

FINANCIAL REPORTING AMENDMENTS

2013 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Steve Eliason

Senate Sponsor: Curtis S. Bramble

LONG TITLE

General Description:

This bill modifies provisions related to political subdivisions to require certification of certain financial reports.

Highlighted Provisions:

This bill:

- ▶ enacts Political Subdivision Financial Reporting Certification, including:
 - defining terms;
 - requiring a specific form of certification of annual financial reports by the chief administrative officer and chief financial officer; and
 - providing for the designation of the chief administrative officer or chief financial officer.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

- 11-50-101**, Utah Code Annotated 1953
- 11-50-102**, Utah Code Annotated 1953
- 11-50-201**, Utah Code Annotated 1953
- 11-50-202**, Utah Code Annotated 1953

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

31 Section 1. Section 11-50-101 is enacted to read:

32 **CHAPTER 50. POLITICAL SUBDIVISION FINANCIAL REPORTING**

33 **CERTIFICATION**

34 **Part 1. General Provisions**

35 **11-50-101. Title.**

36 This chapter is known as "Political Subdivision Financial Reporting Certification."

37 Section 2. Section 11-50-102 is enacted to read:

38 **11-50-102. Definitions.**

39 As used in this chapter:

40 (1) "Annual financial report" means a comprehensive annual financial report or similar
41 financial report required by Section 51-2a-201.

42 (2) "Chief administrative officer" means the chief administrative officer designated in
43 accordance with Section 11-50-202.

44 (3) "Chief financial officer" means the chief financial officer designated in accordance
45 with Section 11-50-202.

46 (4) "Governing body" means:

47 (a) for a county, city, or town, the legislative body of the county, city, or town;

48 (b) for a local district, the board of trustees of the local district;

49 (c) for a school district, the local board of education; or

50 (d) for a special service district under Title 17D, Chapter 1, Special Service District

51 Act:

52 (i) the governing body of the county or municipality that created the special service
53 district, if no administrative control board has been established under Section 17D-1-301; or

54 (ii) the administrative control board, if one has been established under Section
55 17D-1-301.

56 (5) (a) "Political subdivision" means any county, city, town, school district, community
57 development and renewal agency, special improvement or taxing district, local district, special

58 service district, an entity created by an interlocal agreement adopted under Title 11, Chapter 13,
59 Interlocal Cooperation Act, or other governmental subdivision or public corporation.

60 (b) Notwithstanding Subsection (5)(a), "political subdivision" does not mean a project
61 entity, as defined in Section 11-13-103.

62 Section 3. Section **11-50-201** is enacted to read:

63 **Part 2. Certification Required**

64 **11-50-201. Certification by chief administrative officer and chief financial officer**
65 **required.**

66 For an annual financial report of a political subdivision to be considered complete on
67 and after July 1, 2013, the following certifications shall be included with the annual financial
68 report:

69 (1) Under penalty of perjury, I, [officer's name] certify that the [annual financial report]
70 of [political subdivision] for the year ended [date] fairly presents in all material respects the
71 financial condition and results of operations of [political subdivision].

72 [signature], Chief Administrative Officer.

73 (2) Under penalty of perjury, I, [officer's name] certify that the [annual financial report]
74 of [political subdivision] for the year ended [date] fairly presents in all material respects the
75 financial condition and results of operations of [political subdivision].

76 [signature], Chief Financial Officer.

77 Section 4. Section **11-50-202** is enacted to read:

78 **11-50-202. Designating chief administrative officer -- Designating chief financial**
79 **officer.**

80 (1) (a) The chief administrative officer of a political subdivision is:

81 (i) the individual appointed as the chief administrative officer of the political
82 subdivision in accordance with statute; or

83 (ii) if a chief administrative officer is not appointed in accordance with statute, the
84 individual designated as the chief administrative officer by the governing body of the political
85 subdivision.

86 (b) In designating a chief administrative officer under this Subsection (1), the
87 governing body shall designate the individual who holds a managerial or similar position to
88 perform administrative duties or functions for the political subdivision.

89 (2) (a) The chief financial officer of a political subdivision is:

90 (i) the individual appointed as the chief financial officer of the political subdivision in
91 accordance with statute; or

92 (ii) if a chief financial officer is not appointed in accordance with statute, the individual
93 designated as the chief financial officer by the governing body of the political subdivision.

94 (b) In designating a chief financial officer under this Subsection (2), the governing
95 body shall designate the individual who has primary responsibility for preparing the annual
96 financial report.