

1                   **LOCAL GOVERNMENT GENERAL FUND AMENDMENTS**

2                                   2014 GENERAL SESSION

3                                   STATE OF UTAH

4                           **Chief Sponsor: Daniel W. Thatcher**

5                                   House Sponsor: R. Curt Webb

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7   **LONG TITLE**

8   **General Description:**

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

10 **Highlighted Provisions:**

11       This bill:

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

18 **Money Appropriated in this Bill:**

19       None

20 **Other Special Clauses:**

21       None

22 **Utah Code Sections Affected:**

23 AMENDS:

24       **10-1-302**, as enacted by Laws of Utah 1996, Chapter 280

25       **10-5-106**, as enacted by Laws of Utah 1983, Chapter 34

26       **10-5-113**, as last amended by Laws of Utah 1986, Chapter 181

27       **10-5-118**, as last amended by Laws of Utah 2007, Chapter 328

28       **10-5-119**, as last amended by Laws of Utah 2007, Chapter 329

29       **10-6-106**, as last amended by Laws of Utah 2003, Chapter 292

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

55 ENACTS:

56            **10-5-102.5**, Utah Code Annotated 1953

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

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

60 **10-1-302. Purpose and intent.**

61 The Legislature finds that:

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

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

75 **10-5-102.5. Definitions.**

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

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

80 **10-5-106. Funds for which budget prepared.**

81 The mayor shall prepare for each budget year a budget for:

- 82 (1) the town general fund, including state allocated road funds;
- 83 (2) special revenue funds;
- 84 (3) debt service funds;
- 85 (4) capital improvement funds; and

86 (5) enterprise funds.

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

88 **10-5-113. Accumulation of retained earnings or fund balance -- Limit as to**  
89 **general fund -- Reserve for capital improvements.**

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

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

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

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

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

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

104 Section 5. Section 10-5-118 is amended to read:

105 **10-5-118. Emergency expenditures.**

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

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

114 6, Disaster Recovery Funding Act.

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

116 **10-5-119. Special fund balance -- Disposition when fund no longer required.**

117 ~~[Whenever the necessity for maintaining any special fund of a town has ceased to exist]~~

118 If the purpose for which a special fund was created no longer exists, and a balance remains in  
119 the fund, the ~~[governing body]~~ town council shall authorize the transfer of the balance to the  
120 fund balance account in the town general fund ~~[of the town]~~, subject to all of the following:

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

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

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

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

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

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

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

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

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

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

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

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

154 **10-6-106. Definitions.**

155 As used in this chapter:

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

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

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

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

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

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

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

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

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

176 [~~(8)~~] (9) "Current period" means the fiscal period in which a budget is prepared and  
177 adopted, i.e., the fiscal period next preceding the budget period.

178 [~~(9)~~] (10) "Department" means any functional unit within a fund that carries on a  
179 specific activity, such as a fire or police department within a [~~General Fund~~] city general fund.

180 [~~(10)~~] (11) "Encumbrance system" means a method of budgetary control in which part  
181 of an appropriation is reserved to cover a specific expenditure by charging obligations, such as  
182 purchase orders, contracts, or salary commitments to an appropriation account at their time of  
183 origin. Such obligations cease to be encumbrances when paid or when the actual liability is  
184 entered on the city's books of account.

185 [~~(11)~~] (12) "Estimated revenue" means the amount of revenue estimated to be received  
186 from all sources during the budget period in each fund for which a budget is being prepared.

187 [~~(12)~~] (13) "Financial officer" means the mayor in the council-mayor optional form of  
188 government or the city official as authorized by Section 10-6-158.

189 [~~(13)~~] (14) "Fiscal period" means the annual or biennial period for accounting for fiscal  
190 operations in each city.

191 [~~(14)~~] (15) "Fund" is as defined by generally accepted accounting principles as  
192 reflected in the Uniform Accounting Manual for Utah Cities.

193 [~~(15)~~] (16) "Fund balance," "retained earnings," and "deficit" have the meanings  
194 commonly accorded such terms under generally accepted accounting principles as reflected in  
195 the Uniform Accounting Manual for Utah Cities.

196 [~~(16)~~] (17) "Governing body" means a city council, or city commission, as the case  
197 may be, but the authority to make any appointment to any position created by this chapter is

198 vested in the mayor in the council-mayor optional form of government.

199           [(17)] (18) "Interfund loan" means a loan of cash from one fund to another, subject to  
200 future repayment and does not constitute an expenditure or a use of retained earnings or fund  
201 balance of the lending fund or revenue to the borrowing fund.

202           [(18)] (19) "Last completed fiscal period" means the fiscal period next preceding the  
203 current period.

204           [(19)] (20) (a) "Public funds" means any money or payment collected or received by an  
205 officer or employee of the city acting in an official capacity and includes money or payment to  
206 the officer or employee for services or goods provided by the city, or the officer or employee  
207 while acting within the scope of employment or duty.

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

211           [(20)] (21) "Special fund" means any fund other than the [~~General Fund~~] city general  
212 fund.

213           [(21)] (22) "Warrant" means an order drawn upon the city treasurer, in the absence of  
214 sufficient money in the city's depository, by an authorized officer of a city for the purpose of  
215 paying a specified amount out of the city treasury to the person named or to the bearer as  
216 money becomes available.

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

218           **10-6-109. Budget required for certain funds -- Capital projects fund budget.**

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

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

222           (b) special revenue funds;

223           (c) debt service funds; and

224           (d) capital improvement funds.

225           (2) (a) Major capital improvements financed by general obligation bonds, capital



226 grants, or interfund transfers, shall use a capital projects fund budget.

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

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

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

233 **10-6-116. Accumulated fund balances -- Limitations -- Excess balances --**  
234 **Unanticipated excess of revenues -- Reserves for capital improvements.**

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

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

243 [~~(b)~~] (ii) to provide a resource to meet emergency expenditures under Section  
244 10-6-129; and

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

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

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

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

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

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

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

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

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

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

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

272 **10-6-117. Appropriations not to exceed estimated expendable revenue --**  
273 **Determination of revenue -- Appropriations for existing deficits.**

274 (1) The governing body of any city may not make any appropriation in the final budget  
275 of any fund in excess of the estimated expendable revenue for the budget period of the fund.

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

281 (3) (a) There shall be included as an item of appropriation in each fund for any budget

282 period any existing deficit as of the close of the last completed fiscal period, not previously  
283 included in the budget of the current period, to the extent of at least 5% of the total revenue of  
284 the fund in its last completed fiscal period.

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

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

288 **10-6-129. Emergency expenditures.**

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

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

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

299 **10-6-131. Transfer of balances in special funds.**

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

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

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

309 (a) the appropriate debt service fund or other fund as required by the bond ordinance

310 ~~[may require and otherwise]; or~~

311 (b) to the fund balance account in the city general fund[?].

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

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

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

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

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

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

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

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

338           **10-6-133. Property tax levy -- Time for setting -- Computation of total levy --**  
339 **Apportionment of proceeds -- Maximum levy.**

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

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

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

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

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

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

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

358           **10-18-302. Bonding authority.**

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

- 363           (a) a cable television service; or
- 364           (b) a public telecommunications service.

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

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

394 municipal entity that issues revenue bonds, or to a municipality that is a member of a municipal  
395 entity that issues revenue bonds, if:

396 (i) on or before March 2, 2004, the municipality that is issuing revenue bonds or that is  
397 a member of a municipal entity that is issuing revenue bonds has published the first notice  
398 described in Subsection (4)(b)(iii);

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

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

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

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

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

412 (B) the notice identifies:

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

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

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

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

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

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

421 (A) adopts a final financing plan; and

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

425 (I) the final financing plan; and

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

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

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

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

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

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

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

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

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

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

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

449 (ii) the notice identifies:



- 450 (A) that the notice is given pursuant to Title 11, Chapter 14, Local Government
- 451 Bonding Act;
- 452 (B) the purpose for the bonds to be issued;
- 453 (C) the maximum amount of the revenues described in Subsection (3)(a)(ii) that will be
- 454 pledged in any fiscal year;
- 455 (D) the maximum number of years that the pledge will be in effect; and
- 456 (E) the time, place, and location for the public hearing; and
- 457 (b) except with respect to a municipality that issued bonds prior to March 1, 2004, not
- 458 more than 50% of the average annual debt service of all revenue bonds described in this section
- 459 to provide service throughout the municipality or municipal entity may be paid from the
- 460 revenues described in Subsection (3)(a)(ii).
- 461 (6) A municipality that issues bonds pursuant to this section may not make or grant any
- 462 undue or unreasonable preference or advantage to itself or to any private provider of:
- 463 (a) cable television services; or
- 464 (b) public telecommunications services.

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

466 **17-16-18. Salaries paid out of general fund.**

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

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

471 **17-27a-403. Plan preparation.**

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

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

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

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

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

487 (i) a land use element that:

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

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

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

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

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

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

- 506 (A) to meet the needs of people desiring to live there; and
- 507 (B) to allow persons with moderate incomes to benefit from and fully participate in all
- 508 aspects of neighborhood and community life; and
- 509 (ii) may include an analysis of why the recommended means, techniques, or
- 510 combination of means and techniques provide a realistic opportunity for the development of
- 511 moderate income housing within the planning horizon, which means or techniques may include
- 512 a recommendation to:
- 513 (A) rezone for densities necessary to assure the production of moderate income
- 514 housing;
- 515 (B) facilitate the rehabilitation or expansion of infrastructure that will encourage the
- 516 construction of moderate income housing;
- 517 (C) encourage the rehabilitation of existing uninhabitable housing stock into moderate
- 518 income housing;
- 519 (D) consider county general fund subsidies to waive construction related fees that are
- 520 otherwise generally imposed by the county;
- 521 (E) consider utilization of state or federal funds or tax incentives to promote the
- 522 construction of moderate income housing;
- 523 (F) consider utilization of programs offered by the Utah Housing Corporation within
- 524 that agency's funding capacity; and
- 525 (G) consider utilization of affordable housing programs administered by the
- 526 Department of Workforce Services.
- 527 (c) In drafting the land use element, the planning commission shall:
- 528 (i) identify and consider each agriculture protection area within the unincorporated area
- 529 of the county; and
- 530 (ii) avoid proposing a use of land within an agriculture protection area that is
- 531 inconsistent with or detrimental to the use of the land for agriculture.
- 532 (3) The proposed general plan may include:
- 533 (a) an environmental element that addresses:

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

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

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

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

546 (i) historic preservation;

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

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

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

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

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

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

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

560 **17-31-3. Reserve fund authorized -- Use of collected funds.**

561 The county legislative body may create a reserve fund and any funds collected but not

562 expended during any fiscal year [~~do not revert to the general fund of the governing bodies but~~]  
563 shall be retained in a special fund to be used in accordance with Sections 17-31-2 through  
564 17-31-5.

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

566 **17-36-3. Definitions.**

567 As used in this chapter:

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

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

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

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

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

579 (5) "Budget officer" means:

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

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

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

584 (7) "Check" means an order in a specific amount drawn upon the depository by any  
585 authorized officer in accordance with Section 17-19-3, 17-19a-301, 17-24-1, or 17-24-1.1, as  
586 applicable.

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

590            [(8)] (9) "Countywide service" means a service provided in both incorporated and  
591 unincorporated areas of a county.

592            [(9)] (10) "Current period" means the fiscal period in which a budget is prepared and  
593 adopted.

594            [(10)] (11) "Department" means any functional unit within a fund which carries on a  
595 specific activity.

596            [(11)] (12) "Encumbrance system" means a method of budgetary control where part of  
597 an appropriation is reserved to cover a specific expenditure by charging obligations, such as  
598 purchase orders, contracts, or salary commitments to an appropriation account. An expenditure  
599 ceases to be an encumbrance when paid or when the actual liability is entered in the books of  
600 account.

601            [(12)] (13) "Estimated revenue" means any revenue estimated to be received during the  
602 budget period in any fund for which a budget is prepared.

603            [(13)] (14) "Fiscal period" means the annual or biennial period for recording county  
604 fiscal operations.

605            [(14)] (15) "Fund" means an independent fiscal and accounting entity comprised of a  
606 sum of money or other resources segregated for a specific purpose or objective.

607            [(15)] (16) "Fund balance" means the excess of the assets over liabilities, reserves, and  
608 contributions, as reflected by its books of account.

609            [(16)] (17) "Fund deficit" means the excess of liabilities, reserves, and contributions  
610 over its assets, as reflected by its books of account.

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

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

617            (19) "Last completed fiscal period" means the fiscal period next preceding the current

618 period.

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

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

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

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

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

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

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

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

639 **17-36-6. Required funds and accounts.**

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

642 (a) a county general fund;

643 (b) special revenue funds;

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

646 (d) capital project funds, as required to account for the application of proceeds from the  
647 sale of general obligation bonds or other general long-term debt, or funds derived from other  
648 sources, to the specific purposes for which they are authorized;

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

651 (f) intragovernmental service funds;

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

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

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

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

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

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

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

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

665 **17-36-8. Preparation of budgets.**

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

669 (1) county general fund;

670 (2) special revenue funds;

671 (3) debt service funds;

672 (4) capital project funds; and

673 (5) any other fund or funds for which a budget is required by the uniform system of



674 budgeting, accounting, and reporting.

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

676 **17-36-9. Budget -- Financial plan -- Contents -- Municipal services and capital**  
677 **projects funds.**

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

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

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

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

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

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

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

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

701 (ii) The county may not deposit revenue derived from a fee, tax, or other source based

702 upon a countywide assessment or from a countywide service or function into a municipal  
703 services fund or a municipal capital projects fund.

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

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

708 **17-36-16. Retained earnings -- Accumulation -- Restrictions -- Disbursements.**

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

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

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

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

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

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

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

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

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

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

729 (3) Any fund balance exceeding 5% of the total [~~General Fund~~] county general fund

730 revenues may be used for budgetary purposes.

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

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

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

739 (d) Expenditures from the capital improvement budget accounts shall conform to all  
740 requirements of this act as it relates to the execution and control of budgets.

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

742 **17-36-26. Increase in budgetary fund or county general fund -- Public hearing.**

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

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

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

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

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

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

754 **17-36-27. Emergency expenditures -- Deficit.**

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

758 and incur [~~such~~] deficits [~~as~~] that are reasonably necessary to meet the emergency.

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

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

764 **17-36-29. Special fund ceases -- Transfer.**

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

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

769 (2) Any balance which remains in a special assessment fund and any unrequired  
770 balance in a special improvement guaranty fund shall be treated as provided in Subsection  
771 **11-42-701(5)**.

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

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

776 **17-36-31. Tax levy -- Amount.**

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

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

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

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

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

787 **17-36-36. Financial statements.**

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

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

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

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

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

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

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

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

811 **17-36-37. Budget officer -- Annual financial statement -- Contents.**

812 (1) The budget officer of each county, within 180 days after the close of each fiscal  
813 period, or, for a county that has adopted a fiscal period that is a biennial period, within 180

814 days after both the midpoint and the close of the fiscal period, except as provided by Section  
815 [17-36-38](#), shall prepare and make available to the governing body an annual financial report  
816 which shall contain:

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

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

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

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

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

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

830 Section 29. Section [17-36-51](#) is amended to read:

831 **[17-36-51. Establishment of tax stability and trust fund -- Increase in tax levy.](#)**

832 (1) (a) Notwithstanding anything to the contrary contained in statute, the legislative  
833 body of any county may by ordinance establish and maintain a tax stability and trust fund, for  
834 the purpose of preserving funds during years with favorable tax revenues for use during years  
835 with less favorable tax revenues.

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

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

841 (2) (a) After establishing a tax stability and trust fund as provided in Subsection (1),

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

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

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

849 **17-36-52. Tax stability and trust fund -- Deposit or investment of funds -- Use of**  
850 **interest or other income.**

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

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

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

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

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

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

866 **17-36-53. Tax stability and trust fund -- Amount in fund limited -- Disposition of**  
867 **excess.**

868 (1) The total amount in a county's tax stability and trust fund established under Section  
869 17-36-51 shall be limited to the percentage of the total taxable value of property in that county

870 not to exceed the limits provided in the following schedule:

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

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

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

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

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

884 **17-36-54. Tax stability and trust fund -- Use of principal -- Determination of**  
885 **necessity -- Election.**

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

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



894 use for purposes of that county.