

**Effective 5/12/2015**

**Part 5**  
**Fiscal Procedures for Interlocal Entities**

**11-13-501 Definitions.**

As used in this part:

- (1) "Appropriation" means an allocation of money by the governing board in a budget for a specific purpose.
- (2) "Budget" means a plan of financial operations for a fiscal year that embodies estimates of proposed expenditures for given purposes and the proposed means of financing them, and may refer to the budget of a particular fund for which a budget is required by law or may refer collectively to the budgets for all required funds.
- (3) "Budget officer" means the person appointed by an interlocal entity governing board to prepare the budget for the interlocal entity.
- (4) "Budget year" means the fiscal year for which a budget is prepared.
- (5) "Calendar year entity" means an interlocal entity whose fiscal year begins January 1 and ends December 31 of each calendar year as described in Section 11-13-503.
- (6) "Current year" means the fiscal year in which a budget is prepared and adopted, and which is the fiscal year immediately preceding the budget year.
- (7) "Deficit" means the occurrence when expenditures exceed revenues.
- (8) "Enterprise fund" has the meaning provided in generally accepted accounting principles.
- (9) "Estimated revenue" means the amount of revenue estimated to be received from all sources during the budget year in each fund for which a budget is being prepared.
- (10) "Fiscal year" means the annual period for accounting for fiscal operations in an interlocal entity.
- (11) "Fiscal year entity" means an interlocal entity whose fiscal year begins July 1 of each year and ends on June 30 of the following year as described in Section 11-13-503.
- (12) "Fund" has the meaning provided in generally accepted accounting principles.
- (13) "Fund balance" has the meaning provided in generally accepted accounting principles.
- (14) "General fund" has the meaning provided in generally accepted accounting principles.
- (15) "Generally accepted accounting principles" means the accounting principles and standards promulgated from time to time by authoritative bodies in the United States.
- (16) "Governmental fund" has the meaning provided in generally accepted accounting principles.
- (17) "Interfund loan" means a transfer of assets from one fund to another, subject to future repayment.
- (18) "Interlocal entity general fund" means the general fund of an interlocal entity.
- (19) "Internal service funds" has the meaning provided in generally accepted accounting principles.
- (20) "Last completed fiscal year" means the fiscal year immediately preceding the current fiscal year.
- (21) "Proprietary fund" means enterprise funds and the internal service funds of an interlocal entity.
- (22) "Public funds" means any money or payment collected or received by an interlocal entity, including money or payment for services or goods provided by the interlocal entity.
- (23) "Retained earnings" has the meaning provided in generally accepted accounting principles.
- (24) "Special fund" means an interlocal entity fund other than the interlocal entity general fund.

Enacted by Chapter 265, 2015 General Session

**11-13-502 Application -- Conflicts with federal law -- Other applicable law.**

- (1) This part does not apply to a taxed interlocal entity as defined in Section 11-13-602.
- (2) Except as provided in Subsection (1), and notwithstanding any other provision of law, this part governs an interlocal entity's fiscal procedures but only to the extent that the provision does not conflict with or cause an interlocal entity to be noncompliant with federal law.
- (3) An interlocal entity is subject to Title 51, Chapter 7, State Money Management Act.

Amended by Chapter 382, 2016 General Session

**11-13-503 Fiscal year.**

The fiscal year of an interlocal entity shall be, as determined by the governing board:

- (1) the calendar year; or
- (2) the period from July 1 to the following June 30.

Enacted by Chapter 265, 2015 General Session

**11-13-504 Uniform accounting system.**

An interlocal entity shall:

- (1) establish and maintain the interlocal entity's accounting records, and financial statements prepared from those records, as required by generally accepted accounting principles; and
- (2) adopt and implement internal accounting controls in light of the needs and resources of the interlocal entity.

Enacted by Chapter 265, 2015 General Session

**11-13-505 Funds and account groups maintained.**

An interlocal entity shall establish and maintain, according to its own accounting needs, some or all of the funds and account groups in its system of accounts, as required by generally accepted accounting principles.

Enacted by Chapter 265, 2015 General Session

**11-13-506 Budget required for certain funds -- Capital projects fund.**

- (1) The budget officer shall prepare for each budget year a budget, subject to Section 11-13-507, for each of the following funds, to the extent applicable:

- (a) the general fund;
- (b) each special revenue fund, as that term is used in generally accepted accounting principles;
- (c) each debt service fund, as that term is used in generally accepted accounting principles;
- (d) each capital projects fund, as that term is used in generally accepted accounting principles;
- (e) each proprietary fund in accordance with Section 11-13-524; and
- (f) if the interlocal entity has a local fund, as defined in Section 53-2a-602, the local fund.

- (2)
  - (a) A major capital improvement financed by general obligation bonds, capital grants, or interfund transfers shall use a capital projects fund budget unless the improvement financed is to be used for proprietary type activities.
  - (b) The interlocal entity shall prepare a separate budget for the term of a capital improvement described in Subsection (2)(a) as well as the annual budget required under Subsection (1).

Enacted by Chapter 265, 2015 General Session

**11-13-507 Total of revenues to equal expenditures.**

- (1) The budget under Section 11-13-506 shall provide a financial plan for the budget year.
- (2) Each budget shall specify in tabular form:
  - (a) estimates of all anticipated revenues; and
  - (b) all appropriations for expenditures.
- (3) The total of the anticipated revenues shall equal the total of appropriated expenditures.

Enacted by Chapter 265, 2015 General Session

**11-13-508 Tentative budget to be prepared -- Review by governing body.**

- (1) On or before the first regularly scheduled meeting of the governing board in November for a calendar year entity and May for a fiscal year entity, the budget officer of an interlocal entity shall prepare for the ensuing year and file with the governing board a tentative budget for each fund for which a budget is required.
- (2)
  - (a) Each tentative budget under Subsection (1) shall provide in tabular form:
    - (i) actual revenues and expenditures for the last completed fiscal year;
    - (ii) estimated total revenues and expenditures for the current fiscal year; and
    - (iii) the budget officer's estimates of revenues and expenditures for the budget year.
  - (b) The budget officer shall estimate:
    - (i) the amount of revenue available to serve the needs of each fund;
    - (ii) the portion to be derived from all sources other than general property taxes; and
    - (iii) the portion that shall be derived from general property taxes.
- (3) The tentative budget, when filed by the budget officer with the governing board, shall contain the estimates of expenditures together with specific work programs and any other supporting data required by this part or requested by the governing board.
- (4)
  - (a) Subject to Subsection (4)(b), the governing board:
    - (i) shall review, consider, and adopt the tentative budget in any regular meeting or special meeting called for that purpose; and
    - (ii) may amend or revise the tentative budget in any manner that the board considers advisable prior to the public hearing under Section 11-13-509.
  - (b) The governing board may not reduce below the legal minimum requirement an appropriation required for debt retirement and interest or reduction of any existing deficits under Section 11-13-513, or otherwise required by law.
- (5) If a new interlocal entity is created, the governing board shall:
  - (a) prepare a budget covering the period from the date of incorporation to the end of the fiscal year;
  - (b) substantially comply with all other provisions of this part with respect to notices and hearings; and
  - (c) pass the budget as soon after incorporation as feasible.

Enacted by Chapter 265, 2015 General Session

**11-13-509 Hearing to consider adoption -- Notice.**

- (1) At the meeting at which the tentative budget is adopted, the governing board shall:

- (a) establish the time and place of a public hearing to consider its adoption; and
- (b) except as provided in Subsection (2) or (5), order that notice of the hearing:
  - (i) be published, at least seven days before the day of the hearing, in at least one issue of a newspaper of general circulation in a county in which the interlocal entity provides service to the public or in which its members are located, if such a newspaper is generally circulated in the county or counties; and
  - (ii) be published at least seven days before the day of the hearing on the Utah Public Notice Website created in Section 63F-1-701.
- (2) If the budget hearing is held in conjunction with a tax increase hearing, the notice required in Subsection (1)(b):
  - (a) may be combined with the notice required under Section 59-2-919; and
  - (b) shall be published in accordance with the advertisement provisions of Section 59-2-919.
- (3) Proof that notice was given in accordance with Subsection (1)(b), (2), or (5) is prima facie evidence that notice was properly given.
- (4) If a notice required under Subsection (1)(b), (2), or (5) is not challenged within 30 days after the day on which the hearing is held, the notice is adequate and proper.
- (5) A governing board of an interlocal entity with an annual operating budget of less than \$250,000 may satisfy the notice requirements in Subsection (1)(b) by:
  - (a) mailing a written notice, postage prepaid, to each voter in an interlocal entity; and
  - (b) posting the notice in three public places within the interlocal entity's service area.

Enacted by Chapter 265, 2015 General Session

**11-13-510 Public hearing on tentatively adopted budget.**

At the time and place advertised, or at any time or any place to which the public hearing may be adjourned, the governing board shall:

- (1) hold a public hearing on the budgets tentatively adopted; and
- (2) give interested persons in attendance an opportunity to be heard on the estimates of revenues and expenditures or any item in the tentative budget of any fund.

Enacted by Chapter 265, 2015 General Session

**11-13-511 Continuing authority of governing body.**

After the conclusion of the public hearing held in accordance with Section 11-13-510, the governing board:

- (1) may:
  - (a) continue to review the tentative budget;
  - (b) insert any new item; or
  - (c) increase or decrease items of expenditure in the tentative budget; and
- (2) shall adopt a final budget.

Enacted by Chapter 265, 2015 General Session

**11-13-512 Accumulated fund balances -- Limitations -- Excess balances -- Unanticipated excess of revenues -- Reserves for capital projects.**

- (1)
  - (a) An interlocal entity may accumulate retained earnings or fund balances, as appropriate, in any fund.

- (b) For the interlocal entity general fund only, an accumulated fund balance at the end of a budget year may be used only:
  - (i) to provide working capital to finance expenditures from the beginning of the budget year until general property taxes or other applicable revenues are collected, subject to Subsection (1)(c);
  - (ii) to provide a resource to meet emergency expenditures under Section 11-13-521; or
  - (iii) to cover a pending year-end excess of expenditures over revenues from an unavoidable shortfall in revenues, subject to Subsection (1)(d).
- (c) Subsection (1)(b)(i) may not be construed to authorize an interlocal entity to appropriate a fund balance for budgeting purposes, except as provided in Subsection (4).
- (d) Subsection (1)(b)(iii) may not be construed to authorize an interlocal entity to appropriate a fund balance to avoid an operating deficit during a budget year except:
  - (i) as provided under Subsection (4); or
  - (ii) for emergency purposes under Section 11-13-521.
- (2) The accumulation of a fund balance in the interlocal entity general fund may not exceed the greater of:
  - (a) 100% of the current year's property tax collected by the interlocal entity; or
  - (b)
    - (i) 25% of the total interlocal entity general fund revenues for an interlocal entity with an annual interlocal entity general fund budget greater than \$100,000; or
    - (ii) 50% of the total interlocal entity general fund revenues for an interlocal entity with an annual interlocal entity general fund budget equal to or less than \$100,000.
- (3) If the interlocal entity general fund balance at the close of a fiscal year exceeds the amount permitted under Subsection (2), the interlocal entity shall appropriate the excess in the manner provided in Section 11-13-513.
- (4) Any interlocal entity general fund balance in excess of 5% of the total revenues of the interlocal entity general fund may be utilized for budget purposes.
- (5)
  - (a) Within a capital projects fund the governing board may, in a budget year, appropriate from estimated revenue or a fund balance to a reserve account for capital projects for the purpose of financing future specific capital projects, including new construction, capital repairs, replacement, and maintenance, under a formal long-range capital plan adopted by the governing board.
  - (b) An interlocal entity may allow a reserve amount under Subsection (5)(a) to accumulate from year to year until the accumulated total is sufficient to permit economical expenditure for the specified purposes.
  - (c) An interlocal entity may disburse from a reserve account under Subsection (5)(a) only by a budget appropriation adopted in the manner provided by this part.
  - (d) Expenditures from a reserve account described in Subsection (5)(a) shall conform to all requirements of this part relating to execution and control of budgets.

Enacted by Chapter 265, 2015 General Session

**11-13-513 Appropriations not to exceed estimated expendable revenue -- Appropriations for existing deficits.**

- (1) The governing board of an interlocal entity may not make an appropriation in the final budget of a fund in excess of the estimated expendable revenue for the budget year of the fund.

- (2) If there is a deficit fund balance in a fund at the close of the last completed fiscal year, the governing body of an interlocal entity 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

**11-13-514 Adoption of final budget -- Certification and filing.**

- (1) Except as provided in Sections 59-2-919 through 59-2-923, the governing board of an interlocal entity shall by resolution adopt prior to the beginning of the fiscal year a budget for the ensuing fiscal year for each fund for which a budget is required under this part.
- (2) The interlocal entity's budget officer shall file within 30 days after adoption the final budget with the members and the state auditor.

Enacted by Chapter 265, 2015 General Session

**11-13-515 Budgets in effect for budget year.**

- (1) Upon final adoption, each budget shall be in effect for the budget year, subject to amendment as provided in this part.
- (2) An interlocal entity shall file a copy of the adopted budgets in the interlocal entity's office and make it available to the public during regular business hours.

Enacted by Chapter 265, 2015 General Session

**11-13-516 Purchasing procedures.**

An interlocal entity shall make an expenditure or incur an obligation according to the purchasing procedures established by an interlocal entity by resolution and only by order or approval of a person duly authorized.

Enacted by Chapter 265, 2015 General Session

**11-13-517 Expenditures or encumbrances in excess of appropriations prohibited.**

An interlocal entity may not make or incur an expenditure or encumbrance in excess of total appropriations in the budget as adopted or as subsequently amended, except as provided in Section 11-13-521.

Enacted by Chapter 265, 2015 General Session

**11-13-518 Transfer of appropriation balance between accounts in same fund.**

- (1) The governing board of an interlocal entity shall establish policies for, subject to Subsection (2), the transfer of any unencumbered or unexpended appropriation balance or portion of the balance from one account in a fund to another account within the same fund.
- (2) The governing board may not reduce below the minimums required an appropriation for debt retirement and interest, reduction of deficit, or other appropriation required by law or covenant.

Enacted by Chapter 265, 2015 General Session

**11-13-519 Review of individual governmental fund budgets -- Hearing.**

- (1) The governing board of an interlocal entity may, at any time during the budget year, review an individual budget of the governmental fund for the purpose of determining if the total of an individual budget should be increased.
- (2) If the governing board decides that the budget total of one or more governmental funds described in Subsection (1) should be increased, it shall hold a public hearing on the increase in accordance with the procedures established in Sections 11-13-509 and 11-13-510.

Enacted by Chapter 265, 2015 General Session

**11-13-520 Amendment and increase of individual fund budgets.**

- (1) After holding the public hearing required under Section 11-13-519, the governing board may, by resolution, amend the budgets of the funds proposed to be increased, so as to make all or part of the increases, both estimated revenues and appropriations, which were the proper subject of consideration at the hearing.
- (2) The governing board may not adopt an amendment to the current year budgets of any of the funds established in Section 11-13-506 after the last day of the fiscal year.

Enacted by Chapter 265, 2015 General Session

**11-13-521 Emergency expenditures.**

The governing board of an interlocal entity may, by resolution, amend a budget and authorize an expenditure of money that results in a deficit in the interlocal entity general fund balance if:

- (1) the board determines that:
  - (a) an emergency exists; and
  - (b) the expenditure is reasonably necessary to meet the emergency; and
- (2) the expenditure is used to meet the emergency.

Enacted by Chapter 265, 2015 General Session

**11-13-522 Lapse of appropriations -- Exceptions.**

All unexpended or unencumbered appropriations, except capital projects fund appropriations, lapse at the end of the budget year to the respective fund balance.

Enacted by Chapter 265, 2015 General Session

**11-13-523 Loans by one fund to another.**

- (1) Subject to this section, restrictions imposed by bond covenants, restrictions in Section 53-2a-605, or other controlling regulations, the governing board of an interlocal entity may authorize an interfund loan from one fund to another.
- (2) An interfund loan under Subsection (1) 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 governing board 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 governing board 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 that was created for public funds transferred to the state treasurer in accordance with Section 51-7-5; 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 that was created for public funds transferred to the state treasurer in accordance with Section 51-7-5; or
      - (B) a United States Treasury note of a comparable term.
- (5)
- (a) For an interfund loan under Subsection (1), the governing board 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 Section 11-13-509 as if the hearing were a budget hearing; and
    - (iv) authorize the interfund loan by 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 governing board 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 interlocal entity general fund to any other fund of the interlocal entity; or
  - (b) a short-term advance from the interlocal entity's cash and investment pool to an individual fund that is repaid by the end of the fiscal year.

Enacted by Chapter 265, 2015 General Session

**11-13-524 Operating and capital budgets for proprietary funds.**

- (1)
- (a) As used in this section, "operating and capital budget" means a plan of financial operation for a proprietary or other required special fund, including estimates of operating and capital revenues and expenses for the budget year.
  - (b) Except as otherwise expressly provided in this section, the other provisions of this part governing budgets and fiscal procedures and controls do not apply to the operating and capital budgets provided for in this section.

- (2) Subject to Subsection (3), the governing board shall adopt for the ensuing budget year an operating and capital budget for each proprietary fund and shall adopt the type of budget for other special funds, if applicable, under generally accepted accounting principles.
- (3) Operating and capital budgets shall be adopted and administered in the following manner:
  - (a) On or before the first regularly scheduled meeting of the governing board, in November for a calendar year entity or May for a fiscal year entity, the budget officer shall prepare for the ensuing fiscal year, and file with the governing board, a tentative operating and capital budget for each proprietary fund and for other required special funds, together with any supporting data required by the board.
  - (b) The governing board:
    - (i) shall adopt the tentative operating and capital budget in a regular meeting or special meeting called for that purpose; and
    - (ii) may amend or revise the tentative operating and capital budget in any manner that the board considers advisable prior to a public hearing.
  - (c) The governing board shall comply with the notice and hearing requirements of Subsection (3) and Sections 11-13-509 through 11-13-511 in approving a final operating and capital budget.
  - (d) If the tentative operating and capital budget approved by the governing board for a proprietary fund includes appropriations that are not reasonable allocations of costs between funds or that provide funds to a member without consideration, the governing board shall, at least seven days before the day of the hearing, mail to each interlocal entity customer, a written notice stating:
    - (i) the date, time, and place of the operating and capital budget hearing; and
    - (ii) the purpose of the operating and capital budget hearing, including:
      - (A) the enterprise fund from which money is being transferred;
      - (B) the amount being transferred; and
      - (C) the fund or member to which the money is being transferred.
  - (e)
    - (i) The governing board shall adopt an operating and capital budget for each proprietary fund for the ensuing fiscal year before the beginning of each fiscal year.
    - (ii) A copy of the operating and capital budget as finally adopted for each proprietary fund shall be:
      - (A) filed in the interlocal entity's office and with each member; and
      - (B) available to the public during regular business hours.
    - (iii) The interlocal entity shall also file a copy of the operating and capital budget with the state auditor within 30 days after adoption.
  - (f)
    - (i) Upon final adoption, the operating and capital budget is in effect for the budget year, subject to later amendment.
    - (ii) During the budget year, the governing board may, in any regular meeting or special meeting called for that purpose, review an operating and capital budget for the purpose of determining if the total of the budget should be increased.
    - (iii) If the governing board decides that the operating and capital budget total of one or more proprietary funds should be increased, the board shall follow the procedures established in Section 11-13-525.
- (4) An interlocal entity shall maintain a proprietary fund or other required special fund in compliance with Sections 11-13-501 through 11-13-505, 11-13-516, 11-13-518, and 11-13-526 through 11-13-532.

Enacted by Chapter 265, 2015 General Session

**11-13-525 Increase in appropriations for operating and capital budget fund -- Notice.**

- (1) The total budget appropriation of a fund described in Section 11-13-524 may be increased by resolution of the governing board at a regular meeting, or special meeting called for that purpose, if written notice of the time, place, and purpose of the meeting has been mailed or delivered to all members of the governing board at least five days before the day of the meeting.
- (2) The notice may be waived in writing or verbally during attendance at the meeting by a member of the governing board.

Enacted by Chapter 265, 2015 General Session

**11-13-526 Deposit of interlocal entity funds -- Commingling with personal funds prohibited -- Suspension from office.**

- (1) The treasurer of an interlocal entity shall promptly deposit all interlocal entity funds in the appropriate bank accounts of the interlocal entity.
- (2) It is unlawful for a person to commingle interlocal entity funds with the person's own money.
- (3) If an interlocal entity has reason to believe that an officer or employee has misused public funds, the interlocal entity shall place the employee or officer on administrative leave with or without pay, pending completion of any investigation.

Enacted by Chapter 265, 2015 General Session

**11-13-527 Quarterly financial reports required.**

The interlocal entity clerk or other delegated person shall prepare and present to the governing board a detailed quarterly financial report showing the financial position and operations of the interlocal entity for that quarter and the year-to-date status.

Enacted by Chapter 265, 2015 General Session

**11-13-528 Annual financial reports -- Audit reports.**

- (1) Within 180 days after the close of each fiscal year, the interlocal entity shall prepare an annual financial report in conformity with generally accepted accounting principles as prescribed in the Uniform Accounting Manual of the Utah State Auditor.
- (2) The requirement under Subsection (1) may be satisfied by presentation of the audit report furnished by the auditor.
- (3) The interlocal entity shall:
  - (a) file copies of the annual financial report or the audit report furnished by the auditor with the state auditor; and
  - (b) maintain the report as a public document in the interlocal entity office.

Enacted by Chapter 265, 2015 General Session

**11-13-529 Audits required.**

- (1) An interlocal entity shall facilitate an audit of the interlocal entity in accordance with Title 51, Chapter 2a, Accounting Reports from Political Subdivisions, Interlocal Organizations, and Other Local Entities Act.

- (2) The governing board shall appoint an auditor for the purpose of complying with the requirements of this section and with Title 51, Chapter 2a, Accounting Reports from Political Subdivisions, Interlocal Organizations, and Other Local Entities Act.

Enacted by Chapter 265, 2015 General Session

**11-13-530 Interlocal entity may expand uniform procedures -- Limitation.**

- (1) Subject to Subsection (2), an interlocal entity may expand a uniform accounting, budgeting, or reporting procedure required by generally accepted accounting principles, to better serve the needs of the interlocal entity.
- (2) An interlocal entity may not deviate from or alter the basic prescribed classification systems for the identity of funds and accounts required by generally accepted accounting principles.

Enacted by Chapter 265, 2015 General Session

**11-13-531 Imposing or increasing a fee for service provided by interlocal entity.**

- (1) The governing board shall fix the rate for a service or commodity provided by the interlocal entity.
- (2)
  - (a) Before imposing a new fee or increasing an existing fee for a service provided by an interlocal entity, an interlocal entity governing board shall first hold a public hearing at which interested persons may speak for or against the proposal to impose a fee or to increase an existing fee.
  - (b) Each public hearing under Subsection (2)(a) shall be held on a weekday in the evening beginning no earlier than 6 p.m.
  - (c) A public hearing required under this Subsection (2) may be combined with a public hearing on a tentative budget required under Section 11-13-510.
  - (d) Except to the extent that this section imposes more stringent notice requirements, the governing board shall comply with Title 52, Chapter 4, Open and Public Meetings Act, in holding the public hearing under Subsection (2)(a).
- (3)
  - (a) An interlocal entity board shall give notice of a hearing under Subsection (2)(a):
    - (i) as provided in Subsection (3)(b)(i) or (c); and
    - (ii) for at least 20 days before the day of the hearing on the Utah Public Notice Website, created by Section 63F-1-701.
  - (b)
    - (i) Except as provided by Subsection (3)(c)(i), the notice required under Subsection (2)(a) shall be published:
      - (A) in a newspaper or combination of newspapers of general circulation in the interlocal entity, if there is a newspaper or combination of newspapers of general circulation in the interlocal entity; or
      - (B) if there is no newspaper or combination of newspapers of general circulation in the interlocal entity, the interlocal entity board shall post at least one notice per 1,000 population within the interlocal entity, at places within the interlocal entity that are most likely to provide actual notice to residents within the interlocal entity.
    - (ii) The notice described in Subsection (3)(b)(i)(A):
      - (A) shall be no less than 1/4 page in size and the type used shall be no smaller than 18 point, and surrounded by a 1/4-inch border;

- (B) may not be placed in that portion of the newspaper where legal notices and classified advertisements appear;
  - (C) whenever possible, shall appear in a newspaper that is published at least one day per week;
  - (D) shall be in a newspaper or combination of newspapers of general interest and readership in the interlocal entity, and not of limited subject matter; and
  - (E) shall be run once each week for the two weeks preceding the hearing.
- (iii) The notice described in Subsections (3)(a)(ii) and (3)(b)(i) shall state that the interlocal entity board intends to impose or increase a fee for a service provided by the interlocal entity and will hold a public hearing on a certain day, time, and place fixed in the notice, which shall be not less than seven days after the day the first notice is published, for the purpose of hearing comments regarding the proposed imposition or increase of a fee and to explain the reasons for the proposed imposition or increase.
- (c)
- (i) In lieu of providing notice under Subsection (3)(b)(i), the interlocal entity governing board may give the notice required under Subsection (2)(a) by mailing the notice to a person within the interlocal entity's service area who:
    - (A) will be charged the fee for an interlocal entity's service, if the fee is being imposed for the first time; or
    - (B) is being charged a fee, if the fee is proposed to be increased.
  - (ii) Each notice under Subsection (3)(c)(i) shall comply with Subsection (3)(b)(iii).
  - (iii) A notice under Subsection (3)(c)(i) may accompany an interlocal entity bill for an existing fee.
- (d) If the hearing required under this section is combined with the public hearing required under Section 11-13-510, the notice requirements under this Subsection (3) are satisfied if a notice that meets the requirements of Subsection (3)(b)(iii) is combined with the notice required under Section 11-13-509.
- (e) Proof that notice was given as provided in Subsection (3)(b) or (c) is prima facie evidence that notice was properly given.
- (f) If no challenge is made to the notice given of a public hearing required by Subsection (2) within 30 days after the date of the hearing, the notice is considered adequate and proper.
- (4) After holding a public hearing under Subsection (2)(a), a governing board may:
- (a) impose the new fee or increase the existing fee as proposed;
  - (b) adjust the amount of the proposed new fee or the increase of the existing fee and then impose the new fee or increase the existing fee as adjusted; or
  - (c) decline to impose the new fee or increase the existing fee.
- (5) This section applies to each new fee imposed and each increase of an existing fee that occurs on or after May 12, 2015.
- (6) An interlocal entity that accepts an electronic payment may charge an electronic payment fee.

Enacted by Chapter 265, 2015 General Session

**11-13-532 Residential fee credit.**

- (1) An interlocal entity may create a fee structure under this chapter that permits:
- (a) a home owner or residential tenant to file for a fee credit for a fee charged by the interlocal entity, if the credit is based on:
    - (i) the home owner's annual income; or
    - (ii) the residential tenant's annual income; or

- (b) an owner of federally subsidized housing to file for a credit for a fee charged by the interlocal entity.
- (2) If an interlocal entity permits a person to file for a fee credit under Subsection (1)(a), the interlocal entity shall make the credit available to:
  - (a) a home owner; and
  - (b) a residential tenant.

Enacted by Chapter 265, 2015 General Session