

## Part 7 Local District Budgets and Audit Reports

### 17B-1-701 Definitions.

As used in this part:

- (1) "Audit reports" means the reports of any independent audit of the district performed by:
  - (a) an independent auditor as required by Title 51, Chapter 2a, Accounting Reports from Political Subdivisions, Interlocal Organizations, and Other Local Entities Act;
  - (b) the state auditor; or
  - (c) the legislative auditor.
- (2) "Board" means the local district board of trustees.
- (3) "Budget" means a plan of financial operations for a fiscal year that includes:
  - (a) estimates of proposed expenditures for given purposes and the proposed means of financing them;
  - (b) the source and amount of estimated revenue for the district for the fiscal year;
  - (c) fund balance in each fund at the beginning of the fiscal year and the projected fund balance for each fund at the end of the fiscal year; and
  - (d) capital projects or budgets for proposed construction or improvement to capital facilities within the district.
- (4) "Constituent entity" means any county, city, or town that levies property taxes within the boundaries of the district.
- (5)
  - (a) "Customer agencies" means those governmental entities, except school districts, institutions of higher education, and federal government agencies that purchase or obtain services from the local district.
  - (b) "Customer agencies" for purposes of state agencies means the state auditor.

Renumbered and Amended by Chapter 329, 2007 General Session

### 17B-1-702 Local districts to submit budgets.

- (1)
  - (a) Except as provided in Subsection (1)(b), within 30 days after it is approved by the board, and at least 30 days before the board adopts a final budget, the board of each local district with an annual budget of \$50,000 or more shall send a copy of its tentative budget and notice of the time and place for its budget hearing to:
    - (i) each of its constituent entities that has in writing requested a copy; and
    - (ii) to each of its customer agencies that has in writing requested a copy.
  - (b) Within 30 days after it is approved by the board, and at least 30 days before the board adopts a final budget, the board of trustees of a public transit district serving a population of more than 200,000 people shall send a copy of its tentative budget and notice of the time and place for its budget hearing to:
    - (i) each of its constituent entities;
    - (ii) each of its customer agencies that has in writing requested a copy;
    - (iii) the governor; and
    - (iv) the Legislature.
  - (c) The local district shall include with the tentative budget a signature sheet that includes:

- (i) language that the constituent entity or customer agency received the tentative budget and has no objection to it; and
  - (ii) a place for the chairperson or other designee of the constituent entity or customer agency to sign.
- (2) Each constituent entity and each customer agency that receives the tentative budget shall review the tentative budget submitted by the district and either:
- (a) sign the signature sheet and return it to the district; or
  - (b) attend the budget hearing or other meeting scheduled by the district to discuss the objections to the proposed budget.
- (3)
- (a) If any constituent entity or customer agency that received the tentative budget has not returned the signature sheet to the local district within 15 calendar days after the tentative budget was mailed, the local district shall send a written notice of the budget hearing to each constituent entity or customer agency that did not return a signature sheet and invite them to attend that hearing.
  - (b) If requested to do so by any constituent entity or customer agency, the local district shall schedule a meeting to discuss the budget with the constituent entities and customer agencies.
  - (c) At the budget hearing, the local district board shall:
    - (i) explain its budget and answer any questions about it;
    - (ii) specifically address any questions or objections raised by the constituent entity, customer agency, or those attending the meeting; and
    - (iii) seek to resolve the objections.
- (4) Nothing in this part prevents a local district board from approving or implementing a budget over any or all constituent entity's or customer agency's protests, objections, or failure to respond.

Renumbered and Amended by Chapter 329, 2007 General Session

**17B-1-703 Local districts to submit audit reports.**

- (1)
- (a) Except as provided in Subsection (1)(b), within 30 days after it is presented to the board, the board of each local district with an annual budget of \$50,000 or more shall send a copy of any audit report to:
    - (i) each of its constituent entities that has in writing requested a copy; and
    - (ii) each of its customer agencies that has in writing requested a copy.
  - (b) Within 30 days after it is presented to the board, the board of a public transit district serving a population of more than 200,000 people shall send a copy of its annual audit report to:
    - (i) each of its constituent entities; and
    - (ii) each of its customer agencies that has in writing requested a copy.
- (2) Each constituent entity and each customer agency that received the audit report shall review the audit report submitted by the district and, if necessary, request a meeting with the district board to discuss the audit report.
- (3) At the meeting, the local district board shall:
- (a) answer any questions about the audit report; and
  - (b) discuss their plans to implement suggestions made by the auditor.

Renumbered and Amended by Chapter 329, 2007 General Session

