

Senator Curtis S. Bramble proposes the following substitute bill:

COUNTY AMENDMENTS

2012 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Curtis S. Bramble

House Sponsor: Gregory H. Hughes

LONG TITLE

General Description:

This bill amends provisions related to county funds.

Highlighted Provisions:

This bill:

▶ repeals Title 17, Chapter 19, County Auditor, and replaces it with Title 17, Chapter 19a, County Auditor, including:

- enacts general provisions;
 - enacts provisions related to a county auditor's qualifications, powers, and duties;
 - enacts provisions related to payments and warrants; and
 - enacts provisions related to an investigation conducted by a county auditor;
- ▶ amends provisions related to the preparation of a tentative county budget;
- ▶ amends provisions related to the adoption of a county budget;
- ▶ amends provisions related to a purchase or encumbrance by a purchasing agent;
- ▶ amends provisions related to the county adoption of a financial administration ordinance;
- ▶ enacts provisions related to a county auditor's review, investigation, and payment of a claim against a county;
- ▶ amends provisions related to a county legislative body's authority to examine and



26 audit certain accounts;
27 ▶ amends provisions related to a county executive's authority to examine and audit
28 certain accounts; and
29 ▶ makes technical corrections.

30 **Money Appropriated in this Bill:**

31 None

32 **Other Special Clauses:**

33 This bill provides an immediate effective date.

34 This bill provides revisor instructions.

35 **Utah Code Sections Affected:**

36 AMENDS:

- 37 **17-8-7**, as last amended by Laws of Utah 2011, Chapter 297
- 38 **17-24-1**, as last amended by Laws of Utah 2005, Chapter 105
- 39 **17-24-4**, as last amended by Laws of Utah 2001, Chapter 241
- 40 **17-36-3**, as last amended by Laws of Utah 2001, Chapter 241
- 41 **17-36-10**, as last amended by Laws of Utah 2011, Chapter 297
- 42 **17-36-11**, as last amended by Laws of Utah 1979, Chapter 62
- 43 **17-36-15**, as last amended by Laws of Utah 1999, Chapters 230 and 300
- 44 **17-36-20**, as enacted by Laws of Utah 1975, Chapter 22
- 45 **17-36-43**, as last amended by Laws of Utah 1993, Chapter 227
- 46 **17-50-401**, as last amended by Laws of Utah 2008, Chapter 382
- 47 **17-52-401**, as last amended by Laws of Utah 2011, Chapter 297
- 48 **17-53-212**, as renumbered and amended by Laws of Utah 2000, Chapter 133
- 49 **17-53-303**, as enacted by Laws of Utah 2000, Chapter 133
- 50 **20A-7-101**, as last amended by Laws of Utah 2011, Chapters 17 and 331

51 ENACTS:

- 52 **17-19a-101**, Utah Code Annotated 1953
- 53 **17-19a-102**, Utah Code Annotated 1953
- 54 **17-19a-201**, Utah Code Annotated 1953
- 55 **17-19a-202**, Utah Code Annotated 1953
- 56 **17-19a-203**, Utah Code Annotated 1953

- 57 17-19a-204, Utah Code Annotated 1953
- 58 17-19a-205, Utah Code Annotated 1953
- 59 17-19a-206, Utah Code Annotated 1953
- 60 17-19a-207, Utah Code Annotated 1953
- 61 17-19a-208, Utah Code Annotated 1953
- 62 17-19a-209, Utah Code Annotated 1953
- 63 17-19a-301, Utah Code Annotated 1953
- 64 17-19a-401, Utah Code Annotated 1953

65 REPEALS:

- 66 17-19-1, as last amended by Laws of Utah 1996, Chapter 212
- 67 17-19-3, as last amended by Laws of Utah 2001, Chapter 241
- 68 17-19-5, as last amended by Laws of Utah 1996, Chapter 212
- 69 17-19-6, Utah Code Annotated 1953
- 70 17-19-7, as last amended by Laws of Utah 2011, Chapter 297
- 71 17-19-8, Utah Code Annotated 1953
- 72 17-19-9, Utah Code Annotated 1953
- 73 17-19-12, as last amended by Laws of Utah 1996, Chapter 212
- 74 17-19-13, as last amended by Laws of Utah 1993, Chapter 227
- 75 17-19-14, as last amended by Laws of Utah 2011, Chapter 297
- 76 17-19-19, as last amended by Laws of Utah 2001, Chapter 241
- 77 17-19-28, Utah Code Annotated 1953
- 78 17-19-29, as enacted by Laws of Utah 1996, Chapter 212



80 *Be it enacted by the Legislature of the state of Utah:*

81 Section 1. Section 17-8-7 is amended to read:

82 **17-8-7. Declaration of drought emergency -- Appropriation -- Tax levy.**

83 The county legislative body of each county may at any regular meeting or at a special
 84 meeting called for such purpose, declare that an emergency drought exists in said county; and
 85 thereupon may appropriate from the money not otherwise appropriated in the county general
 86 fund such funds as shall be necessary for the gathering of information upon, and aiding in any
 87 program for increased precipitation within said county or in conjunction with any other county

88 or counties, or that if there are not sufficient funds available in the county general fund for such
89 purpose, the county legislative body may, during any such emergency so declared by them,
90 assess, levy, and direct the county to collect annually to aid in any program of increased
91 precipitation. The provisions of [~~Sections 17-19-1 to 17-19-28~~] Chapter 19a, County Auditor
92 relating to budgeting do not apply to appropriations necessitated by such an emergency.

93 Section 2. Section **17-19a-101** is enacted to read:

94 **CHAPTER 19a. COUNTY AUDITOR**

95 **Part 1. General Provisions**

96 **17-19a-101. Title.**

97 This chapter is known as "County Auditor."

98 Section 3. Section **17-19a-102** is enacted to read:

99 **17-19a-102. Definitions.**

100 (1) "Account" or "accounting" means:

101 (a) the systematic recording, classification, or summarizing of a financial transaction or
102 event; and

103 (b) the interpretation or presentation of the result of an action described in Subsection
104 (1)(a).

105 (2) "Audit" or "auditing" means an examination that is a formal analysis of a county
106 account or county financial record:

107 (a) to verify accuracy, completeness, or compliance with an internal control;

108 (b) to give a fair presentation of a county's financial status; and

109 (c) that conforms to the uniform classification of accounts established by the state
110 auditor.

111 (3) "Book" means a financial record of the county, regardless of a record's format.

112 (4) (a) "Budget" or "budgeting" means a process or activity conducted by the budget
113 officer related to the preparation or presentation of a proposed or tentative budget as provided
114 in Chapter 36, Uniform Fiscal Procedures Act for Counties.

115 (b) "Budget" or "budgeting" includes:

116 (i) a revenue projection;

117 (ii) a budget request compilation; or

118 (iii) the performance of an activity described in Subsection (4)(b)(i) or (ii).

- 119 (5) "Budget officer" means a person described in Section 17-19a-204.
- 120 (6) (a) "Claim" means under the color of law:
- 121 (i) a demand presented for money or damages; or
- 122 (ii) a cause of action presented for money or damages.
- 123 (b) "Claim" does not mean a routine, uncontested, or regular payment, including a bill,
- 124 purchase, or payroll.

- 125 (7) "Performance audit" means a review and audit as described in Subsection
- 126 17-19a-207(3) of a county program, county operation, county management system, or county
- 127 agency to:
- 128 (a) review procedures, activities, or policies; and
- 129 (b) determine whether the county is achieving the best levels of economy, efficiency,
- 130 effectiveness, and compliance.

Section 4. Section **17-19a-201** is enacted to read:

Part 2. Qualifications, Powers, and Duties

17-19a-201. Qualifications for office.

In addition to the requirements listed in Section 17-16-1, a person filing a declaration for candidacy on or after the effective date of this bill for the office of county auditor in a first class county shall:

- 137 (1) be a:
- 138 (a) certified public accountant;
- 139 (b) be a certified management accountant;
- 140 (c) be a certified internal auditor;
- 141 (d) be a certified information systems auditor; or
- 142 (e) be a certified fraud examiner; or
- 143 (2) have three years of experience working in the office of a county auditor.

Section 5. Section **17-19a-202** is enacted to read:

17-19a-202. Seal.

- 146 (1) The county legislative body shall furnish the auditor a seal in accordance with
- 147 Subsection (2).
- 148 (2) The seal shall contain or be impressed with:
- 149 (a) the name of the county; and

150 (b) "State of Utah, County Auditor."

151 Section 6. Section **17-19a-203** is enacted to read:

152 **17-19a-203. General duties.**

153 A county auditor shall perform:

154 (1) in accordance with Section 17-19a-206, an accounting duty or service described in
155 this chapter or otherwise required by law;

156 (2) an auditing duty or service described in this chapter or otherwise required by law;

157 and

158 (3) other duties as may be required by law.

159 Section 7. Section **17-19a-204** is enacted to read:

160 **17-19a-204. Budget officer.**

161 The budget officer of a county is designated by:

162 (1) in a county commission form of government described in Section 17-52-501 or an
163 expanded county commission form of government described in Section 17-52-502, the county
164 commission;

165 (2) in the county executive-council form of government described in Section
166 17-52-504, the county executive; or

167 (3) in the council-manager form of government described in Section 17-52-505, the
168 county council.

169 Section 8. Section **17-19a-205** is enacted to read:

170 **17-19a-205. Auditing services.**

171 (1) (a) Except as provided in Subsection (1)(b) and subject to Subsection (2), a county
172 auditor is authorized to audit the financial records and accounts of a:

173 (i) county office;

174 (ii) county department;

175 (iii) county division;

176 (iv) county justice court; or

177 (v) any other county entity.

178 (b) The county auditor may not audit the auditor's own office, including any of the
179 county auditor's financial records or accounts.

180 (2) The county auditor shall perform an audit:

181 (a) as needed, as defined by good management practices and the standards of the
182 profession; and

183 (b) based on the auditor's professional judgement, taking into account considerations
184 related to risk and materiality.

185 (3) Nothing in this section may be construed to affect a county legislative body's
186 authority under Section 17-53-212 or a county executive's authority under Section 17-53-303.

187 Section 9. Section **17-19a-206** is enacted to read:

188 **17-19a-206. Accounting services.**

189 (1) Except as provided in Subsection (2), the county auditor shall provide accounting
190 services for the county as established by ordinance.

191 (2) The county legislative body may, by ordinance, delegate an accounting service
192 provided for or executed on behalf of the entire county:

193 (a) to the county executive; or

194 (b) to an office's or department's officer or director.

195 (3) If a county legislative body delegates an accounting service in accordance with
196 Subsection (2), the legislative body shall make the delegation:

197 (a) in accordance with good management practice to foster effectiveness, efficiency,
198 and the adequate protection of a county asset; and

199 (b) by considering appropriate checks and balances within county government.

200 Section 10. Section **17-19a-207** is enacted to read:

201 **17-19a-207. Performance audit services.**

202 (1) (a) A county auditor shall, under the direction and supervision of the county
203 legislative body or county executive and subject to Subsections (1)(b) and (2), provide
204 performance audit services for a county office, department, division, or other county entity.

205 (b) A county auditor may not conduct a performance audit of the auditor's own office.

206 (2) The county legislative body or county executive shall establish the goals and nature
207 of a performance audit and related services.

208 (3) A performance audit conducted in accordance with this section may include a
209 review and audit of the following:

210 (a) the honesty and integrity of financial and other affairs;

211 (b) the accuracy and reliability of financial and management reports;

- 212 (c) the adequacy of financial controls to safeguard public funds;
- 213 (d) the management and staff adherence to statute, ordinance, policies, and legislative
- 214 intent;
- 215 (e) the economy, efficiency, and effectiveness of operational performance;
- 216 (f) the accomplishment of intended objectives; and
- 217 (g) whether management, financial, and information systems are adequate and
- 218 effective.

219 Section 11. Section **17-19a-208** is enacted to read:

220 **17-19a-208. Management of financial records -- Disposal of records.**

221 (1) A county auditor shall:

- 222 (a) maintain the books of the county in such a manner as will show the amount of
- 223 receipts from and disbursement of a county office, department, division, or other county entity;
- 224 (b) keep accounts current with the county treasurer;
- 225 (c) preserve a document, book, record, or paper that the county legislative body
- 226 requires the auditor to keep in the auditor's office; and
- 227 (d) make an item described in Subsection (1)(c) available for public inspection during
- 228 office hours.

229 (2) The county auditor shall, in accordance with Title 63G, Chapter 2, Government

230 Records Access and Management Act, remove from the auditor's files and destroy or otherwise

231 dispose of:

- 232 (a) fee statements of a county officer;
- 233 (b) county warrants; and
- 234 (c) claims against the county.

235 Section 12. Section **17-19a-209** is enacted to read:

236 **17-19a-209. Reporting -- State treasurer -- County legislative body.**

- 237 (1) On or before the last day of each month, the county auditor shall submit a report to
- 238 the state treasurer regarding the collection, care, and disbursement of state money by the county
- 239 during the preceding month.
- 240 (2) The county auditor and the county treasurer shall, as required by the county
- 241 legislative body, make a joint report to the county executive and the county legislative body
- 242 accounting for the financial condition of the county.

243 Section 13. Section **17-19a-301** is enacted to read:

244 **Part 3. Payments and Warrants**

245 **17-19a-301. Payments and warrants.**

246 (1) (a) Subject to Subsection (1)(b), if a debt or demand against a county is fixed by
247 law, the debt or demand shall be paid by:

248 (i) subject to Subsection (2)(a), a warrant drawn by the county auditor or the county
249 treasurer; or

250 (ii) subject to Subsection (2)(b), a check or other payment mechanism as may be
251 adopted in accordance with Chapter 36, Uniform Fiscal Procedures Act for Counties.

252 (b) Subsection (1)(a) does not apply to a debt or demand against the county that is, in
253 accordance with law, audited by another person or tribunal.

254 (2) (a) The county auditor shall:

255 (i) distinctly specify on a warrant the liability for which the warrant is made and when
256 the liability accrued; and

257 (ii) notify the county treasurer:

258 (A) as described in Subsection (3)(b), of the date, amount, payee of, and number
259 assigned to a warrant; and

260 (B) of the aggregate amount of all contemporaneous payments by warrant.

261 (b) The county auditor shall notify the county treasurer and county executive:

262 (i) as described in Subsection (3)(b), of the amount and payee of all payments made by
263 check or other payment mechanism;

264 (ii) as described in Subsection (3)(b), the date of and number assigned to a check or
265 other payment mechanism; and

266 (iii) the aggregate amount of a contemporaneous payment.

267 (3) (a) As used in this Subsection (3), "remuneration" means a warrant, check, or other
268 payment mechanism.

269 (b) For a remuneration issued by the county auditor, the auditor shall:

270 (i) number each remuneration consecutively, commencing annually on the first day of
271 January; and

272 (ii) state on the remuneration:

273 (A) the number of the remuneration;

274 (B) the date of payment;
275 (C) the amount of the payment made;
276 (D) the name of the person to whom payable; and
277 (E) the purpose for which the remuneration was made.
278 (4) The county auditor shall dispose of a payment not presented for collection in
279 accordance with Title 67, Chapter 4a, Unclaimed Property Act.

280 (5) The county legislative body may delegate by ordinance the processing of payments
281 and warrants in accordance with Section 17-19a-206.

282 Section 14. Section **17-19a-401** is enacted to read:

283 **Part 4. Investigations**

284 **17-19a-401. County auditor investigative powers -- Report of findings.**

285 (1) (a) A county auditor:

286 (i) may conduct an investigation of an issue or action associated with or related to the
287 auditor's statutory duties, including investigating a book or account of a county officer, county
288 office, or other county entity; and

289 (ii) may not conduct an investigation of an issue or action that is not associated with or
290 related to the auditor's statutory duties.

291 (b) A county officer, employee, or other county administrative entity shall grant the
292 county auditor complete and free access to a book requested by the county auditor in
293 accordance with Subsection (1)(a)(i).

294 (c) A county auditor, with the assistance of the county or district attorney, may:

295 (i) administer an oath or affirmation; or

296 (ii) issue an administrative subpoena for a witness or document necessary to the
297 performance of the auditor's statutory duties.

298 (2) If the county auditor, after a complete investigation, finds that a book or account of
299 a county officer, office, or other county administrative entity is not kept in accordance to law,
300 or that an officer, office, or other county administrative entity has made an incorrect or
301 improper financial report, the county auditor shall prepare a report of the auditor's findings and
302 submit a copy of the report to the county executive.

303 (3) If a county auditor, after a complete investigation, finds that a justice court judge
304 has not kept a book or account according to law, or that the justice court judge has made an

305 incorrect or improper financial report, the auditor shall prepare a report of the auditor's findings
306 and submit a copy of the report to the state court administrator, the county executive, and the
307 county legislative body.

308 Section 15. Section **17-24-1** is amended to read:

309 **17-24-1. General duties of treasurer.**

310 The county treasurer shall:

311 (1) receive all money belonging to the county and all other money by law directed to be
312 paid to the treasurer, including proceeds of bonds, notes, or other evidences of indebtedness
313 issued under Title 11, Chapter 14, Local Government Bonding Act;

314 (2) deposit and invest all money received under Title 51, Chapter 7, State Money
315 Management Act;

316 (3) keep a record of the receipts and expenditures of all such money;

317 (4) disburse county money:

318 (a) on a county warrant issued by the county auditor; or

319 (b) subject to [~~Sections 17-19-1, 17-19-3, and 17-19-5~~] Section 17-19a-301, by a
320 county check or such other payment mechanism as may be adopted pursuant to Chapter 36,
321 Uniform Fiscal Procedures Act for Counties;

322 (5) perform the duties assigned to the treasurer under Title 59, Chapter 2, Part 13,
323 Collection of Taxes;

324 (6) perform the duties under Title 59, Chapter 2, Part 13, Collection of Taxes, that have
325 been reassigned to the treasurer in an ordinance adopted under Section 17-16-5.5; and

326 (7) perform other duties that are required by law or ordinance.

327 Section 16. Section **17-24-4** is amended to read:

328 **17-24-4. Payment of warrants, checks, or other instruments.**

329 (1) When a warrant is presented for payment and there is money in the treasury, the
330 treasurer shall pay it.

331 (2) Upon receiving the notice from the county auditor under [~~Subsection~~
332 ~~17-19-3(3)(b)~~] Section 17-19a-301 and if there is adequate money in the treasury, the treasurer
333 shall, by check or other payment mechanism, make any payment not already paid by warrant.

334 (3) Notwithstanding Subsections (1) and (2), the treasurer has no obligation to pay any
335 warrant or to issue any check or other payment instrument before receiving the certified list

336 under Subsection 17-20-1.7(4).

337 Section 17. Section **17-36-3** is amended to read:

338 **17-36-3. Definitions.**

339 As used in this chapter:

340 (1) "Accrual basis of accounting" means a method where revenues are recorded when
341 earned and expenditures recorded when they become liabilities notwithstanding that the receipt
342 of the revenue or payment of the expenditure may take place in another accounting period.

343 (2) "Appropriation" means an allocation of money for a specific purpose.

344 (3) (a) "Budget" means a plan for financial operations for a fiscal period, embodying
345 estimates for proposed expenditures for given purposes and the means of financing the
346 expenditures.

347 (b) "Budget" may refer to the budget of a fund for which a budget is required by law, or
348 collectively to the budgets for all those funds.

349 (4) "Budgetary fund" means a fund for which a budget is required, such as those
350 described in Section 17-36-8.

351 (5) "Budget officer" means ~~[the county auditor, county clerk, or county executive as~~
352 ~~provided in Subsection 17-19-19(1)]~~ a person described in Section 17-19a-204.

353 (6) "Budget period" means the fiscal period for which a budget is prepared.

354 (7) "Check" means an order in a specific amount drawn upon the depository by any
355 authorized officer in accordance with Section ~~[17-19-3]~~ 17-9a-301 or 17-24-1.

356 (8) "Countywide service" means a service provided in both incorporated and
357 unincorporated areas of a county.

358 (9) "Current period" means the fiscal period in which a budget is prepared and adopted.

359 (10) "Department" means any functional unit within a fund which carries on a specific
360 activity.

361 (11) "Encumbrance system" means a method of budgetary control where part of an
362 appropriation is reserved to cover a specific expenditure by charging obligations, such as
363 purchase orders, contracts, or salary commitments to an appropriation account. An expenditure
364 ceases to be an encumbrance when paid or when the actual liability is entered in the books of
365 account.

366 (12) "Estimated revenue" means any revenue estimated to be received during the

367 budget period in any fund for which a budget is prepared.

368 (13) "Fiscal period" means the annual or biennial period for recording county fiscal
369 operations.

370 (14) "Fund" means an independent fiscal and accounting entity comprised of a sum of
371 money or other resources segregated for a specific purpose or objective.

372 (15) "Fund balance" means the excess of the assets over liabilities, reserves, and
373 contributions, as reflected by its books of account.

374 (16) "Fund deficit" means the excess of liabilities, reserves, and contributions over its
375 assets, as reflected by its books of account.

376 (17) "General Fund" means the fund used to account for all receipts, disbursements,
377 assets, liabilities, reserves, fund balances, revenues, and expenditures not required to be
378 accounted for in other funds.

379 (18) "Interfund loan" means a loan of cash from one fund to another, subject to future
380 repayment; but it does not constitute an expenditure or a use of retained earnings, fund balance,
381 or unappropriated surplus of the lending fund.

382 (19) "Last completed fiscal period" means the fiscal period next preceding the current
383 period.

384 (20) "Modified accrual basis of accounting" means a method under which expenditures
385 other than accrued interest on general long-term debt are recorded at the time liabilities are
386 incurred and revenues are recorded when they become measurable and available to finance
387 expenditures of the current period.

388 (21) "Municipal capital project" means the acquisition, construction, or improvement
389 of capital assets that facilitate providing municipal service.

390 (22) "Municipal service" means a service not provided on a countywide basis and not
391 accounted for in an enterprise fund, and includes police patrol, fire protection, culinary or
392 irrigation water retail service, water conservation, local parks, sewers, sewage treatment and
393 disposal, cemeteries, garbage and refuse collection, street lighting, airports, planning and
394 zoning, local streets and roads, curb, gutter, and sidewalk maintenance, and ambulance service.

395 (23) "Retained earnings" means that part of the net earnings retained by an enterprise
396 or internal service fund which is not segregated or reserved for any specific purpose.

397 (24) "Special fund" means any fund other than the General Fund, such as those

398 described in Section 17-36-6.

399 (25) "Unappropriated surplus" means that part of a fund which is not appropriated for
400 an ensuing budget period.

401 (26) "Warrant" means an order in a specific amount drawn upon the treasurer by the
402 auditor.

403 Section 18. Section **17-36-10** is amended to read:

404 **17-36-10. Preparation of tentative budget.**

405 (1) On or before the first day of the next to last month of every fiscal period, the budget
406 officer shall prepare for the next budget period and file with the governing body a tentative
407 budget for each fund for which a budget is required.

408 (2) (a) A department for which county funds are appropriated shall file with the budget
409 officer not less than three months before the commencement of each fiscal year on forms
410 furnished by the budget officer a detailed estimate and statement of the revenue and necessary
411 expenditures of the department for the next budget year.

412 (b) The estimate and statement described in Subsection (2)(a) shall set forth:

413 (i) the number of persons to be regularly employed;

414 (ii) the kinds of service the department will perform;

415 (iii) the salaries and wages the department expects to pay;

416 (iv) the kind of work the department will perform and the improvements the
417 department expects to make; and

418 (v) the estimated cost of the service, work, and improvements.

419 (c) The statement shall also record performance data expressed in work units, unit
420 costs, man hours, and man years sufficient in detail, content, and scope to permit the budget
421 officer to prepare and process the county budget.

422 (3) In the preparation of the budget, the budget officer and all other county officers are
423 subject to Sections 17-36-1 through 17-36-44 and to the uniform system of budgeting,
424 accounting, and reporting established therein.

425 [~~2~~ ~~The~~] (4) In the tentative budget the budget officer shall set forth in tabular form:

426 (a) actual revenues and expenditures in the last completed fiscal period;

427 (b) estimated total revenues and expenditures for the current fiscal period;

428 (c) the estimated available revenues and expenditures for the ensuing budget period

429 computed by determining:

430 (i) the estimated expenditure for each fund after review of each departmental budget
431 request;

432 (ii) (A) the total revenue requirements of the fund;

433 (B) the part of the total revenue that will be derived from revenue sources other than
434 property tax; and

435 (C) the part of the total revenue that shall be derived from property taxes; and

436 (d) if required by the governing body, actual performance experience to the extent
437 available in work units, unit costs, man hours, and man years for each budgeted fund that
438 includes an appropriation for salaries or wages for the last completed fiscal period and the first
439 eight months of the current fiscal period if the county is on an annual fiscal period, or the first
440 20 months of the current fiscal period if the county is on a biennial fiscal period, together with
441 the total estimated performance data of like character for the current fiscal period and for the
442 ensuing budget period.

443 ~~[(3)]~~ (5) The budget officer may recommend modification of any departmental budget
444 request under Subsection ~~[(2)]~~ (4)(c)(i) before it is filed with the governing body, if each
445 department head has been given an opportunity to be heard concerning the modification.

446 ~~[(4) Each]~~ (6) (a) A tentative budget shall contain the estimates of expenditures
447 submitted by any department together with specific work programs and other supportive data as
448 the governing body requests. ~~[The]~~

449 (b) The budget officer shall include with the tentative budget ~~[shall be accompanied]~~
450 by a supplementary estimate of all capital projects or planned capital projects within the budget
451 period and within the next three succeeding years.

452 ~~[(5) (a) Each]~~ (7) (a) A budget officer that submits a tentative budget ~~[submitted]~~ in a
453 county with a population in excess of 25,000 determined ~~[pursuant to]~~ in accordance with
454 Section 17-36-4 shall ~~[be accompanied by]~~ include with the tentative budget a budget message
455 in explanation of the budget.

456 (b) The budget message shall contain an outline of the proposed financial policies of
457 the county for the budget period and describe the important features of the budgetary plan. It
458 shall also state the reasons for changes from the previous fiscal period in appropriation and
459 revenue items and explain any major changes in financial policy.

460 (c) A budget message for counties with a population of less than 25,000 is
461 recommended but not incumbent upon the budget officer.

462 ~~[(6) The]~~ (8) (a) The governing body shall review, consider, and adopt a tentative
463 budget [shall be reviewed, considered, and tentatively adopted by the governing body] in a
464 regular or special meeting called for that purpose. [It may thereafter be amended or revised by
465 the governing body prior to public hearings thereon, except that no]

466 (b) (i) Subject to Subsection (8)(b)(ii), the governing body may thereafter amend or
467 revise the tentative budget prior to public hearings on the tentative budget.

468 (ii) A governing body may not:

469 (A) reduce below the required minimum an appropriation required for debt retirement
470 and interest; or [reduction, pursuant to Section 17-36-17, of any deficits which exist may be
471 reduced below the required minimum.]

472 (B) reduce, in accordance with Section 17-36-17, an existing deficit.

473 Section 19. Section **17-36-11** is amended to read:

474 **17-36-11. Tentative budget -- Public record prior to adoption.**

475 The tentative budget and all supportive schedules and data shall be a public record
476 available for inspection during business hours at the ~~[offices]~~ office of the ~~[county clerk or~~
477 ~~auditor]~~ budget officer for at least 10 days prior to the public hearing on the adoption of a final
478 budget.

479 Section 20. Section **17-36-15** is amended to read:

480 **17-36-15. Adoption of budget -- Immunity.**

481 (1) (a) On or before the last day of each fiscal period, the governing body by resolution
482 shall adopt the budget [which, subject to further amendment, shall thereafter be].

483 (b) A budget adopted in accordance with Subsection (1)(a) is, unless amended, in
484 effect for the next fiscal period. [A]

485 (c) The budget officer shall:

486 (i) certify a copy of the final budget, and of any subsequent budget amendment
487 [thereof, shall be certified by the budget officer and filed]; and

488 (ii) file a copy with the state auditor not later than 30 days after [its adoption. A copy,
489 similarly certified, shall be filed] the day on which the governing body adopts the budget.

490 (d) The budget officer shall file a certified copy of the budget in the office of the

491 budget officer for inspection by the public during business hours.

492 (2) (a) Except as provided in Subsection (2)(b), a county officer or county employee
493 may not file a legal action in state or federal court against the county, a department, or a county
494 officer for any matter related to the following:

495 (i) the adoption of a county budget;

496 (ii) a county appropriation;

497 (iii) a county personnel allocation; or

498 (iv) a fund related to the county budget, a county appropriation, or a county personnel
499 allocation.

500 (b) A county or district attorney may enforce a procedural requirement that governs the
501 adoption or approval of a budget in accordance with this chapter.

502 Section 21. Section **17-36-20** is amended to read:

503 **17-36-20. Purchases or encumbrances by purchasing agent.**

504 [~~All purchases or all encumbrances~~]

505 (1) A person may not make a purchase or incur an encumbrance on behalf of [any] a
506 county [shall be made or incurred only upon] unless that person acts in accordance with an
507 order by, or approval of, the person duly authorized to act as purchasing agent for the county,
508 except encumbrances or expenditures directly investigated and [reported by the county auditor
509 and approved by the governing body] specifically approved by the executive or legislative
510 body.

511 (2) Unless otherwise provided by the governing body, the budget officer or [such] the
512 budget officer's agents shall serve as a purchasing agent.

513 Section 22. Section **17-36-43** is amended to read:

514 **17-36-43. Financial administration ordinance -- Purposes.**

515 The county legislative body, after consultation with the county auditor, may adopt a
516 financial administration ordinance authorizing the county auditor, county executive, county
517 manager, or [appointed administrator], in the case of county operated hospitals or mental health
518 districts, an appointed administrator, to act as the financial officer for the purpose of approving:

519 (1) payroll checks, if the checks are prepared in accordance with a salary schedule
520 established in a personnel ordinance or resolution; or

521 (2) routine expenditures, such as utility bills, payroll-related expenses, supplies,

522 materials, and payments on county-approved contracts and capital expenditures which are
523 referenced in the budget document and approved by an appropriation resolution adopted for the
524 current fiscal year.

525 Section 23. Section **17-50-401** is amended to read:

526 **17-50-401. Review of claims by county executive -- Auditor review -- Attorney**
527 **review -- Claim requirements -- Approval or disapproval of claim -- Written explanation**
528 **of claim process.**

529 (1) Subject to Subsection (3), each county executive shall review each claim, as
530 defined in Section ~~17-9a-102~~ 17-19a-102, against the county and disapprove or, if
530a payment appears to the
531 county executive to be just, lawful, and properly due and owing, approve the claim.

532 (2) Upon receiving a notice of claim under Section 63G-7-401, the county clerk shall
533 deliver the notice of claim to the county executive.

534 (3) (a) The county executive shall forward all claims regarding liability or attorney fees
535 to the county attorney, or, in a county that has a district attorney but not a county attorney, to
536 the district attorney for the attorney's review and recommendation to the county executive
537 regarding liability and payment.

538 (b) Except as provided in Section 17-50-405, the county executive shall forward all
539 claims requesting payment for goods or services to the county auditor for the auditor's review
540 and recommendation, subject to Subsection (7), to the county executive.

541 (4) Each claim for goods or services against a county shall:

542 (a) itemize the claim, giving applicable names, dates, and particular goods provided or
543 services rendered;

544 (b) if the claim is for service of process, state the character of process served, upon
545 whom served, the number of days engaged, and the number of miles traveled;

546 (c) be duly substantiated as to its correctness and as to the fact that it is justly due;

547 (d) if the claim is for materials furnished, state to whom the materials were furnished,
548 by whom ordered, and the quantity and price agreed upon; and

549 (e) be presented to the county executive within a year after the last item of the account
550 or credit accrued.

551 (5) If the county executive refuses to hear or consider a claim because it is not properly
552 made out, the county executive shall cause notice of the refusal to be given to the claimant or

553 the claimant's agent and shall allow a reasonable amount of time for the claim to be properly
554 itemized and substantiated.

555 (6) Each county shall prepare and make available to a person submitting or intending to
556 submit a claim under this part a written explanation, in simple and easy to understand language,
557 of how to submit a claim to the county and of the county's process for receiving, reviewing, and
558 deciding a claim.

559 (7) Upon receiving a claim in accordance with Subsection (3)(b), the county auditor
560 shall:

561 (a) (i) investigate, examine, review, and inspect the claim; and

562 (ii) (A) recommend that the county executive approve or reject the claim; and

563 (B) endorse the recommendation;

564 (b) after completing the investigation, examination, and inspection, report the claim
565 and the recommendation described in Subsection (7)(a)(ii) to the county executive; and

566 (c) keep a complete record of the claim, the claim recommendation, the reasons for the
567 recommendation, and the county executive's final action as described in Subsection (8).

568 (8) After receiving the county or district attorney's recommendation in accordance with
569 Subsection (3)(a), or the county auditor's recommendation in accordance with Subsection
570 (3)(b), the county executive shall decide whether to approve or reject a claim.

571 (9) (a) The county auditor shall pay, subject to Subsection (9)(b), a claim approved by
572 the county executive in accordance with Subsection (8) by:

573 (i) a warrant drawn by the auditor on the county treasurer in favor of the person entitled
574 to payment; or

575 (ii) a county check or other payment mechanism as may be adopted in accordance with
576 Chapter 36, Uniform Fiscal Procedures Act for Counties.

577 (b) The county auditor may not pay a claim against the county unless:

578 (i) the auditor:

579 (A) receives from the county executive a certified list described in Subsection
580 17-20-1.7(4); and

581 (B) has complied with the recommendation and other requirements of Subsection (7);

582 and

583 (ii) the county executive has approved the claim in accordance with Subsection (8).

584 [(7)] (10) Nothing in this section may be construed to modify the requirements of
585 Section 63G-7-401.

586 Section 24. Section 17-52-401 is amended to read:

587 **17-52-401. Contents of proposed optional plan.**

588 (1) Each optional plan proposed under this chapter:

589 (a) shall propose the adoption of one of the forms of county government listed in
590 Subsection 17-52-402(1)(a);

591 (b) shall contain detailed provisions relating to the transition from the existing form of
592 county government to the form proposed in the optional plan, including provisions relating to
593 the:

594 (i) election or appointment of officers specified in the optional plan for the new form of
595 county government;

596 (ii) retention, elimination, or combining of existing offices and, if an office is
597 eliminated, the division or department of county government responsible for performing the
598 duties of the eliminated office;

599 (iii) continuity of existing ordinances and regulations;

600 (iv) continuation of pending legislative, administrative, or judicial proceedings;

601 (v) making of interim and temporary appointments; and

602 (vi) preparation, approval, and adjustment of necessary budget appropriations;

603 (c) shall specify the date it is to become effective if adopted, which may not be earlier
604 than the first day of January next following the election of officers under the new plan; and

605 (d) notwithstanding any other provision of this title and except with respect to an
606 optional plan that proposes the adoption of the county commission or expanded county
607 commission form of government, with respect to the county budget[: (i) ~~may provide that the~~
608 ~~county auditor's role is to be the budget officer, to project county revenues, and to prepare a~~
609 ~~tentative budget to present to the county executive; and (ii)] shall provide that the county
610 executive's role is to prepare and present a proposed budget to the county legislative body, and
611 the county legislative body's role is to adopt a final budget.~~

612 (2) Subject to Subsection (3), an optional plan may include provisions that are
613 considered necessary or advisable to the effective operation of the proposed optional plan.

614 (3) An optional plan may not include any provision that is inconsistent with or

615 prohibited by the Utah Constitution or any statute.

616 (4) Each optional plan proposing to change the form of government to a form under
617 Section 17-52-504 or 17-52-505 shall:

618 (a) provide for the same executive and legislative officers as are specified in the
619 applicable section for the form of government being proposed by the optional plan;

620 (b) provide for the election of the county council;

621 (c) specify the number of county council members, which shall be an odd number from
622 three to nine;

623 (d) specify whether the members of the county council are to be elected from districts,
624 at large, or by a combination of at large and by district;

625 (e) specify county council members' qualifications and terms and whether the terms are
626 to be staggered;

627 (f) contain procedures for filling vacancies on the county council, consistent with the
628 provisions of Section 20A-1-508; and

629 (g) state the initial compensation, if any, of county council members and procedures for
630 prescribing and changing compensation.

631 (5) Each optional plan proposing to change the form of government to the county
632 commission form under Section 17-52-501 or the expanded county commission form under
633 Section 17-52-502 shall specify:

634 (a) (i) for the county commission form of government, that the county commission
635 shall have three members; or

636 (ii) for the expanded county commission form of government, whether the county
637 commission shall have five or seven members;

638 (b) the terms of office for county commission members and whether the terms are to be
639 staggered;

640 (c) whether members of the county commission are to be elected from districts, at
641 large, or by a combination of at large and from districts; and

642 (d) if any members of the county commission are to be elected from districts, the
643 district residency requirements for those commission members.

644 Section 25. Section **17-53-212** is amended to read:

645 **17-53-212. Examination and audit of accounts.**

646 (1) A county legislative body may examine and audit the accounts of all officers having
647 the care, management, collection, or disbursement of money belonging to the county or
648 appropriated by law or otherwise for its use and benefit.

649 (2) Nothing in this section may be construed to affect a county auditor's authority under
650 Chapter 19a, County Auditor.

651 Section 26. Section **17-53-303** is amended to read:

652 **17-53-303. Examination and audit of accounts.**

653 (1) The county executive may examine and audit the accounts of all officers having the
654 care, management, collection, or disbursement of money belonging to the county or
655 appropriated by law or otherwise for its use and benefit.

656 (2) Nothing in this section may be construed to affect a county auditor's authority under
657 Chapter 19a, County Auditor.

658 Section 27. Section **20A-7-101** is amended to read:

659 **20A-7-101. Definitions.**

660 As used in this chapter:

661 (1) "Budget officer" means:

662 (a) for a county, the person designated as budget officer in Section [~~17-19-19~~]
663 17-9a-204;

664 (b) for a city, the person designated as budget officer in Subsection 10-6-106(5); or

665 (c) for a town, the town council.

666 (2) "Certified" means that the county clerk has acknowledged a signature as being the
667 signature of a registered voter.

668 (3) "Circulation" means the process of submitting an initiative or referendum petition
669 to legal voters for their signature.

670 (4) "Final fiscal impact statement" means a financial statement prepared after voters
671 approve an initiative that contains the information required by Subsection 20A-7-202.5(2) or
672 20A-7-502.5(2).

673 (5) "Initial fiscal impact estimate" means a financial statement prepared according to
674 the terms of Section 20A-7-202.5 or 20A-7-502.5 after the filing of an application for an
675 initiative petition.

676 (6) "Initiative" means a new law proposed for adoption by the public as provided in

677 this chapter.

678 (7) "Initiative packet" means a copy of the initiative petition, a copy of the proposed
679 law, and the signature sheets, all of which have been bound together as a unit.

680 (8) "Legal signatures" means the number of signatures of legal voters that:

681 (a) meet the numerical requirements of this chapter; and

682 (b) have been certified and verified as provided in this chapter.

683 (9) "Legal voter" means a person who:

684 (a) is registered to vote; or

685 (b) becomes registered to vote before the county clerk certifies the signatures on an
686 initiative or referendum petition.

687 (10) "Local attorney" means the county attorney, city attorney, or town attorney in
688 whose jurisdiction a local initiative or referendum petition is circulated.

689 (11) "Local clerk" means the county clerk, city recorder, or town clerk in whose
690 jurisdiction a local initiative or referendum petition is circulated.

691 (12) (a) "Local law" includes an ordinance, resolution, master plan, and any
692 comprehensive zoning regulation adopted by ordinance or resolution.

693 (b) "Local law" does not include an individual property zoning decision.

694 (13) "Local legislative body" means the legislative body of a county, city, or town.

695 (14) "Local obligation law" means a local law passed by the local legislative body
696 regarding the issuance of a bond, note, lease, finance agreement, or other similar obligation.

697 (15) "Measure" means a proposed constitutional amendment, an initiative, or
698 referendum.

699 (16) "Referendum" means a process by which a law passed by the Legislature or by a
700 local legislative body is submitted or referred to the voters for their approval or rejection.

701 (17) "Referendum packet" means a copy of the referendum petition, a copy of the law
702 being submitted or referred to the voters for their approval or rejection, and the signature
703 sheets, all of which have been bound together as a unit.

704 (18) (a) "Signature" means a holographic signature.

705 (b) "Signature" does not mean an electronic signature.

706 (19) "Signature sheets" means sheets in the form required by this chapter that are used
707 to collect signatures in support of an initiative or referendum.

708 (20) "Sponsors" means the legal voters who support the initiative or referendum and
709 who sign the application for petition copies.

710 (21) "Sufficient" means that the signatures submitted in support of an initiative or
711 referendum petition have been certified and verified as required by this chapter.

712 (22) "Verified" means acknowledged by the person circulating the petition as required
713 in Sections 20A-7-205 and 20A-7-305.

714 Section 28. **Repealer.**

715 This bill repeals:

716 Section 17-19-1, **County auditor's powers and duties.**

717 Section 17-19-3, **Payments -- Notification.**

718 Section 17-19-5, **Numbering of payments -- Payments not presented for collection.**

719 Section 17-19-6, **Books to show receipts and disbursements.**

720 Section 17-19-7, **Current accounts with treasurer.**

721 Section 17-19-8, **Administration of oaths -- Subpoena power.**

722 Section 17-19-9, **Books open to inspection.**

723 Section 17-19-12, **Joint statement with treasurer.**

724 Section 17-19-13, **Seal.**

725 Section 17-19-14, **Duties -- Omnibus provision.**

726 Section 17-19-19, **Budget officer -- Departmental revenue and expenditure reports.**

727 Section 17-19-28, **Destruction of fee statements, warrants and claims filed for 10**
728 **years.**

729 Section 17-19-29, **Monthly report to state treasurer.**

730 Section 29. **Effective date.**

731 If approved by two-thirds of all the members elected to each house, this bill takes effect
732 upon approval by the governor, or the day following the constitutional time limit of Utah
733 Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto,
734 the date of veto override.

735 Section 30. **Revisor instructions.**

736 The Legislature intends that the Office of Legislative Research and General Counsel, in
737 preparing the Utah Code database for publication, replace the language in Section 17-19a-201
738 from "the effective date of this bill" with the bill's actual effective date.