

LOCAL GOVERNMENT GENERAL FUND AMENDMENTS

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Daniel W. Thatcher

House Sponsor: R. Curt Webb

LONG TITLE

Committee Note:

The Political Subdivisions Interim Committee recommended this bill.

General Description:

This bill amends provisions related to a town, city, or county general fund.

Highlighted Provisions:

This bill:

- ▶ amends references to a "general fund" in the municipal and county code to clarify that the term means a town general fund, city general fund, or county general fund, and not the state general fund;
- ▶ defines "town general fund," "city general fund," and "county general fund";
- ▶ amends obscure language; and
- ▶ makes technical and conforming amendments.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

10-1-302, as enacted by Laws of Utah 1996, Chapter 280

10-5-106, as enacted by Laws of Utah 1983, Chapter 34



- 28 **10-5-113**, as last amended by Laws of Utah 1986, Chapter 181
- 29 **10-5-118**, as last amended by Laws of Utah 2007, Chapter 328
- 30 **10-5-119**, as last amended by Laws of Utah 2007, Chapter 329
- 31 **10-6-106**, as last amended by Laws of Utah 2003, Chapter 292
- 32 **10-6-109**, as last amended by Laws of Utah 1999, Chapter 300
- 33 **10-6-116**, as last amended by Laws of Utah 2013, Chapter 241
- 34 **10-6-117**, as last amended by Laws of Utah 1999, Chapter 300
- 35 **10-6-129**, as last amended by Laws of Utah 2007, Chapter 328
- 36 **10-6-131**, as last amended by Laws of Utah 2007, Chapter 329
- 37 **10-6-133**, as last amended by Laws of Utah 1989, Chapter 118
- 38 **10-18-302**, as last amended by Laws of Utah 2010, Chapter 90
- 39 **17-16-18**, as last amended by Laws of Utah 2009, Chapter 186
- 40 **17-27a-403**, as last amended by Laws of Utah 2012, Chapter 212
- 41 **17-31-3**, as last amended by Laws of Utah 2011, Chapter 297
- 42 **17-36-3**, as last amended by Laws of Utah 2012, Chapter 17
- 43 **17-36-6**, as last amended by Laws of Utah 1996, Chapter 212
- 44 **17-36-8**, as last amended by Laws of Utah 1999, Chapter 300
- 45 **17-36-9**, as last amended by Laws of Utah 2012, Chapter 17
- 46 **17-36-16**, as last amended by Laws of Utah 2003, Chapter 167
- 47 **17-36-26**, as last amended by Laws of Utah 2010, Chapters 90 and 116
- 48 **17-36-27**, as last amended by Laws of Utah 2007, Chapter 328
- 49 **17-36-29**, as last amended by Laws of Utah 2007, Chapter 329
- 50 **17-36-31**, as last amended by Laws of Utah 1993, Chapter 227
- 51 **17-36-36**, as last amended by Laws of Utah 1983, Chapter 73
- 52 **17-36-37**, as last amended by Laws of Utah 2009, Chapter 323
- 53 **17-36-51**, as renumbered and amended by Laws of Utah 2000, Chapter 133
- 54 **17-36-52**, as renumbered and amended by Laws of Utah 2000, Chapter 133
- 55 **17-36-53**, as renumbered and amended by Laws of Utah 2000, Chapter 133
- 56 **17-36-54**, as last amended by Laws of Utah 2005, Chapter 105

57 ENACTS:

- 58 **10-5-102.5**, Utah Code Annotated 1953

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Be it enacted by the Legislature of the state of Utah:

Section 1. Section **10-1-302** is amended to read:

10-1-302. Purpose and intent.

The Legislature finds that:

- (1) the energy industry has previously been highly regulated and monopolistic;
- (2) municipalities have historically raised town or city, respectively, general fund revenues by collecting franchise and business license revenues from the energy industry;
- (3) substantial restructuring of the energy industry has created an opportunity for increased competition within the energy industry;
- (4) the restructuring of the energy industry has diminished the effectiveness and fairness of the revenues collected by municipalities;
- (5) to provide for a stable revenue source for municipalities and to create a more competitive environment for the energy industry, it is necessary to enact taxing authority for municipalities that accomplishes those goals; and
- (6) this part does not alter or affect the municipalities' authority to grant or regulate franchises, or to control municipal streets, highways, or other property.

Section 2. Section **10-5-102.5** is enacted to read:

10-5-102.5. Definitions.

As used in this chapter, "town general fund" means the fund used by a town to account for all receipts, disbursements, assets, liabilities, reserves, fund balances, revenues, and expenditures not required to be accounted for in other funds.

Section 3. Section **10-5-106** is amended to read:

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.

Section 4. Section **10-5-113** is amended to read:

90 **10-5-113. Accumulation of retained earnings or fund balance -- Limit as to**
 91 **general fund -- Reserve for capital improvements.**

92 (1) ~~[Towns]~~ A town may accumulate retained earnings or fund balances, as
 93 appropriate, in any fund.

94 (2) The accumulation of a fund balance in the ~~[General Fund]~~ town general fund may
 95 not exceed 75% of the total ~~Ĥ~~ **Ĥ** ~~←Ĥ~~ **←Ĥ** revenue of the ~~[General Fund]~~ town general fund
 95a **Ĥ** ~~←Ĥ~~ **←Ĥ** for the current fiscal period ~~←Ĥ~~ **←Ĥ** .

96 (3) (a) The town council may, in ~~[any]~~ a budget year, appropriate from estimated
 97 revenue or excess fund balance in the ~~[General Fund]~~ town general fund to a reserve for capital
 98 improvements~~[-]~~:

99 (i) for the purpose of financing future specified capital improvements~~[-, pursuant to]~~;
 100 and

101 (ii) in accordance with a formal long-range capital plan adopted by the governing body.

102 (b) The reserves described in Subsection (3)(a) may accumulate from year to year in a
 103 capital improvements fund until the accumulated total is sufficient to permit economical
 104 expenditure for the specified purposes.

105 Section 5. Section **10-5-118** is amended to read:

106 **10-5-118. Emergency expenditures.**

107 (1) ~~[The]~~ If the town council~~[-, on determining]~~ determines that an emergency exists,
 108 such as widespread damage from fire, flood, or earthquake, and that the emergency necessitates
 109 the expenditure of money in excess of the budget of the town general fund, the council may
 110 amend the budget and authorize ~~[such]~~ expenditures ~~[as may be]~~ that are reasonably necessary
 111 to meet the emergency.

112 (2) Except to the extent provided for in Title 53, Chapter ~~[2]~~ 2a, Part ~~[4]~~ 6, Disaster
 113 Recovery Funding Act, a town council ~~[of a town]~~ may not expend money in the town's local
 114 fund for an emergency, if the town creates a local fund under Title 53, Chapter ~~[2]~~ 2a, Part ~~[4]~~
 115 6, Disaster Recovery Funding Act.

116 Section 6. Section **10-5-119** is amended to read:

117 **10-5-119. Special fund balance -- Disposition when fund no longer required.**

118 ~~[Whenever the necessity for maintaining any special fund of a town has ceased to exist]~~
 119 If the purpose for which a special fund was created no longer exists, and a balance remains in
 120 the fund, the ~~[governing body]~~ town council shall authorize the transfer of the balance to the

121 fund balance account in the town general fund [~~of the town~~], subject to all of the following:

122 (1) Any balance remaining in a special assessment fund and any unrequired balance in
123 [~~its~~] the town's special improvements guaranty fund shall be treated in the manner provided in
124 Sections 11-42-413 and 11-42-701[~~;~~].

125 (2) Any balance remaining in a capital improvements or capital projects fund shall be
126 transferred to:

127 (a) the appropriate debt service fund or other fund as required by the bond ordinance
128 [~~may require and otherwise~~]; or

129 (b) to the fund balance account in the town general fund[~~;~~].

130 (3) [~~Whenever any~~] (a) If the town council proposes to transfer a balance held in a
131 trust fund for a specific purpose, other than a cemetery perpetual care trust fund, [is to be
132 transferred] because [~~its~~] the trust fund's original purpose or restriction has ceased to exist, the
133 town council shall hold a public hearing [~~shall be held in the manner provided~~] in accordance
134 with Sections 10-5-108 and 10-5-109. [~~The~~]

135 (b) In addition to the notice requirements of Section 10-5-108, the published notice
136 shall invite [those persons] original contributors who contributed to the fund to appear at the
137 hearing.

138 (c) (i) If the town council determines that the fund balance amounts are refundable to
139 the original fund contributors, [a 30-day period following the hearing shall be allowed for
140 persons having an interest in the fund] the original contributors shall have 30 days after the day
141 on which the hearing in Subsection (3)(a) is held to file with the council a verified claim only
142 for the amount of each [claimant's contributions] original contributor's contribution.

143 (ii) Any claim not filed in accordance with this section [shall be] is invalid and barred.

144 (d) Any balance remaining, after refunds to eligible original contributors, shall be
145 transferred to the fund balance account in the town general fund [of the town; and].

146 (4) [~~Whenever~~] (a) If the town council decides, in [conformity] accordance with
147 applicable laws and ordinances, that the need for continued maintenance of its cemetery
148 perpetual care trust fund no longer exists, [it] the council may, subject to Subsection (4)(b),
149 transfer the balance in [such] the cemetery perpetual care trust fund to the capital
150 improvements fund [for expenditure for].

151 (b) The balance transferred from the cemetery perpetual care trust fund to the capital

152 improvements fund shall be used for cemetery purposes only, including land, buildings, [and]
153 or major improvements [to be used exclusively for cemetery purposes].

154 Section 7. Section **10-6-106** is amended to read:

155 **10-6-106. Definitions.**

156 As used in this chapter:

157 (1) "Account group" is defined by generally accepted accounting principles as reflected
158 in the Uniform Accounting Manual for Utah Cities.

159 (2) "Appropriation" means an allocation of money by the governing body for a specific
160 purpose.

161 (3) (a) "Budget" means a plan of financial operations for a fiscal period which
162 embodies estimates of proposed expenditures for given purposes and the proposed means of
163 financing them.

164 (b) "Budget" may refer to the budget of a particular fund for which a budget is required
165 by law or it may refer collectively to the budgets for all such funds.

166 (4) "Budgetary fund" means a fund for which a budget is required.

167 (5) "Budget officer" means the city auditor in a city of the first and second class, the
168 mayor or some person appointed by the mayor with the approval of the city council in a city of
169 the third, fourth, or fifth class, the mayor in the council-mayor optional form of government, or
170 the person designated by the charter in a charter city.

171 (6) "Budget period" means the fiscal period for which a budget is prepared.

172 (7) "Check" means an order in a specific amount drawn upon a depository by an
173 authorized officer of a city.

174 (8) "City general fund" means the fund used by a city to account for all receipts,
175 disbursements, assets, liabilities, reserves, fund balances, revenues, and expenditures not
176 required to be accounted for in other funds.

177 [~~8~~] (9) "Current period" means the fiscal period in which a budget is prepared and
178 adopted, i.e., the fiscal period next preceding the budget period.

179 [~~9~~] (10) "Department" means any functional unit within a fund that carries on a
180 specific activity, such as a fire or police department within a [~~General Fund~~] city general fund.

181 [~~10~~] (11) "Encumbrance system" means a method of budgetary control in which part
182 of an appropriation is reserved to cover a specific expenditure by charging obligations, such as

183 purchase orders, contracts, or salary commitments to an appropriation account at their time of
184 origin. Such obligations cease to be encumbrances when paid or when the actual liability is
185 entered on the city's books of account.

186 ~~[(11)]~~ (12) "Estimated revenue" means the amount of revenue estimated to be received
187 from all sources during the budget period in each fund for which a budget is being prepared.

188 ~~[(12)]~~ (13) "Financial officer" means the mayor in the council-mayor optional form of
189 government or the city official as authorized by Section 10-6-158.

190 ~~[(13)]~~ (14) "Fiscal period" means the annual or biennial period for accounting for fiscal
191 operations in each city.

192 ~~[(14)]~~ (15) "Fund" is as defined by generally accepted accounting principles as
193 reflected in the Uniform Accounting Manual for Utah Cities.

194 ~~[(15)]~~ (16) "Fund balance," "retained earnings," and "deficit" have the meanings
195 commonly accorded such terms under generally accepted accounting principles as reflected in
196 the Uniform Accounting Manual for Utah Cities.

197 ~~[(16)]~~ (17) "Governing body" means a city council, or city commission, as the case
198 may be, but the authority to make any appointment to any position created by this chapter is
199 vested in the mayor in the council-mayor optional form of government.

200 ~~[(17)]~~ (18) "Interfund loan" means a loan of cash from one fund to another, subject to
201 future repayment and does not constitute an expenditure or a use of retained earnings or fund
202 balance of the lending fund or revenue to the borrowing fund.

203 ~~[(18)]~~ (19) "Last completed fiscal period" means the fiscal period next preceding the
204 current period.

205 ~~[(19)]~~ (20) (a) "Public funds" means any money or payment collected or received by an
206 officer or employee of the city acting in an official capacity and includes money or payment to
207 the officer or employee for services or goods provided by the city, or the officer or employee
208 while acting within the scope of employment or duty.

209 (b) "Public funds" do not include money or payments collected or received by an
210 officer or employee of a city for charitable purposes if the mayor or city council has consented
211 to the officer's or employee's participation in soliciting contributions for a charity.

212 ~~[(20)]~~ (21) "Special fund" means any fund other than the ~~[General Fund]~~ city general
213 fund.

214 ~~[(21)]~~ (22) "Warrant" means an order drawn upon the city treasurer, in the absence of
215 sufficient money in the city's depository, by an authorized officer of a city for the purpose of
216 paying a specified amount out of the city treasury to the person named or to the bearer as
217 money becomes available.

218 Section 8. Section **10-6-109** is amended to read:

219 **10-6-109. Budget required for certain funds -- Capital projects fund budget.**

220 (1) The budget officer shall prepare for each budget period a budget for each of the
221 following funds:

222 (a) the city general fund, including the class "C" and collector road funds;

223 (b) special revenue funds;

224 (c) debt service funds; and

225 (d) capital improvement funds.

226 (2) (a) Major capital improvements financed by general obligation bonds, capital
227 grants, or interfund transfers, shall use a capital projects fund budget.

228 (b) The term of the budget shall coincide with the term of the individual project or
229 projects.

230 (c) To the extent appropriate, the requirements for preparation, adoption, and execution
231 of the budgets of the funds enumerated in Subsection (1) [~~above~~], as set forth in this chapter,
232 shall apply to budgets of capital projects funds.

233 Section 9. Section **10-6-116** is amended to read:

234 **10-6-116. Accumulated fund balances -- Limitations -- Excess balances --**
235 **Unanticipated excess of revenues -- Reserves for capital improvements.**

236 (1) [~~Cities are permitted to~~] (a) A city may accumulate retained earnings or fund
237 balances, as appropriate, in any fund. With respect to the city general fund only, any
238 accumulated fund balance is restricted to the following purposes:

239 [~~(a)~~] (i) to provide working capital to finance expenditures from the beginning of the
240 budget period until general property taxes, sales taxes, or other applicable revenues are
241 collected, thereby reducing the amount the city must borrow during the period [~~, but this~~
242 ~~Subsection (1)(a) does not permit the appropriation of any fund balance for budgeting purposes~~
243 ~~except as provided in Subsection (4)~~];

244 [~~(b)~~] (ii) to provide a resource to meet emergency expenditures under Section

245 10-6-129; and

246 ~~[(e)]~~ (iii) to cover a pending year-end excess of expenditures over revenues from an
247 unavoidable shortfall in revenues. ~~[This provision does not permit the appropriation of any]~~

248 (b) Notwithstanding Subsection (1)(a)(i), a city may not appropriate a fund balance for
249 budgeting purposes except as provided in Subsection (4).

250 (c) Notwithstanding Subsection (1)(a)(iii), a city may not appropriate a fund balance to
251 avoid an operating deficit during any budget period except as provided under Subsection (4), or
252 for emergency purposes under Section 10-6-129.

253 (2) The accumulation of a fund balance in the city general fund may not exceed 25% of
254 the total ~~H→~~ **[estimated]** ~~←H~~ revenue of the city general fund ~~H→~~ **for the current**
254a **fiscal period ←H** .

255 (3) If the fund balance at the close of any fiscal period exceeds the amount permitted
256 under Subsection (2), the excess shall be appropriated in the manner provided in Section
257 10-6-117.

258 (4) Any fund balance in excess of 5% of the total revenues of the city general fund may
259 be utilized for budget purposes.

260 (5) (a) Within a capital improvements fund, the governing body may, in any budget
261 period, appropriate from estimated revenue or fund balance to a reserve for capital
262 improvements for the purpose of financing future specific capital improvements, under a
263 formal long-range capital plan adopted by the governing body.

264 (b) The reserves described in Subsection (5)(a) may accumulate from fiscal period to
265 fiscal period until the accumulated total is sufficient to permit economical expenditure for the
266 specified purposes.

267 (c) Disbursements from ~~[these]~~ reserves described in Subsection (5)(a) shall be made
268 only by transfer to a revenue or transfer account within the capital improvements fund, under a
269 budget appropriation in a budget for the fund adopted in the manner provided by this chapter.

270 (d) Expenditures from the above appropriation budget accounts shall conform to all
271 requirements of this chapter relating to execution and control of budgets.

272 Section 10. Section 10-6-117 is amended to read:

273 **10-6-117. Appropriations not to exceed estimated expendable revenue --**

274 **Determination of revenue -- Appropriations for existing deficits.**

275 (1) The governing body of any city may not make any appropriation in the final budget

276 of any fund in excess of the estimated expendable revenue for the budget period of the fund.

277 (2) In determining the estimated expendable revenue of the city general fund for the
278 budget period, there shall be included therein as an appropriation from the fund balance that
279 portion of the fund balance at the close of the last completed fiscal period, not previously
280 included in the budget of the current period, that exceeds the amount permitted in Section
281 10-6-116.

282 (3) (a) There shall be included as an item of appropriation in each fund for any budget
283 period any existing deficit as of the close of the last completed fiscal period, not previously
284 included in the budget of the current period, to the extent of at least 5% of the total revenue of
285 the fund in its last completed fiscal period.

286 (b) If the total amount of the deficit is less than 5% of the total revenue in the last
287 completed fiscal period, the entire amount of the deficit shall be included.

288 Section 11. Section **10-6-129** is amended to read:

289 **10-6-129. Emergency expenditures.**

290 (1) If the governing body of a city determines that an emergency exists, such as
291 widespread damage from fire, flood, or earthquake, and that the emergency necessitates the
292 expenditure of money in excess of the budget of the city general fund, the governing body may
293 by resolution amend the budget and authorize such expenditures and incur such deficits in the
294 fund balance of the city general fund as may be reasonably necessary to meet the emergency.

295 (2) Except to the extent provided for in Title 53, Chapter ~~[2]~~ 2a, Part ~~[4]~~ 6, Disaster
296 Recovery Funding Act, the governing body of a city may not expend money in the city's local
297 fund for an emergency, if the city creates a local fund under Title 53, Chapter ~~[2]~~ 2a, Part ~~[4]~~ 6,
298 Disaster Recovery Funding Act.

299 Section 12. Section **10-6-131** is amended to read:

300 **10-6-131. Transfer of balances in special funds.**

301 ~~[Whenever]~~ If the necessity for maintaining any special fund of a city has ceased to
302 exist and a balance remains in the fund, the governing body shall authorize the transfer of the
303 balance to the fund balance account in the city general fund of the city, ~~[except that]~~ subject to
304 all of the following:

305 (1) Any balance remaining in a special assessment fund and any unrequired balance in
306 ~~[its]~~ the city's special improvements guaranty fund shall be treated in the manner provided in

307 Sections [11-42-413](#) and [11-42-701](#)[;].

308 (2) Any balance remaining in a capital improvements or capital projects fund shall be
309 transferred to:

310 (a) the appropriate debt service fund or other fund as required by the bond ordinance
311 ~~[may require and otherwise]~~; or

312 (b) to the fund balance account in the city general fund[;].

313 (3) ~~[Whenever any]~~ (a) If the governing body proposes to transfer a balance held in a
314 trust fund for a specific purpose, other than a cemetery perpetual care trust fund, [is to be
315 transferred] because [its] the trust fund's original purpose or restriction has ceased to exist, the
316 governing body shall hold a public hearing [shall be held in the manner provided] in
317 accordance with Sections [10-6-113](#) and [10-6-114](#). [The]

318 (b) In addition to the notice requirements of Section [10-6-113](#), the published notice
319 shall invite those [persons] original contributors who contributed to the fund to appear at the
320 hearing.

321 (c) (i) If the governing body determines that the fund balance amounts are refundable
322 to the original fund contributors, [a 30 day period following the hearing shall be allowed for
323 persons having an interest in the fund] the original contributors shall have 30 days after the day
324 on which the hearing in Subsection (3)(a) is held to file with the governing body a verified
325 claim only for the amount of each [claimant's contributions] original contributor's contribution.

326 (ii) Any claim not [so filed shall be forever barred] filed in accordance with this section
327 is invalid and barred.

328 (d) Any balance remaining, after refunds to eligible original contributors, shall be
329 transferred to the fund balance account in the city general fund ~~[of the city; and]~~.

330 (4) ~~[Whenever]~~ (a) If the governing body decides, in [conformity] accordance with
331 applicable laws and ordinances, that the need for continued maintenance of its cemetery
332 perpetual care trust fund no longer exists, [it] the governing body may, subject to Subsection
333 (4)(b), transfer the balance in [such] the cemetery perpetual care trust fund to the capital
334 improvements fund [for expenditure for].

335 (b) The balance transferred from the cemetery perpetual care trust fund to the capital
336 improvements fund shall be used for cemetery purposes only, including land, buildings [and],
337 or major improvements [to be used exclusively for cemetery purposes].

338 Section 13. Section **10-6-133** is amended to read:

339 **10-6-133. Property tax levy -- Time for setting -- Computation of total levy --**
340 **Apportionment of proceeds -- Maximum levy.**

341 (1) (a) Before June 22 of each year, or August 17 in the case of a property tax rate
342 increase under Sections [59-2-919](#) through [59-2-923](#), the governing body of each city, including
343 charter cities, at a regular meeting or special meeting called for that purpose, shall by ordinance
344 or resolution set the real and personal property tax levy for various municipal purposes[~~, but~~].

345 (b) Notwithstanding Subsection (1)(a), the governing body may set the levy [may be
346 set] at an appropriate later date with the approval of the State Tax Commission.

347 (2) In its computation of the total levy, the governing body shall determine the
348 requirements of each fund for which property taxes are to be levied and shall specify in its
349 ordinance or resolution adopting the levy the amount apportioned to each fund.

350 (3) The proceeds of the levy apportioned for [~~General Fund~~] city general fund purposes
351 shall be credited as revenue in the [~~General Fund~~] city general fund.

352 (4) The proceeds of the levy apportioned for special fund purposes shall be credited to
353 the appropriate accounts in the applicable special funds.

354 (5) The combined levies for each city, including charter cities, for all purposes in any
355 year, excluding the retirement of general obligation bonds and the payment of any interest, and
356 taxes expressly authorized by law to be levied in addition, may not exceed .007 per dollar of
357 taxable value of taxable property.

358 Section 14. Section **10-18-302** is amended to read:

359 **10-18-302. Bonding authority.**

360 (1) In accordance with Title 11, Chapter 14, Local Government Bonding Act, the
361 legislative body of a municipality may by resolution determine to issue one or more revenue
362 bonds or general obligation bonds to finance the capital costs for facilities necessary to provide
363 to subscribers:

364 (a) a cable television service; or

365 (b) a public telecommunications service.

366 (2) The resolution described in Subsection (1) shall:

367 (a) describe the purpose for which the indebtedness is to be created; and

368 (b) specify the dollar amount of the one or more bonds proposed to be issued.

- 369 (3) (a) A revenue bond issued under this section shall be secured and paid for:
- 370 (i) from the revenues generated by the municipality from providing:
- 371 (A) cable television services with respect to revenue bonds issued to finance facilities
- 372 for the municipality's cable television services; and
- 373 (B) public telecommunications services with respect to revenue bonds issued to finance
- 374 facilities for the municipality's public telecommunications services; and
- 375 (ii) notwithstanding Subsection (3)(b) and Subsection 10-18-303(3)(a), from revenues
- 376 generated under Title 59, Chapter 12, Sales and Use Tax Act, if:
- 377 (A) notwithstanding Subsection 11-14-201(3) and except as provided in Subsections
- 378 (4) and (5), the revenue bond is approved by the registered voters in an election held:
- 379 (I) except as provided in Subsection (3)(a)(ii)(A)(II), pursuant to the provisions of Title
- 380 11, Chapter 14, Local Government Bonding Act, that govern bond elections; and
- 381 (II) notwithstanding Subsection 11-14-203(2), at a regular general election;
- 382 (B) the revenues described in this Subsection (3)(a)(ii) are pledged as security for the
- 383 revenue bond; and
- 384 (C) the municipality or municipalities annually appropriate the revenues described in
- 385 this Subsection (3)(a)(ii) to secure and pay the revenue bond issued under this section.
- 386 (b) Except as provided in Subsection (3)(a)(ii), a municipality may not pay the
- 387 origination, financing, or other carrying costs associated with the one or more revenue bonds
- 388 issued under this section from the town or city, respectively, general funds or other enterprise
- 389 funds of the municipality.
- 390 (4) (a) As used in this Subsection (4), "municipal entity" means an entity created
- 391 pursuant to an agreement:
- 392 (i) under Title 11, Chapter 13, Interlocal Cooperation Act; and
- 393 (ii) to which a municipality is a party.
- 394 (b) The requirements of Subsection (3)(a)(ii)(A) do not apply to a municipality or
- 395 municipal entity that issues revenue bonds, or to a municipality that is a member of a municipal
- 396 entity that issues revenue bonds, if:
- 397 (i) on or before March 2, 2004, the municipality that is issuing revenue bonds or that is
- 398 a member of a municipal entity that is issuing revenue bonds has published the first notice
- 399 described in Subsection (4)(b)(iii);

400 (ii) on or before April 15, 2004, the municipality that is issuing revenue bonds or that
401 is a member of a municipal entity that is issuing revenue bonds makes the decision to pledge
402 the revenues described in Subsection (3)(a)(ii) as security for the revenue bonds described in
403 this Subsection (4)(b)(ii);

404 (iii) the municipality that is issuing the revenue bonds or the municipality that is a
405 member of the municipal entity that is issuing the revenue bonds has:

406 (A) held a public hearing for which public notice was given by publication of the
407 notice:

408 (I) in a newspaper published in the municipality or in a newspaper of general
409 circulation within the municipality for two consecutive weeks, with the first publication being
410 not less than 14 days before the public hearing; and

411 (II) on the Utah Public Notice Website created in Section 63F-1-701, for two weeks
412 before the public hearing; and

413 (B) the notice identifies:

414 (I) that the notice is given pursuant to Title 11, Chapter 14, Local Government Bonding
415 Act;

416 (II) the purpose for the bonds to be issued;

417 (III) the maximum amount of the revenues described in Subsection (3)(a)(ii) that will
418 be pledged in any fiscal year;

419 (IV) the maximum number of years that the pledge will be in effect; and

420 (V) the time, place, and location for the public hearing;

421 (iv) the municipal entity that issues revenue bonds:

422 (A) adopts a final financing plan; and

423 (B) in accordance with Title 63G, Chapter 2, Government Records Access and
424 Management Act, makes available to the public at the time the municipal entity adopts the final
425 financing plan:

426 (I) the final financing plan; and

427 (II) all contracts entered into by the municipal entity, except as protected by Title 63G,
428 Chapter 2, Government Records Access and Management Act;

429 (v) any municipality that is a member of a municipal entity described in Subsection
430 (4)(b)(iv):

431 (A) not less than 30 calendar days after the municipal entity complies with Subsection
432 (4)(b)(iv)(B), holds a final public hearing;

433 (B) provides notice, at the time the municipality schedules the final public hearing, to
434 any person who has provided to the municipality a written request for notice; and

435 (C) makes all reasonable efforts to provide fair opportunity for oral testimony by all
436 interested parties; and

437 (vi) except with respect to a municipality that issued bonds prior to March 1, 2004, not
438 more than 50% of the average annual debt service of all revenue bonds described in this section
439 to provide service throughout the municipality or municipal entity may be paid from the
440 revenues described in Subsection (3)(a)(ii).

441 (5) On or after July 1, 2007, the requirements of Subsection (3)(a)(ii)(A) do not apply
442 to a municipality that issues revenue bonds if:

443 (a) the municipality that is issuing the revenue bonds has:

444 (i) held a public hearing for which public notice was given by publication of the notice:

445 (A) in a newspaper published in the municipality or in a newspaper of general
446 circulation within the municipality for two consecutive weeks, with the first publication being
447 not less than 14 days before the public hearing; and

448 (B) on the Utah Public Notice Website created in Section [63F-1-701](#), for 14 days
449 before the public hearing; and

450 (ii) the notice identifies:

451 (A) that the notice is given pursuant to Title 11, Chapter 14, Local Government
452 Bonding Act;

453 (B) the purpose for the bonds to be issued;

454 (C) the maximum amount of the revenues described in Subsection (3)(a)(ii) that will be
455 pledged in any fiscal year;

456 (D) the maximum number of years that the pledge will be in effect; and

457 (E) the time, place, and location for the public hearing; and

458 (b) except with respect to a municipality that issued bonds prior to March 1, 2004, not
459 more than 50% of the average annual debt service of all revenue bonds described in this section
460 to provide service throughout the municipality or municipal entity may be paid from the
461 revenues described in Subsection (3)(a)(ii).

462 (6) A municipality that issues bonds pursuant to this section may not make or grant any
463 undue or unreasonable preference or advantage to itself or to any private provider of:

464 (a) cable television services; or

465 (b) public telecommunications services.

466 Section 15. Section 17-16-18 is amended to read:

467 **17-16-18. Salaries paid out of general fund.**

468 The salaries of county officers shall be paid monthly, semi-monthly, or bi-weekly, as
469 determined by the county legislative body, out of the county general fund or the county salary
470 fund~~[, as the case may be, of the county]~~ upon the order of the county legislative body.

471 Section 16. Section 17-27a-403 is amended to read:

472 **17-27a-403. Plan preparation.**

473 (1) (a) The planning commission shall provide notice, as provided in Section
474 17-27a-203, of its intent to make a recommendation to the county legislative body for a general
475 plan or a comprehensive general plan amendment when the planning commission initiates the
476 process of preparing its recommendation.

477 (b) The planning commission shall make and recommend to the legislative body a
478 proposed general plan for the unincorporated area within the county.

479 (c) (i) The plan may include planning for incorporated areas if, in the planning
480 commission's judgment, they are related to the planning of the unincorporated territory or of
481 the county as a whole.

482 (ii) Elements of the county plan that address incorporated areas are not an official plan
483 or part of a municipal plan for any municipality, unless it is recommended by the municipal
484 planning commission and adopted by the governing body of the municipality.

485 (2) (a) At a minimum, the proposed general plan, with the accompanying maps, charts,
486 and descriptive and explanatory matter, shall include the planning commission's
487 recommendations for the following plan elements:

488 (i) a land use element that:

489 (A) designates the long-term goals and the proposed extent, general distribution, and
490 location of land for housing, business, industry, agriculture, recreation, education, public
491 buildings and grounds, open space, and other categories of public and private uses of land as
492 appropriate; and

493 (B) may include a statement of the projections for and standards of population density
494 and building intensity recommended for the various land use categories covered by the plan;

495 (ii) a transportation and traffic circulation element consisting of the general location
496 and extent of existing and proposed freeways, arterial and collector streets, mass transit, and
497 any other modes of transportation that the planning commission considers appropriate, all
498 correlated with the population projections and the proposed land use element of the general
499 plan; and

500 (iii) an estimate of the need for the development of additional moderate income
501 housing within the unincorporated area of the county, and a plan to provide a realistic
502 opportunity to meet estimated needs for additional moderate income housing if long-term
503 projections for land use and development occur.

504 (b) In drafting the moderate income housing element, the planning commission:

505 (i) shall consider the Legislature's determination that counties should facilitate a
506 reasonable opportunity for a variety of housing, including moderate income housing:

507 (A) to meet the needs of people desiring to live there; and

508 (B) to allow persons with moderate incomes to benefit from and fully participate in all
509 aspects of neighborhood and community life; and

510 (ii) may include an analysis of why the recommended means, techniques, or
511 combination of means and techniques provide a realistic opportunity for the development of
512 moderate income housing within the planning horizon, which means or techniques may include
513 a recommendation to:

514 (A) rezone for densities necessary to assure the production of moderate income
515 housing;

516 (B) facilitate the rehabilitation or expansion of infrastructure that will encourage the
517 construction of moderate income housing;

518 (C) encourage the rehabilitation of existing uninhabitable housing stock into moderate
519 income housing;

520 (D) consider county general fund subsidies to waive construction related fees that are
521 otherwise generally imposed by the county;

522 (E) consider utilization of state or federal funds or tax incentives to promote the
523 construction of moderate income housing;

524 (F) consider utilization of programs offered by the Utah Housing Corporation within
525 that agency's funding capacity; and

526 (G) consider utilization of affordable housing programs administered by the
527 Department of Workforce Services.

528 (c) In drafting the land use element, the planning commission shall:

529 (i) identify and consider each agriculture protection area within the unincorporated area
530 of the county; and

531 (ii) avoid proposing a use of land within an agriculture protection area that is
532 inconsistent with or detrimental to the use of the land for agriculture.

533 (3) The proposed general plan may include:

534 (a) an environmental element that addresses:

535 (i) the protection, conservation, development, and use of natural resources, including
536 the quality of air, forests, soils, rivers and other waters, harbors, fisheries, wildlife, minerals,
537 and other natural resources; and

538 (ii) the reclamation of land, flood control, prevention and control of the pollution of
539 streams and other waters, regulation of the use of land on hillsides, stream channels and other
540 environmentally sensitive areas, the prevention, control, and correction of the erosion of soils,
541 protection of watersheds and wetlands, and the mapping of known geologic hazards;

542 (b) a public services and facilities element showing general plans for sewage, water,
543 waste disposal, drainage, public utilities, rights-of-way, easements, and facilities for them,
544 police and fire protection, and other public services;

545 (c) a rehabilitation, redevelopment, and conservation element consisting of plans and
546 programs for:

547 (i) historic preservation;

548 (ii) the diminution or elimination of blight; and

549 (iii) redevelopment of land, including housing sites, business and industrial sites, and
550 public building sites;

551 (d) an economic element composed of appropriate studies and forecasts, as well as an
552 economic development plan, which may include review of existing and projected county
553 revenue and expenditures, revenue sources, identification of basic and secondary industry,
554 primary and secondary market areas, employment, and retail sales activity;

555 (e) recommendations for implementing all or any portion of the general plan, including
556 the use of land use ordinances, capital improvement plans, community development and
557 promotion, and any other appropriate action;

558 (f) provisions addressing any of the matters listed in Subsection 17-27a-401(2); and

559 (g) any other element the county considers appropriate.

560 Section 17. Section 17-31-3 is amended to read:

561 **17-31-3. Reserve fund authorized -- Use of collected funds.**

562 The county legislative body may create a reserve fund and any funds collected but not
563 expended during any fiscal year [~~do not revert to the general fund of the governing bodies but~~]
564 shall be retained in a special fund to be used in accordance with Sections 17-31-2 through
565 17-31-5.

566 Section 18. Section 17-36-3 is amended to read:

567 **17-36-3. Definitions.**

568 As used in this chapter:

569 (1) "Accrual basis of accounting" means a method where revenues are recorded when
570 earned and expenditures recorded when they become liabilities notwithstanding that the receipt
571 of the revenue or payment of the expenditure may take place in another accounting period.

572 (2) "Appropriation" means an allocation of money for a specific purpose.

573 (3) (a) "Budget" means a plan for financial operations for a fiscal period, embodying
574 estimates for proposed expenditures for given purposes and the means of financing the
575 expenditures.

576 (b) "Budget" may refer to the budget of a fund for which a budget is required by law, or
577 collectively to the budgets for all those funds.

578 (4) "Budgetary fund" means a fund for which a budget is required, such as those
579 described in Section 17-36-8.

580 (5) "Budget officer" means:

581 (a) for a county of the second, third, fourth, fifth, or sixth class, the county auditor,
582 county clerk, or county executive as provided in Subsection 17-19-19(1); or

583 (b) for a county of the first class, a person described in Section 17-19a-203.

584 (6) "Budget period" means the fiscal period for which a budget is prepared.

585 (7) "Check" means an order in a specific amount drawn upon the depository by any

586 authorized officer in accordance with Section 17-19-3, 17-19a-301, 17-24-1, or 17-24-1.1, as
587 applicable.

588 (8) "County general fund" means the fund used by a county to account for all receipts,
589 disbursements, assets, liabilities, reserves, fund balances, revenues, and expenditures not
590 required to be accounted for in other funds.

591 ~~[(8)]~~ (9) "Countywide service" means a service provided in both incorporated and
592 unincorporated areas of a county.

593 ~~[(9)]~~ (10) "Current period" means the fiscal period in which a budget is prepared and
594 adopted.

595 ~~[(10)]~~ (11) "Department" means any functional unit within a fund which carries on a
596 specific activity.

597 ~~[(11)]~~ (12) "Encumbrance system" means a method of budgetary control where part of
598 an appropriation is reserved to cover a specific expenditure by charging obligations, such as
599 purchase orders, contracts, or salary commitments to an appropriation account. An expenditure
600 ceases to be an encumbrance when paid or when the actual liability is entered in the books of
601 account.

602 ~~[(12)]~~ (13) "Estimated revenue" means any revenue estimated to be received during the
603 budget period in any fund for which a budget is prepared.

604 ~~[(13)]~~ (14) "Fiscal period" means the annual or biennial period for recording county
605 fiscal operations.

606 ~~[(14)]~~ (15) "Fund" means an independent fiscal and accounting entity comprised of a
607 sum of money or other resources segregated for a specific purpose or objective.

608 ~~[(15)]~~ (16) "Fund balance" means the excess of the assets over liabilities, reserves, and
609 contributions, as reflected by its books of account.

610 ~~[(16)]~~ (17) "Fund deficit" means the excess of liabilities, reserves, and contributions
611 over its assets, as reflected by its books of account.

612 ~~[(17) "General Fund" means the fund used to account for all receipts, disbursements,~~
613 ~~assets, liabilities, reserves, fund balances, revenues, and expenditures not required to be~~
614 ~~accounted for in other funds.]~~

615 (18) "Interfund loan" means a loan of cash from one fund to another, subject to future
616 repayment; but it does not constitute an expenditure or a use of retained earnings, fund balance,

617 or unappropriated surplus of the lending fund.

618 (19) "Last completed fiscal period" means the fiscal period next preceding the current
619 period.

620 (20) "Modified accrual basis of accounting" means a method under which expenditures
621 other than accrued interest on general long-term debt are recorded at the time liabilities are
622 incurred and revenues are recorded when they become measurable and available to finance
623 expenditures of the current period.

624 (21) "Municipal capital project" means the acquisition, construction, or improvement
625 of capital assets that facilitate providing municipal service.

626 (22) "Municipal service" means a service not provided on a countywide basis and not
627 accounted for in an enterprise fund, and includes police patrol, fire protection, culinary or
628 irrigation water retail service, water conservation, local parks, sewers, sewage treatment and
629 disposal, cemeteries, garbage and refuse collection, street lighting, airports, planning and
630 zoning, local streets and roads, curb, gutter, and sidewalk maintenance, and ambulance service.

631 (23) "Retained earnings" means that part of the net earnings retained by an enterprise
632 or internal service fund which is not segregated or reserved for any specific purpose.

633 (24) "Special fund" means any fund other than the [~~General Fund~~] county general fund,
634 such as those described in Section 17-36-6.

635 (25) "Unappropriated surplus" means that part of a fund which is not appropriated for
636 an ensuing budget period.

637 (26) "Warrant" means an order in a specific amount drawn upon the treasurer by the
638 auditor.

639 Section 19. Section 17-36-6 is amended to read:

640 **17-36-6. Required funds and accounts.**

641 (1) In its system of accounts, each county shall maintain the following funds or account
642 groups that are appropriate to its needs:

643 (a) a county general fund;

644 (b) special revenue funds;

645 (c) debt service funds to account for the retirement of general obligation bonds or other
646 long-term indebtedness including the payment of interest;

647 (d) capital project funds, as required to account for the application of proceeds from the

648 sale of general obligation bonds or other general long-term debt, or funds derived from other
649 sources, to the specific purposes for which they are authorized;

650 (e) a separate fund for each utility or enterprise such as an airport fund, a sewer fund, a
651 water fund, or other similar funds;

652 (f) intragovernmental service funds;

653 (g) trust and agency funds such as a cemetery perpetual-care fund or a retirement fund;

654 (h) a separate fund for each special improvement district, which shall be known as a
655 special assessment fund;

656 (i) a ledger or group of accounts to record the details relating to the general fixed assets
657 of the county;

658 (j) a ledger or group of accounts to record the details relating to the general obligation
659 bonds or other long-term indebtedness of the county;

660 (k) municipal services fund as required in Section 17-36-9; and

661 (l) any other funds for special purposes required or established under the uniform
662 system of budgeting, accounting, and reporting.

663 (2) The county shall classify the funds and account groups established under the
664 authority of this section according to the uniform procedures established by this chapter.

665 Section 20. Section 17-36-8 is amended to read:

666 **17-36-8. Preparation of budgets.**

667 The budget officer of each county shall prepare each budget period, on forms provided
668 pursuant to Section 17-36-4, a budget for each of the following funds which are included in its
669 system of accounts:

670 (1) county general fund;

671 (2) special revenue funds;

672 (3) debt service funds;

673 (4) capital project funds; and

674 (5) any other fund or funds for which a budget is required by the uniform system of
675 budgeting, accounting, and reporting.

676 Section 21. Section 17-36-9 is amended to read:

677 **17-36-9. Budget -- Financial plan -- Contents -- Municipal services and capital**
678 **projects funds.**

679 (1) (a) The budget for each fund shall provide a complete financial plan for the budget
680 period and shall contain in tabular form classified by the account titles as required by the
681 uniform system of budgeting, accounting, and reporting:

- 682 (i) estimates of all anticipated revenues;
- 683 (ii) all appropriations for expenditures; and
- 684 (iii) any additional data required by Section 17-36-10 or 17-36-10.1, as applicable, or
685 by the uniform system of budgeting, accounting, and reporting.

686 (b) The total of appropriated expenditures shall be equal to the total of anticipated
687 revenues.

688 (2) (a) Each first-, second-, and third-class county that provides municipal-type
689 services under Section 17-34-1 shall:

690 (i) establish a special revenue fund, "Municipal Services Fund," and a capital projects
691 fund, "Municipal Capital Projects Fund," or establish a local district or special service district
692 to provide municipal services; and

693 (ii) budget appropriations for municipal services and municipal capital projects from
694 these funds.

695 (b) The Municipal Services Fund is subject to the same budgetary requirements as the
696 [~~county's~~] county general fund.

697 (c) (i) Except as provided in Subsection (2)(c)(ii), the county may deposit revenue
698 derived from any taxes otherwise authorized by law, income derived from the investment of
699 money contained within the municipal services fund and the municipal capital projects fund,
700 the appropriate portion of federal money, and fees collected into a municipal services fund and
701 a municipal capital projects fund.

702 (ii) The county may not deposit revenue derived from a fee, tax, or other source based
703 upon a countywide assessment or from a countywide service or function into a municipal
704 services fund or a municipal capital projects fund.

705 (d) The maximum accumulated unappropriated surplus in the municipal services fund,
706 as determined prior to adoption of the tentative budget, may not exceed an amount equal to the
707 total estimated revenues of the current fiscal period.

708 Section 22. Section 17-36-16 is amended to read:

709 **17-36-16. Retained earnings -- Accumulation -- Restrictions -- Disbursements.**

710 (1) (a) A county may accumulate retained earnings in any enterprise or internal service
711 fund or a fund balance in any other fund~~[- but with respect to the General Fund, its].~~

712 (b) Notwithstanding Subsection (1)(a), use of the county general fund shall be
713 restricted to the following purposes:

714 ~~[(a)]~~ (i) to provide cash to finance expenditures from the beginning of the budget
715 period until general property taxes, sales taxes, or other revenues are collected;

716 ~~[(b)]~~ (ii) to provide a fund or reserve to meet emergency expenditures; and

717 ~~[(c)]~~ (iii) to cover unanticipated deficits for future years.

718 (2) (a) The maximum accumulated unappropriated surplus in the ~~[General Fund]~~
719 county general fund, as determined prior to adoption of the tentative budget, may not exceed an
720 amount equal to the greater of:

721 (i) (A) for a county with a taxable value of \$750,000,000 or more and a population of
722 100,000 or more, 20% of the total revenues of the ~~[General Fund]~~ county general fund for the
723 current fiscal period; or

724 (B) for any other county, 50% of the total revenues of the ~~[General Fund]~~ county
725 general fund for the current fiscal period; and

726 (ii) the estimated total revenues from property taxes for the current fiscal period.

727 (b) Any surplus balance in excess of the above computed maximum shall be included
728 in the estimated revenues of the ~~[General Fund]~~ county general fund budget for the next fiscal
729 period.

730 (3) Any fund balance exceeding 5% of the total ~~[General Fund]~~ county general fund
731 revenues may be used for budgetary purposes.

732 (4) (a) A county may appropriate funds from estimated revenue in any budget period to
733 a reserve for capital improvements within any capital improvements fund which has been duly
734 established by ordinance or resolution.

735 (b) Money in the reserves shall be allowed to accumulate from fiscal period to fiscal
736 period until the accumulated total is sufficient to permit economical expenditure for the
737 specified purposes.

738 (c) Disbursements from the reserves shall be made only by transfer to a revenue
739 account within a capital improvements fund pursuant to an appropriation for the fund.

740 (d) Expenditures from the capital improvement budget accounts shall conform to all

741 requirements of this act as it relates to the execution and control of budgets.

742 Section 23. Section **17-36-26** is amended to read:

743 **17-36-26. Increase in budgetary fund or county general fund -- Public hearing.**

744 (1) Before the governing body may, by resolution, increase a budget appropriation of
745 any budgetary fund, increase the budget of the county general fund, or make an amendment to a
746 budgetary fund or the county general fund, the governing body shall hold a public hearing
747 giving all interested parties an opportunity to be heard.

748 (2) Notice of the public hearing described in Subsection (1) shall be published at least
749 five days before the day of the hearing:

750 (a) (i) in at least one issue of a newspaper generally circulated in the county; or

751 (ii) if there is not a newspaper generally circulated in the county, the hearing may be
752 published by posting notice in three conspicuous places within the county; and

753 (b) on the Utah Public Notice Website created under Section [63F-1-701](#).

754 Section 24. Section **17-36-27** is amended to read:

755 **17-36-27. Emergency expenditures -- Deficit.**

756 (1) If the governing body determines that an emergency exists, such as widespread
757 damage from fire, flood, or earthquake, and that the expenditure of money in excess of the
758 county general fund budget is necessary, [it] the governing body may make [~~such~~] expenditures
759 and incur [~~such~~] deficits [~~as~~] that are reasonably necessary to meet the emergency.

760 (2) Except to the extent provided for in Title 53, Chapter 2a, Part 6, Disaster Recovery
761 Funding Act, the governing body of the county may not expend money in the county's local
762 fund for an emergency, if the county creates a local fund under Title 53, Chapter 2a, Part 6,
763 Disaster Recovery Funding Act.

764 Section 25. Section **17-36-29** is amended to read:

765 **17-36-29. Special fund ceases -- Transfer.**

766 [~~If the necessity to maintain any special fund ceases and there is a balance in such fund]~~

767 (1) If the purpose for which a special fund was created no longer exists and a balance
768 remains in the fund, the governing body shall authorize the transfer of the balance to the fund
769 balance account in the [~~General Fund~~] county general fund.

770 (2) Any balance which remains in a special assessment fund and any unrequired
771 balance in a special improvement guaranty fund shall be treated as provided in Subsection

772 11-42-701(5).

773 (3) Any balance which remains in a capital projects fund shall be transferred to the
774 appropriate debt service fund or such other fund as the bond ordinance requires or to the county
775 general fund balance account.

776 Section 26. Section 17-36-31 is amended to read:

777 **17-36-31. Tax levy -- Amount.**

778 (1) (a) Before June 22 of each year, the county legislative body shall levy a tax on the
779 taxable real and personal property within the county.

780 (b) In [its] the legislative body's computation of the total levy subject to Sections
781 59-2-908 and 59-2-911, it shall determine the requirements for each fund and specify the
782 amount of the levy apportioned to each fund.

783 (2) The proceeds of the tax apportioned for purposes of the [~~General Fund~~] county
784 general fund shall be credited in the [~~General Fund~~] county general fund.

785 (3) The proceeds of the tax apportioned for utility and other special fund purposes shall
786 be credited to the appropriate accounts in the utility or other special funds.

787 Section 27. Section 17-36-36 is amended to read:

788 **17-36-36. Financial statements.**

789 (1) The budget officer shall present to the governing body the following financial
790 statements prepared in the manner prescribed by the uniform system of budgeting, accounting,
791 and reporting:

792 [(+)] (a) A summary of cash receipts and disbursements for each fund or group of funds
793 and for each department within each fund reportable at the end of each month showing the cash
794 and invested balance at the beginning of the period, the total receipts collected during the
795 period, the total disbursements made during the period and the cash and invested balance at the
796 end of the period.

797 [(2)] (b) Not less than once each quarter or more often if requested by the governing
798 body, a condensed statement of revenues and expenditures and comparison with the budget of
799 the county general fund and the allotments thereof, as reflected by the books of account.

800 [(3)] (c) A comparative quarterly income and expense statement for each enterprise
801 fund showing a comparative analysis between the operations of such fund for the current fiscal
802 reporting period and the same period in the previous year.

803 ~~[(4)]~~ (d) A condensed statement of the operating and capital budget of each enterprise
804 fund showing revenues and expenses and balances compared with the budget for any period
805 requested by the governing body or required by the uniform system of budgeting, accounting
806 and reporting.

807 ~~[(5)]~~ (e) Any other statements of operations or reports on financial condition as the
808 governing body or the uniform system of budgeting, accounting, and reporting may require.

809 (2) All financial statements made pursuant to this section shall be open for public
810 inspection during regular business hours.

811 Section 28. Section **17-36-37** is amended to read:

812 **17-36-37. Budget officer -- Annual financial statement -- Contents.**

813 (1) The budget officer of each county, within 180 days after the close of each fiscal
814 period, or, for a county that has adopted a fiscal period that is a biennial period, within 180
815 days after both the midpoint and the close of the fiscal period, except as provided by Section
816 **17-36-38**, shall prepare and make available to the governing body an annual financial report
817 which shall contain:

818 (a) a statement of revenues and expenditures and a comparison with the budget of the
819 county general fund, similar statements of all other funds for which budgets are required, and
820 statements of revenues and expenditures or of income and expense, as the case may be, of all
821 other operating funds of the county;

822 (b) a balance sheet of each fund and a combined balance sheet of all funds as of:

823 (i) for a county that has adopted a fiscal period that is a biennial period, the midpoint
824 and the close of the fiscal period; and

825 (ii) for each other county, the close of the fiscal period; or

826 (c) any other reports the governing body may require, including work performance
827 data, tax levies, taxable values, details of bonded indebtedness, and historical facts of interest
828 to the governing body and the public.

829 (2) Copies of the annual report shall be furnished to the state auditor and made a matter
830 of public record in the office of the budget officer.

831 Section 29. Section **17-36-51** is amended to read:

832 **17-36-51. Establishment of tax stability and trust fund -- Increase in tax levy.**

833 (1) (a) Notwithstanding anything to the contrary contained in statute, the legislative

834 body of any county may by ordinance establish and maintain a tax stability and trust fund, for
 835 the purpose of preserving funds during years with favorable tax revenues for use during years
 836 with less favorable tax revenues.

837 (b) Each fund under Subsection (1)(a) shall be subject to all of the limitations and
 838 restrictions imposed by this section and Sections 17-36-52 and 17-36-53.

839 (c) The principal of the fund shall consist of all sums transferred to it in accordance
 840 with Subsection (2) and interest or other income retained in the fund under Subsection
 841 17-36-52(2)(a).

842 (2) (a) After establishing a tax stability and trust fund as provided in Subsection (1),
 843 the legislative body, in establishing the levy for the property tax levied by the county under
 844 Section 59-2-908, may establish the levy at a level not to exceed .0001 per dollar of taxable
 845 value of taxable property increase per year that will permit the county to receive during that
 846 fiscal year sums in excess of what may be required to provide for the purposes of the county.

847 (b) Any excess sums so received are to be transferred from the [~~General Fund of the~~
 848 ~~county~~] county general fund into the tax stability and trust fund.

849 Section 30. Section 17-36-52 is amended to read:

850 **17-36-52. Tax stability and trust fund -- Deposit or investment of funds -- Use of**
 851 **interest or other income.**

852 (1) (a) All amounts in the tax stability and trust fund established by a county under
 853 Section 17-36-51 may be deposited or invested as provided in Section 51-7-11. [~~These~~]

854 (b) The amounts described in Subsection (1)(a) may also be transferred by the county
 855 treasurer to the state treasurer under Section 51-7-5 for the treasurer's management and control
 856 under Title 51, Chapter 7, State Money Management Act.

857 (2) (a) The interest or other income realized from amounts in the tax stability and trust
 858 fund shall be returned to the county general fund [~~of the county~~] during the fiscal year in which
 859 the income or interest is paid to the extent the interest or income is required by the county to
 860 provide for its purposes during that fiscal year. [~~Any amounts so returned~~]

861 (b) An amount returned in accordance with Subsection (2)(a) may be used for all
 862 purposes as other amounts in [~~such~~] the county general fund.

863 (c) Any interest or income [~~not so~~] that is not returned to the [~~county's~~] county general
 864 fund in accordance with Subsection (2)(a) shall be added to the principal of that county's tax

865 stability and trust fund.

866 Section 31. Section 17-36-53 is amended to read:

867 **17-36-53. Tax stability and trust fund -- Amount in fund limited -- Disposition of**
868 **excess.**

869 (1) The total amount in a county's tax stability and trust fund established under Section
870 17-36-51 shall be limited to the percentage of the total taxable value of property in that county
871 not to exceed the limits provided in the following schedule:

872 Total Taxable Value	Fund Limits	but not to
	Percentage of	exceed:
	Taxable Value	
873 Less than \$500,000,000	1.6%	\$5,000,000
874 From 500,000,000 to 1,500,000,000	1.0%	7,500,000
875 Over 1,500,000,000	.5%	15,000,000

876 (2) If any excess occurs in the tax stability and trust fund over the percentage or
877 maximum dollar amounts specified in Subsection (1), this excess shall be transferred to the
878 county general fund [~~of the county~~] and may be used for all purposes as other amounts in the
879 county general fund are used.

880 (3) [~~H~~] (a) Subject to Subsection (3)(b), if any excess in the fund exists because of a
881 decrease in total taxable value, that excess may remain in the fund[~~, but if~~].

882 (b) If the excess amount in the fund is decreased below the limitations of the fund for
883 any reason, the fund limitations established under Subsection (1) apply.

884 Section 32. Section 17-36-54 is amended to read:

885 **17-36-54. Tax stability and trust fund -- Use of principal -- Determination of**
886 **necessity -- Election.**

887 (1) If the legislative body of a county that has established a tax stability and trust fund
888 under Section 17-36-51 determines that it is necessary for purposes of that county to use any
889 portion of the principal of the fund, the county legislative body shall submit this proposition to
890 the electorate of that county in a special election called and held in the manner provided for in
891 Title 11, Chapter 14, Local Government Bonding Act, for the holding of bond elections.

892 (2) If the proposition is approved at [~~this~~] the special election by a majority of the
893 qualified electors of the county voting at the election, then that portion of the principal of the
894 fund covered by the proposition may be transferred to the [~~county's~~] county general fund for
895 use for purposes of that county.

Legislative Review Note
as of 9-19-13 12:16 PM

Office of Legislative Research and General Counsel