

Comparison Table: Limited Purpose Local Government Entities and Other Local Entities

	PURPOSE	CREATION PROCESS	GOVERNANCE	FISCAL PROCEDURES & OVERSIGHT	SOURCE OF REVENUE	BONDING	DISSOLUTION PROCESS
Local District Title 17B	Provide up to four services within the district's boundaries. ¹	<ol style="list-style-type: none"> Initiated by petition of property owners <u>OR</u> a resolution adopted by a local government. Public hearing. Resolution indicating whether the local government will provide the service in the proposed local district. 60-day protest period. Election <u>OR</u>, if an election is not required, a local government resolution creating the local district. Certificate of incorporation issued by Lt. Governor. 	<p>Board of Trustees.</p> <ul style="list-style-type: none"> Minimum of three members, always an odd number. Four year term. Appointed by the local government that created the local district <u>OR</u> elected. 	<ul style="list-style-type: none"> Annual budget required.² District's clerk must prepare detailed quarterly financial reports. Annual financial report required to be filed with the state auditor. Annual audit required. 	<ul style="list-style-type: none"> Fees charged for a commodity, service, or facility provided by the district. <ul style="list-style-type: none"> A district may file a lien for past due fees. A lien has same priority as a property tax lien. The past due fee is included on a property tax notice. Property tax levy. <ul style="list-style-type: none"> Except under certain circumstances, levy may not exceed the certified tax rate. Levy is established by resolution of the board of trustees. 	<ul style="list-style-type: none"> Voters must approve a district's general obligation bond. Optional to obtain voter approval for a revenue bond. 	<ol style="list-style-type: none"> Initiation: <ol style="list-style-type: none"> For an inactive local district, initiated by petition <u>OR</u> resolution of the administrative body.³ For an active local district, by signed petition of 100% of district property owners or registered voters. Public hearing. Resolution adopted by administrative body approving the dissolution of the local district.⁴ Certificate of dissolution issued by Lt. Governor.
Special Service District 17D, Chapter 1	Provide any combination of services within the district's boundaries. ⁵	<ol style="list-style-type: none"> Initiated by resolution of a local government <u>OR</u> petition of property owners. Public hearing. Resolution or ordinance adopted by the local government approving the creation of the special service district. Certificate of incorporation issued by Lt. Governor. 	<p>Legislative body of the county or municipality that created the special service district.</p> <ul style="list-style-type: none"> Certain powers and authority may be delegated to an administrative control board. The legislative body determines whether the administrative control board's members are elected, appointed, or a combination. 	<p>Subject to same provisions as a local district.</p>	<ul style="list-style-type: none"> Subject to same fee provisions as a local district. Legislative body that created the special service district may levy a property tax for a district's general obligation bond debt service. 	<ul style="list-style-type: none"> Voters must approve a district's general obligation bond. Optional to obtain voter approval for a revenue bond. Voters must approve the issuance of a guaranteed bond. 	<ol style="list-style-type: none"> The legislative body that created the special service district may approve the dissolution of the district by resolution.⁶ Certificate of dissolution issued by Lt. Governor.

¹ Services include: airport, cemetery, library, park or recreation facility, sewage system, water system, or animal control services; fire protection, paramedic, emergency services; garbage collection/disposal; health care; abatement/control or mosquitos/insets; construction and maintenance of a right-of-way; transportation; acquiring groundwater rights; law enforcement; underground installation of an electric utility line; control/abatement of earth movement/landslide; energy efficient or renewable energy system.

² Budget and audit provisions found in Title 17B, Chapter 1, Part 6, Fiscal Procedures for Local Districts and Title 17B, Chapter 1, Part 7, Local District Budgets and Audit Reports.

³ "Administrative body" means the board of trustees or, the legislative body of the municipality or county (17B-1-1301(2)).

⁴ May not dissolve unless outstanding debt is satisfied, the service is being satisfied by another entity, and outstanding contracts are resolved.

⁵ Services include: water; sewage; drainage; flood control; garbage collection/disposal; health care; transportation; recreation; fire protection; correctional/rehabilitative facilities; street lighting; consolidated 911 and emergency services; animal shelter/control; expending federal mineral lease funds to construct/maintain facilities and planning in order to mitigate impacts from extractive mineral industries; extended police services (counties of the first class only); control/abatement of earth movement/landslide; energy efficiency upgrade or renewable energy system; cemetery.

⁶ A special service district also has the option to withdraw a certain area of the district or reorganize as a local district. Both require an initial resolution by the legislative body of the entity that created the special service district. May not dissolve if there is an outstanding or unpaid bond/obligation or an existing contractual obligation to provide service.

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Assessment Area Title 11, Chapter 42	Financing the costs of constructing, operating, or maintaining improvements or economic promotion activities that benefit property within the assessment area.	<ol style="list-style-type: none"> 1. Local entity holds a public hearing. 2. 60-day protest period. 3. Local entity adopts a resolution or ordinance designating an assessment area. 4. Record a copy of the designation resolution or ordinance with county recorder. 	The governing body of the local entity that created the assessment area appoints a Board of Equalization.	<ul style="list-style-type: none"> • Maintain an assessment fund separate from all other local entity funds and money. • Invest money in an assessment fund according to Title 51, Chapter 7, State Money Management Act. 	<ul style="list-style-type: none"> • Assessments levied on property within the assessment area. • Assessment is billed in the same manner as a property tax and is a lien against the property. • Lien has same priority, but is distinct from, a lien for general property tax. 	<ul style="list-style-type: none"> • Local entity may issue assessment bonds. • An assessment bond is not a general obligation of the local entity. • Local entity must create a guarantee fund or a reserve fund to secure the bonds. 	Property may be deleted from an assessment area, but statute is silent regarding the timeframe or process of formally ending an assessment area.
Community Reinvestment Agency Title 17C	Undertake community development and redevelopment within the boundaries of the county or municipality that created the agency.	<ol style="list-style-type: none"> 1. Ordinance adopted by county or municipality. 2. Certificate of creation issued by Lt. Governor. 	Legislative body of the county/municipality that created the agency serves as the agency's board.	<ul style="list-style-type: none"> • Annual budget required to be adopted by board. • Annual report required to county auditor, Tax Commission, and each taxing entity. • Annual audit report required.⁷ 	<ul style="list-style-type: none"> • A negotiated portion of a taxing entity's property tax increment from property within the boundaries of an adopted project area. • A negotiated portion of a taxing entity's sales and use tax revenue. 	<ul style="list-style-type: none"> • Board must adopt a resolution authorizing a bond issuance. • Payment of bonds from agency revenue (property tax increment, sales and use tax revenue, other revenue received by the agency). 	<ol style="list-style-type: none"> 1. Ordinance adopted by county or municipality approving the dissolution of the agency. 2. Certificate of dissolution issued by Lt. Governor.
Interlocal Entity Title 11, Chapter 13	Accomplish the purpose of the public agencies' joint or cooperative action, including undertaking and financing a facility or improvement to provide service contemplated by an agreement between two or more local entities.	<ol style="list-style-type: none"> 1. Public agencies execute an agreement to create an interlocal entity. 2. Record agreement with public agencies' Recorders. 3. Certificate of creation issued by Lt. Governor. 	Governing board as established in the interlocal agreement.	<ul style="list-style-type: none"> • Establish and maintain the entity's accounting records and financial statements according to generally accepted accounting principles. • Annual budget required. • Governing board to receive quarterly financial report. • Annual financial report required; must file copies with the state auditor.⁸ 	<ul style="list-style-type: none"> • Fees for service. • Shared taxes and other revenues from the public agencies that are parties to the agreement. 	May issue bonds in accordance with: <ul style="list-style-type: none"> • Chapter 14, Local Government Bonding Act. • Chapter 27, Utah Refunding Bond Act. 	The interlocal entity may remain in existence as long as the interlocal agreement provides for, not to exceed 50 years.

⁷ Agencies must comply with Title 51, Chapter 2a, Accounting Reports from Political Subdivisions, Interlocal Organizations, and Other Local Entities Act.

⁸ Interlocal entity must comply with Title 51, Chapter 2a, Accounting Reports from Political Subdivisions, Interlocal Organizations, and Other Local Entities Act.

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Conservation District Title 17D, Chapter 3	Survey, investigate, prevent, and research soil erosion, floodwater, nonpoint source water pollution, flood control, water pollution, sediment damage, and watershed development. ⁹	<ol style="list-style-type: none"> 1. Initiated by a petition filed by 25 or more land occupiers residing within the proposed district. 2. Commission¹⁰ holds a public hearing. 3. Certificate of creation issued by Lt. Governor. 	Board of supervisors. <ul style="list-style-type: none"> • Elected to four year term. • Nominated by petition through a nominating committee. 	Subject to same provisions as a local district.	<ul style="list-style-type: none"> • Subject to same fee provisions as a local district. • Funding from federal, state, local, and private sources. 	No expressed bonding authority in statute.	District may be dissolved by the Commission.
Local Building Authority Title 17D, Chapter 2	Finance costs of constructing, acquiring, or improving projects on behalf of a local entity.	Governing body of a local entity creates the authority as a nonprofit corporation in accordance with Title 16, Chapter 6a, Utah Revised Nonprofit Corporation Act.	The governing body that created the authority serves as the board.	Subject to Title 17B, Chapter 1, Part 6, Fiscal Procedures for Local Districts.	No statutory authority to generate revenue from fees or property tax. The authority uses lease payments from the creating local entity to make payments on any bonds.	<ul style="list-style-type: none"> • Authority may issue bonds if approved by the local entity's governing body. • Authority must give public notice of intent to issue bonds and, if a petition is submitted by 20% of active voters, the bond question shall be put to the voters at an election. • Bonds payable solely from payments received under a lease agreement with the creating local entity for the project that was financed by the bonds. 	The governing body that created the authority may dissolve the nonprofit corporation in accordance with Title 16, Chapter 6a, Utah Revised Nonprofit Corporation Act. ¹¹

⁹ Other statutory purposes include: conserve, develop, utilize, or dispose of water on state or private land; construct, improve, operate, and maintain a structure for the conservation district to carry out its purposes; acquire property by purchase or otherwise, and maintain, improve, and administer that property consistent with purposes of the district, and; make recommendations regarding land use within the conservation district.

¹⁰ "Commission" means the Conservation District created by the Department of Agriculture and Food.

¹¹ The authority may not be dissolved unless all outstanding debt is satisfied.