

11-42-412 Assessment fund -- Uses of money in the fund -- Treasurer's duties with respect to the fund.

- (1) The governing body of each local entity that levies an assessment under this part on benefitted property within an assessment area shall establish an assessment fund.
- (2) The governing body shall:
 - (a) deposit into the assessment fund all money paid to the local entity from assessments and interest on assessments; and
 - (b) deposit into a separate account in the assessment fund all money paid to the local entity from improvement revenues.
- (3) Money in an assessment fund may be expended only for paying:
 - (a) the local entity's costs and expenses of making, operating, and maintaining improvements to the extent permitted under Section 11-42-415;
 - (b) operation and maintenance costs;
 - (c) economic promotion activities;
 - (d) local entity obligations; and
 - (e) costs that the local entity incurs with respect to:
 - (i) administration of the assessment area; or
 - (ii) obtaining a letter of credit or other instrument or fund to secure the payment of assessment bonds.
- (4) The treasurer of the local entity:
 - (a) shall:
 - (i) subject to Subsection (4)(b)(i), be the custodian of the assessment fund;
 - (ii) keep the assessment fund intact and separate from all other local entity funds and money;
 - (iii) invest money in an assessment fund by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act; and
 - (iv) keep on deposit in the assessment fund any interest received from the investment of money in the assessment fund and use the interest exclusively for the purposes for which the assessment fund was established; and
 - (b) may:
 - (i) arrange for the assessment fund to be held by a trustee bank on behalf of the local entity; and
 - (ii) pay money out of the assessment fund only for the purposes listed in Subsection (3).
- (5) When all local entity obligations have been paid or legally considered paid in full, the treasurer of the local entity shall transfer all money remaining in the assessment fund as provided in Section 11-42-414.

Enacted by Chapter 329, 2007 General Session