - (A) be authorized by resolution of the governing body;
 - (B) be fully negotiable for all purposes;
 - (C) mature at such time or times not more than 40 years from their date;
 - (D) bear interest at such rate or rates, if any;
 - (E) be payable at such place or places;
 - (F) be in such form;
 - (G) be executed in such manner;
 - (H) be sold in such manner and at such prices, either at, in excess of, or below face value;and
 - (I) be issued in such manner and with such details as may be provided by resolution; and
 - (ii) may be made:
 - (A) registrable as to principal alone or as to principal and interest; or
 - (B) redeemable prior to maturity at such times and on such terms.
 - (b) Interest rate limitations elsewhere appearing in the laws of Utah do not apply to nor limit the rate of interest on bonds issued under this chapter.
- (2)
 - (a) If the bonds bear interest at a variable rate or rates, the resolution described in Subsection (1) (a)(i)(A) shall provide for the establishment of a method or methods by which the interest rate or rates on the bonds may be determined.
 - (b) If the resolution specifies a method by which interest on the bonds may be determined, the resolution shall also specify the maximum rate of interest the bonds may bear.
 - (c) Bonds voted for different purposes by separate propositions at the same or different bond elections may in the discretion of the governing body be combined and offered for sale as one issue of bonds.
 - (d) The resolution providing for this combination and the printed bonds for the combined issue shall separately set forth the amount being issued for each of the purposes provided for in each proposition submitted to the electors.
 - (e) If the local political subdivision has retained a fiscal agent to assist and advise it with respect to the bonds and the fiscal agent has received or is to receive a fee for such services, the bonds may be sold to the fiscal agent but only if the sale is made pursuant to a sealed bid submitted by the fiscal agent at an advertised public sale.
 - (f) The governing body may, by resolution, delegate to one or more officers of the local political subdivision the authority to:
 - (i) in accordance with and within the parameters set forth in the resolution, approve the final interest rate or rates, price, principal amount, maturity or maturities, redemption features, and other terms of the bond; and
 - (ii) approve and execute all documents relating to the issuance of a bond.
- (3)
 - (a)
 - (i) All bonds shall be paid by the treasurer of the local political subdivision or the treasurer's duly authorized agent on their respective maturity dates or on the dates fixed for the bonds redemption.

- (ii) All bond coupons, other than coupons cancelled because of the redemption of the bonds to which they apply, shall similarly be paid on their respective dates or as soon thereafter as the bonds or coupons are surrendered.
 - (b) Upon payment of a bond or coupon, the treasurer of the local political subdivision or the treasurer's duly authorized agent, shall perforate the bond or coupon with a device suitable to indicate payment.
 - (c) Any bonds or coupons which have been paid or cancelled may be destroyed by the treasurer of the local political subdivision or by the treasurer's duly authorized agent.
- (4)
- (a) Bonds, bond anticipation notes, or tax anticipation notes with maturity dates of one year or less may be authorized by a local political subdivision from time to time pursuant to a plan of financing adopted by the governing body.
 - (b) The plan of financing shall specify the terms and conditions under which the bonds or notes may be issued, sold, and delivered, the officers of the local political subdivision authorized to issue the bonds or notes, the maximum amount of bonds or notes which may be outstanding at any one time, the source or sources of payment of the bonds or notes, and all other details necessary for issuance of the bonds or notes.
 - (c) Subject to the Constitution, the governing body of the local political subdivision may include in the plan of financing the terms and conditions of agreements which may be entered into by the local political subdivision with banking institutions for letters of credit or for standby letters of credit to secure the bonds or notes, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the local political subdivision.

Amended by Chapter 145, 2011 General Session