

11-32-3 Creation of county interlocal finance authority as nonprofit corporation -- Organization -- Acquisition of delinquent tax receivables -- Personnel -- Duties of elected attorney and treasurer.

- (1) The governing body of any county within the state may, by resolution, organize a nonprofit corporation as the financing authority for the county on behalf of public bodies within the county under this chapter, following the procedures set out in Title 16, Chapter 6a, Utah Revised Nonprofit Corporation Act, solely for the purpose of accomplishing the public purposes for which the public bodies exist by financing the sale or assignment of the delinquent tax receivables within the county to the financing authority. The authority shall be known as the "Interlocal Finance Authority of (name of county)."
- (2) If the governing body of any county creates an authority on behalf of any other public body within the county, the resolution shall further state the name or names of the other public bodies. A certified copy of the resolution creating the authority shall be delivered to the governing body of the other public bodies. The governing bodies of each of the other public bodies shall either approve or reject the creation of the authority, but if no action has been taken within 30 days of delivery of the certified copy of the resolution to the governing body it shall be considered rejected.
- (3) Following the approval, rejection, or considered rejection of the resolution by the governing bodies of each of the public bodies listed in the initial resolution, the county shall then amend the resolution to delete the public bodies rejecting the resolution and shall list the participant members of the authority.
- (4) The governing bodies of the participant members shall approve the articles of incorporation and bylaws of the authority. Members of governing bodies of each of the participant members, or a paid employee of the governing body designated by the member, shall be selected to form and shall act as the board of trustees of the authority. The powers of the board of trustees may be vested in an executive committee to be selected from among the board of trustees by the members of the board of trustees. The articles of incorporation and bylaws shall provide that the members of the board of trustees of the authority may be removed and replaced by the governing body from which such member was selected at any time in its discretion. A majority of the governing bodies of the participant members, based upon a percentage of the property taxes levied for the year preceding the then current year, within the county may, alter or change the structure, organization, programs, or activities of the financing authority, subject to the rights of the holders of the authority's bonds and parties to its other obligations.
- (5) Each financing authority may acquire by assignment the delinquent tax receivables of the participant members creating the financing authority, in accordance with the procedures and subject to the limitations of this chapter, in order to accomplish the public purposes for which the participant members exist.
- (6) Except as limited by Subsection (7), a financing authority may contract for or employ all staff and other personnel necessary for the purpose of performing its functions and activities, including contracting with the participant members within the county that created it to utilize any of the personnel, property, or facilities of any of the participant members for that purpose. The authority may be reimbursed for such costs by the participant member as provided in its articles of incorporation or bylaws.
- (7)
 - (a) With respect to any county that creates a financing authority and which has an elected attorney or treasurer, or both, the elected attorney shall be the legal advisor to and provide all legal services for the authority, and the elected treasurer shall provide all accounting services for the authority. The authority shall reimburse the county for legal and accounting services

so furnished by the county, based upon the actual cost of the services, including reasonable amounts allocated by the county for overhead, employee fringe benefits, and general and administrative expenses.

- (b) The provisions of Subsection (7) may not prevent the financing authority from obtaining the accounting or auditing services from outside accountants or auditors with the consent of the elected treasurer and the governing bodies or from obtaining legal services from outside attorneys with the consent of the elected attorney and the governing bodies. The provisions of this subsection may not prevent the authority from obtaining the opinions of outside attorneys or accountants which are necessary for the issuance of the bonds of the authority.
- (c) If 50% or more of the governing bodies of the participant members, based upon property taxes charged for the preceding year as a percentage of all of the property taxes charged within the county for that year, find it advisable that the authority retain legal or accounting services other than as described in Subsection (7)(a) they may direct the board of trustees to do so.

Amended by Chapter 300, 2000 General Session