

## **Chapter 5**

### **Uniform Fiscal Procedures Act for Utah Towns**

#### **10-5-101 Short title.**

This chapter shall be known and may be cited as the "Uniform Fiscal Procedures Act for Utah Towns."

Enacted by Chapter 34, 1983 General Session

#### **10-5-102 Applicability.**

This chapter applies to all towns.

Amended by Chapter 438, 2024 General Session

#### **10-5-102.5 Definitions.**

As used in this chapter:

- (1) "Enterprise fund" means a fund as defined by the Governmental Accounting Standards Board that is used by a municipality to report an activity for which a fee is charged to users for goods or services.
- (2) "Fund" is as defined by the Governmental Accounting Standards Board as reflected in the Uniform Accounting Manual for All Local Governments prepared by the Office of the Utah State Auditor.
- (3) "General fund" is as defined by the Governmental Accounting Standards Board as reflected in the Uniform Accounting Manual for All Local Governments prepared by the Office of the Utah State Auditor.
- (4) "Interfund loan" means a loan of cash from one fund to another, subject to future repayment.
- (5) "Town general fund" means the general fund used by a town.
- (6) "Utility" means a utility owned by a town, in whole or in part, that provides electricity, gas, water, or sewer, or any combination of them.

Enacted by Chapter 176, 2014 General Session

Enacted by Chapter 253, 2014 General Session

Amended by Chapter 253, 2014 General Session, (Coordination Clause)

Enacted by Chapter 377, 2014 General Session

#### **10-5-103 Withholding state money of town failing to file budget.**

The state auditor is authorized to withhold state money allocated to a town if that town fails to file a copy of a formally adopted budget or fails to comply with the annual financial reporting and independent auditing requirements of this chapter. Such money may not be withheld if the town substantially complies with the requirements of this chapter.

Amended by Chapter 378, 2010 General Session

#### **10-5-104 Fiscal year.**

The fiscal year of all towns shall begin July 1 of each year and shall end June 30 of the following year.

Enacted by Chapter 34, 1983 General Session

**10-5-105 Revenue and expenditure records.**

Towns shall record their revenues and expenditures according to current generally accepted accounting principles prescribed by the state auditor.

Enacted by Chapter 34, 1983 General Session

**10-5-106 Funds for which budget prepared.**

The mayor shall prepare for each budget year a budget for:

- (1) the town general fund, including state allocated road funds;
- (2) special revenue funds;
- (3) debt service funds;
- (4) capital improvement funds; and
- (5) enterprise funds.

Amended by Chapter 176, 2014 General Session

**10-5-107 Tentative budgets required for public inspection -- Contents -- Adoption of tentative budget.**

- (1)
  - (a) On or before the first regularly scheduled town council meeting of May, the mayor shall:
    - (i) in accordance with Subsection (1)(b), prepare for the ensuing year a tentative budget for each fund for which a budget is required;
    - (ii) make the tentative budget available for public inspection; and
    - (iii) submit the tentative budget to the town council.
  - (b) The tentative budget for each fund shall set forth in tabular form:
    - (i) actual revenues and expenditures in the last completed fiscal year;
    - (ii) estimated total revenues and expenditures for the current fiscal year; and
    - (iii) the mayor's estimates of revenues and expenditures for the budget year.
- (2)
  - (a) The mayor shall:
    - (i) estimate the amount of revenue available to serve the needs of each fund;
    - (ii) estimate the portion to be derived from all sources other than general property taxes; and
    - (iii) estimate the portion that shall be derived from general property taxes.
  - (b) From the estimates required by Subsection (2)(a), the mayor shall compute and disclose in the budget the lowest rate of property tax levy that will raise the required amount of revenue, calculating the levy on the latest taxable value.
- (3)
  - (a) Before the public hearing required under Section 10-5-108, the town council:
    - (i) shall review, consider, and tentatively adopt the tentative budget in any regular meeting or special meeting called for that purpose; and
    - (ii) may amend or revise the tentative budget.
  - (b) At the meeting at which the town council adopts the tentative budget, the council shall establish the time and place of the public hearing required under Section 10-5-108.

Amended by Chapter 71, 2017 General Session

Amended by Chapter 193, 2017 General Session

**10-5-107.5 Transfer of enterprise fund money to another fund -- Notice.**

- (1) As used in this section:
  - (a) "Budget hearing" means a public hearing required under Section 10-5-108.
  - (b) "Enterprise fund accounting data" means a detailed overview of the various enterprise funds of the town that includes:
    - (i) a cost accounting breakdown of how money in the enterprise fund is being used to cover, as applicable:
      - (A) administrative and overhead costs of the town attributable to the operation of the enterprise for which the enterprise fund was created; and
      - (B) other costs not associated with the enterprise for which the enterprise fund was created; and
    - (ii) specific enterprise fund information.
  - (c) "Enterprise fund hearing" means the public hearing required under Subsection (3)(d).
  - (d) "Specific enterprise fund information" means:
    - (i) the dollar amount of transfers from an enterprise fund to another fund; and
    - (ii) the percentage of the total enterprise fund expenditures represented by each transfer to another fund.
- (2) Subject to the requirements of this section, a town may transfer money in an enterprise fund to another fund to pay for a good, service, project, venture, or other purpose that is not directly related to the goods or services provided by the enterprise for which the enterprise fund was created.
- (3) The governing body of a town that intends to transfer money in an enterprise fund to another fund shall:
  - (a) provide notice of the intended transfer as required under Subsection (4);
  - (b) clearly identify in a separate section or document accompanying the town's tentative budget or, if an amendment to the town's budget includes or is based on an intended transfer, in a separate section or document accompanying the amendment to the town's budget:
    - (i) the enterprise fund from which money is intended to be transferred; and
    - (ii) the specific enterprise fund information for that enterprise fund;
  - (c) provide notice of an enterprise fund hearing, as required in Subsection (4); and
  - (d) hold an enterprise fund hearing before the adoption of the town's budget or, if applicable, the amendment to the budget.
- (4)
  - (a) At least seven days before holding an enterprise fund hearing, a governing body shall provide the notice described in Subsection (4)(b) for the town, as a class B notice under Section 63G-30-102.
  - (b) The notice required under Subsection (4)(a) shall:
    - (i) explain the intended transfer of enterprise fund money to another fund;
    - (ii) include specific enterprise fund information for each enterprise fund from which money is intended to be transferred;
    - (iii) provide the date, time, and place of the enterprise fund hearing; and
    - (iv) explain the purpose of the enterprise fund hearing.
- (5)
  - (a) An enterprise fund hearing shall be separate and independent from a budget hearing and any other public hearing.
  - (b) At an enterprise fund hearing, the governing body shall:
    - (i) explain the intended transfer of enterprise fund money to another fund;

- (ii) provide enterprise fund accounting data to the public; and
  - (iii) allow members of the public in attendance at the hearing to comment on:
    - (A) the intended transfer of enterprise fund money to another fund; and
    - (B) the enterprise fund accounting data.
- (6)
  - (a) If a governing body adopts a budget or a budget amendment that includes or is based on a transfer of money from an enterprise fund to another fund, the governing body shall:
    - (i) within 60 days after adopting the budget or budget amendment:
      - (A) mail a notice to users of the goods or services provided by the enterprise for which the enterprise fund was created, if the town regularly mails users a periodic billing for the goods or services; and
      - (B) email a notice to users of the goods or services provided by the enterprise for which the enterprise fund was created, if the town regularly emails users a periodic billing for the goods or services;
    - (ii) within seven days after adopting the budget or budget amendment:
      - (A) post enterprise fund accounting data on the town's website, if the town has a website;
      - (B) using the town's social media platform, publish notice of the adoption of a budget or budget amendment that includes or is based on a transfer of money from an enterprise fund to another fund, if the town communicates with the public through a social media platform; and
    - (iii) within 30 days after adopting the budget, submit to the state auditor the specific enterprise fund information for each enterprise fund from which money will be transferred.
  - (b) A notice required under Subsection (6)(a)(i) shall:
    - (i) announce the adoption of a budget or budget amendment that includes or is based on a transfer of money from an enterprise fund to another fund; and
    - (ii) include the specific enterprise fund information.
  - (c) The governing body shall maintain the website posting required under Subsection (6)(a)(ii)(A) continuously until another posting is required under Subsection (4)(a).

Amended by Chapter 435, 2023 General Session

**10-5-108 Budget hearing -- Notice -- Adjustments.**

- (1) Prior to the adoption of the final budget or an amendment to a budget, a town council shall hold a public hearing to receive public comment.
- (2) The town council shall provide notice of the place, purpose, and time of the public hearing by providing notice for the town, as a class A notice under Section 63G-30-102, for at least seven days before the hearing.
- (3) After the hearing, the town council, subject to Section 10-5-110, may adjust expenditures and revenues in conformity with this chapter.

Amended by Chapter 438, 2024 General Session

**10-5-109 Adoption of budgets -- Filing.**

- (1) Before June 30 of each year, or September 1 in the case of a property tax increase under Sections 59-2-919 through 59-2-923, the council shall by resolution or ordinance adopt a budget for the ensuing fiscal year for each fund for which a budget is required under this chapter.

- (2) The council shall file a copy of the final budget for each fund with the state auditor within 30 days after adoption.

Amended by Chapter 322, 2019 General Session

**10-5-110 Budgets effective for year -- Amendment -- Public access.**

On final adoption, each budget shall be in effect for the budget year, subject to later amendment. A copy of each adopted budget shall be available to the public during regular business hours.

Enacted by Chapter 34, 1983 General Session

**10-5-111 Basis for property tax levy.**

From the effective date of the budget or of any amendment enacted prior to the date on which property taxes are levied, the amount stated therein as the amount of estimated revenue from property taxes shall constitute the basis for determining the property tax levy to be set by the council for the corresponding tax year, subject to the applicable limitations imposed by law.

Enacted by Chapter 34, 1983 General Session

**10-5-112 Property tax levy set by ordinance -- Maximum -- Certification.**

- (1) Not later than June 22 of each year, or September 1 in the case of a property tax increase under Sections 59-2-919 through 59-2-923, the council, at a regular meeting or special meeting called for that purpose, shall by ordinance or resolution set the real and personal property tax levy for town purposes, but the levy may be set at an appropriate later date with the approval of the State Tax Commission.
- (2) The combined levies for each town, for all purposes in any year, excluding the retirement of general obligation bonds and the payment of any interest, and taxes expressly authorized by law to be levied in addition, may not exceed .007 per dollar of taxable value of taxable property.
- (3) The town clerk shall certify the ordinance or resolution setting the levy to the county auditor, or auditors, if the town is located in more than one county, not later than June 22 of each year.
- (4) For the first fiscal year after the year in which a county imposes a levy under Section 11-46-104, a town shall reduce the levy imposed under this section for general tax purposes by the amount necessary to offset the revenue described in Subsection 11-46-104(5)(c)(iii).

Amended by Chapter 434, 2021 General Session

**10-5-112.4 Property taxes levied for specified services -- Special revenue fund -- Limitations on expenditures.**

- (1) A town may account separately for the revenues derived from a property tax, that is lawfully levied for a specific purpose, in accordance with this section.
- (2) To levy a property tax under this section, the legislative body of the town that levies the property tax shall indicate through ordinance:
  - (a) that the town levies the tax under this section; and
  - (b) the specific service for which the town levies the tax.
- (3) A property tax levied under this section is subject to the maximum rate a town may levy for property taxes under Section 10-5-112.
- (4)

- (a) A town that collects a property tax under this section shall:
  - (i) create a special revenue fund to hold the revenues collected under this section; and
  - (ii) deposit revenues collected from that tax into the special revenue fund described in Subsection (4)(a)(i).
- (b) A town may only expend revenues from a special revenue fund described in Subsection (4)(a) for a purpose that is solely related to the provision of the service described in Subsection (2)(b) for which the town created the special revenue fund.
- (5) Except as provided in Subsections (2) and (4), a town that levies a property tax under this section shall:
  - (a) levy and collect the tax in accordance with Title 59, Chapter 2, Property Tax Act;
  - (b) account for revenues derived from the tax in accordance with this chapter; and
  - (c) levy and collect and account for revenues derived from the tax in the same general manner as for the town's other property taxes.

Enacted by Chapter 301, 2019 General Session

**10-5-112.5 Property tax levy for culinary water, wastewater treatment, hospitals, and recreational facilities.**

- (1) A town may levy a property tax for a purpose described in this section.
- (2)
  - (a) A town that is not in an improvement district created to establish and maintain a wastewater collection, treatment, or disposal system or a system for the supply, treatment, or distribution of water under Title 17B, Chapter 2a, Part 4, Improvement District Act, may levy a tax annually not to exceed .0008 per dollar of taxable value of taxable property in the town.
  - (b) The town shall place revenue raised by the levy described in Subsection (2)(a) in a special fund and may only use the revenue to:
    - (i) finance the construction of facilities to purify the town's drinking water; or
    - (ii) construct facilities to treat and dispose of the town's wastewater.
  - (c) The town may accumulate from year to year and reserve in the special fund described in Subsection (2)(b) the revenue collected through the levy described in this Subsection (2).
  - (d) The town shall make and collect the levy described in this Subsection (2) in the same manner as the town levies and collects other property taxes.
- (3) A town may levy a tax not exceeding .001 per dollar of taxable value of taxable property to own or operate a hospital under Section 10-8-90.
- (4) The governing body of a town may, under Section 11-2-7, annually appropriate and cause to be raised by taxation, money to cover an expense described in Section 11-2-7 for the provision of recreational facilities or other services described in Title 11, Chapter 2, Playgrounds.

Enacted by Chapter 301, 2019 General Session

**10-5-113 Accumulation of retained earnings or fund balance -- Limit as to general fund -- Reserve for capital improvements.**

- (1) A town may accumulate retained earnings or fund balances, as appropriate, in any fund.
- (2) The accumulation of a fund balance in the town general fund may not exceed 100% of the total revenue of the town general fund for the current fiscal period.
- (3)
  - (a) The town council may, in a budget year, appropriate from estimated revenue or excess fund balance in the town general fund to a reserve for capital improvements:

- (i) for the purpose of financing future specified capital improvements; and
- (ii) in accordance with a formal long-range capital plan adopted by the governing body.
- (b) The reserves described in Subsection (3)(a) may accumulate from year to year in a capital improvements fund until the accumulated total is sufficient to permit economical expenditure for the specified purposes.

Amended by Chapter 52, 2021 General Session

**10-5-114 Appropriations limited to estimated revenue.**

- (1) The council may not make any appropriation in the final budget of any fund in excess of the estimated expendable revenue for the budget year of such fund.
- (2) If there is a deficit fund balance in a fund at the close of the last completed fiscal year, the council shall include an item of appropriation for the deficit in the current budget of the fund equal to:
  - (a) at least 5% of the total revenue of the fund in the last completed fiscal year; or
  - (b) if the deficit is equal to less than 5% of the total revenue of the fund in the last completed fiscal year, the entire amount of the deficit.

Amended by Chapter 353, 2016 General Session

**10-5-115 Expenditures limited to appropriations -- Obligations in excess invalid -- Processing claims required.**

Town officers may not make or incur expenditures or encumbrances in excess of total appropriations for any department in the budget as adopted or as subsequently amended. Any obligation contracted by any such officer may not be or become valid or enforceable against the town. No check or warrant to cover any claim against any appropriation shall be drawn until the claim has been processed as provided by this chapter.

Amended by Chapter 378, 2010 General Session

**10-5-116 Transfer of unencumbered appropriation balance.**

The council may reduce or transfer any unencumbered or unexpended appropriation balance or portion thereof from one department in a fund to another within the same fund, but no appropriation for debt retirement and interest, reduction of deficit, or other appropriation required by law or ordinance shall be reduced below the minimums required.

Enacted by Chapter 34, 1983 General Session

**10-5-117 Increasing budget total of fund.**

Except for enterprise funds, which may be increased without a public hearing, the council may increase the budget total of one or more of these funds by following the procedures set forth in Section 10-5-108.

Amended by Chapter 181, 1986 General Session

**10-5-118 Emergency expenditures.**

- (1) If the town council determines that an emergency exists, such as widespread damage from fire, flood, or earthquake, and that the emergency necessitates the expenditure of money in excess

of the budget of the town general fund, the council may amend the budget and authorize expenditures that are reasonably necessary to meet the emergency.

- (2) Except to the extent provided for in Title 53, Chapter 2a, Part 6, Disaster Recovery Funding Act, a town council may not expend money in the town's local fund for an emergency, if the town creates a local fund under Title 53, Chapter 2a, Part 6, Disaster Recovery Funding Act.

Amended by Chapter 176, 2014 General Session

**10-5-119 Special fund balance -- Disposition when fund no longer required.**

If the purpose for which a special fund was created no longer exists, and a balance remains in the fund, the town council shall authorize the transfer of the balance to the fund balance account in the town general fund, subject to all of the following:

- (1) Any balance remaining in a special assessment fund and any unrequired balance in the town's special improvements guaranty fund shall be treated in the manner provided in Sections 11-42-413 and 11-42-701.
- (2) Any balance remaining in a capital improvements or capital projects fund shall be transferred to:
- (a) the appropriate debt service fund or other fund as required by the bond ordinance; or
  - (b) to the fund balance account in the town general fund.
- (3)
- (a) If the town council proposes to transfer a balance held in a trust fund for a specific purpose, other than a cemetery perpetual care trust fund, because the trust fund's original purpose or restriction has ceased to exist, the town council shall hold a public hearing in accordance with Sections 10-5-108 and 10-5-109.
  - (b) In addition to the notice requirements of Section 10-5-108, the published notice shall invite original contributors who contributed to the fund to appear at the hearing.
  - (c)
    - (i) If the town council determines that the fund balance amounts are refundable to the original fund contributors, the original contributors shall have 30 days after the day on which the hearing in Subsection (3)(a) is held to file with the council a verified claim only for the amount of each original contributor's contribution.
    - (ii) Any claim not filed in accordance with this section is invalid and barred.
  - (d) Any balance remaining, after refunds to eligible original contributors, shall be transferred to the fund balance account in the town general fund.
- (4)
- (a) If the town council decides, in accordance with applicable laws and ordinances, that the need for continued maintenance of its cemetery perpetual care trust fund no longer exists, the council may, subject to Subsection (4)(b), transfer the balance in the cemetery perpetual care trust fund to the capital improvements fund.
  - (b) The balance transferred from the cemetery perpetual care trust fund to the capital improvements fund shall be used for cemetery purposes only, including land, buildings, or major improvements.

Amended by Chapter 176, 2014 General Session

**10-5-120 Loans between funds -- Bonds purchased by funds.**

- (1) Subject to this section, restrictions imposed by bond ordinance, or other controlling regulations, the town council may:



- (a) subject to the restrictions in Section 53-2a-605, authorize an interfund loan from one fund to another; and
  - (b) with available cash in any fund, purchase or otherwise acquire for investment an unmatured bond of the town or of any fund of the town.
- (2) An interfund loan under Subsection (1)(a) shall be in writing and specify the terms and conditions of the loan, including the:
- (a) effective date of the loan;
  - (b) name of the fund loaning the money;
  - (c) name of the fund receiving the money;
  - (d) amount of the loan;
  - (e) subject to Subsection (3), term of and repayment schedule for the loan;
  - (f) subject to Subsection (4), interest rate of the loan;
  - (g) method of calculating interest applicable to the loan;
  - (h) procedures for:
    - (i) applying interest to the loan; and
    - (ii) paying interest on the loan; and
  - (i) other terms and conditions the town council determines applicable.
- (3) The term and repayment schedule specified under Subsection (2)(e) may not exceed 10 years.
- (4)
- (a) In determining the interest rate of the loan specified under Subsection (2)(f), the town council shall apply an interest rate that reflects the rate of potential gain had the funds been deposited or invested in a comparable investment.
  - (b) Notwithstanding Subsection (4)(a), the interest rate of the loan specified under Subsection (2)(f):
    - (i) if the term of the loan under Subsection (2)(e) is one year or less, may not be less than the rate offered by the Public Treasurers' Investment Fund as defined in Section 51-7-3; or
    - (ii) if the term of the loan under Subsection (2)(e) is more than one year, may not be less than the greater of the rate offered by:
      - (A) the Public Treasurers' Investment Fund as defined in Section 51-7-3; or
      - (B) a United States Treasury note of a comparable term.
- (5)
- (a) For an interfund loan under Subsection (1)(a), the town council shall:
    - (i) hold a public hearing;
    - (ii) prepare a written notice of the date, time, place, and purpose of the hearing, and the proposed terms and conditions of the interfund loan under Subsection (2);
    - (iii) provide notice of the public hearing in the same manner as required under Subsection 10-5-108(2) as if the hearing were a budget hearing; and
    - (iv) authorize the interfund loan by ordinance or resolution in a public meeting.
  - (b) The notice and hearing requirements in Subsection (5)(a) are satisfied if the interfund loan is included in an original budget or in a subsequent budget amendment previously approved by the town council for the current fiscal year.
- (6) Subsections (2) through (5) do not apply to an interfund loan if the interfund loan is:
- (a) a loan from the town general fund to any other fund of the town; or
  - (b) a short-term advance from the town's cash and investment pool to individual funds that are repaid by the end of the fiscal year.

Amended by Chapter 387, 2024 General Session

**10-5-121 Records of council proceedings -- Clerk's records as evidence.**

The town clerk shall attend the meetings and keep the record of the proceedings of the council. Copies of all papers filed in the clerk's office and transcripts from all records of the council, if certified by the clerk under the town seal are admissible in all courts as originals.

Enacted by Chapter 34, 1983 General Session

**10-5-122 Signing and record of contracts by clerk.**

The town clerk shall countersign all contracts made on behalf of the town and shall maintain an indexed record of all such contracts.

Enacted by Chapter 34, 1983 General Session

**10-5-123 Fund records maintained -- Pre-audit of claims and demands -- Certifications on check copy -- Bids received and advertisement records -- Time for keeping.**

- (1) Except to the extent that the town clerk's financial duties and responsibilities are performed by a director of finance appointed pursuant to a resolution or ordinance adopted under Subsection 10-6-157(1), the town clerk shall:
- (a) maintain the general books for each fund of the town and all subsidiary records relating to each fund, including a list of the outstanding bonds, their purpose, amount, terms, date, and place payable; and
  - (b)
    - (i) pre-audit each claim and demand against the town before it is allowed;
    - (ii) prepare the necessary check in payment of the claim or demand; and
    - (iii) certify on the check copy that:
      - (A) the claim or demand has been pre-audited and documented;
      - (B) the claim or demand has been directly approved by the council;
      - (C) the claim or demand is within the lawful debt limit of the town; and
      - (D) the claim or demand does not overexpend the appropriate departmental budget established by the legislative body.
- (2) If a town is required by law to receive bids for purchases, construction, repairs, or any other purpose requiring the expenditure of funds, the town shall keep on file all bids received, together with proof of advertisement by publication or otherwise, for:
- (a) at least three years following the letting of any contract pursuant to those bids; or
  - (b) three years following the first advertisement for the bids, if all bids pursuant to that advertisement are rejected.

Amended by Chapter 375, 2010 General Session

**10-5-124 Warrants tendered for claims.**

If the town is without funds on deposit in one of its appropriate bank accounts with which to pay any lawfully approved claim, the town clerk may draw and sign a warrant on the treasurer of the town for payment of the claim, the warrant to be tendered to the payee named thereon.

Enacted by Chapter 34, 1983 General Session

**10-5-125 Treasurer -- Duties.**

- (1) The town treasurer is custodian of all money, bonds, or other securities of the town.

(2) The town treasurer shall:

- (a) determine the cash requirements of the town and provide for the investment of all money by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act;
- (b) receive all money payable to the town, within three business days after collection, including all taxes, licenses, fines, and intergovernmental revenue;
- (c) keep an accurate detailed account of all money received under Subsection (2)(b) in the manner provided in this chapter and as directed by the town council by ordinance or resolution; and
- (d) collect all special taxes and assessments as provided by law and ordinance.

Amended by Chapter 285, 1992 General Session

**10-5-126 Receipts for payments to town -- Filing copies.**

The town treasurer shall give or cause to be given to every person paying money to the town treasury, a receipt or other evidence of payment therefor, specifying, as appropriate, the date of payment and on which account the payment was made and shall file the duplicate of the receipt, a summary report, or other evidence of payment in the office of the clerk.

Enacted by Chapter 34, 1983 General Session

**10-5-127 Signing of checks -- Determination of sufficiency of account.**

- (1) The town treasurer, or in his absence a deputy treasurer appointed by the council, shall sign all checks prepared by the town clerk.
- (2) Prior to affixing the signature, the treasurer or deputy treasurer shall determine that a sufficient amount is on deposit in the appropriate bank account of the town to honor the check.
- (3) The council may also designate any town officer to countersign checks.

Amended by Chapter 354, 2025 General Session

**10-5-128 Deposit of town funds -- Commingling with personal funds prohibited -- Suspension from office for unauthorized use or profit from town funds.**

- (1) The treasurer shall promptly deposit all town funds in the appropriate bank accounts of the town.
- (2) It shall be unlawful for any person to commingle town funds with his or her own money.
- (3) Whenever it shall appear that the treasurer or any officer is making profit out of public money, or is using the same for any purpose not authorized by law, such treasurer or officer shall be suspended from office.

Amended by Chapter 354, 2025 General Session

**10-5-129 Annual financial report.**

- (1) The town clerk or other designated person shall prepare and present to the council:
  - (a)
    - (i) a quarterly financial report; or
    - (ii) upon request by the council, a financial report more frequently than each quarter; and
  - (b) an annual financial report within 180 days after the close of each fiscal year.

- (2) The requirement described in Subsection (1)(b) may be satisfied by an audit report or annual financial report of an independent auditor.

Amended by Chapter 353, 2016 General Session

**10-5-131 Uniform accounting and reporting procedures -- Forms -- Instructions.**

The state auditor, with the concurrence of the town fiscal committee, shall:

- (1) prescribe uniform accounting and reporting procedures for towns, in conformity with generally accepted accounting principles;
- (2) conduct a continuing review and modification of the procedures to improve them;
- (3) prepare and supply each town with suitable budget and reporting forms; and
- (4) prepare instructional materials, conduct training programs and render other services considered necessary to assist towns in implementing the uniform accounting, budgeting, and reporting procedures.

Amended by Chapter 30, 1992 General Session