REQUEST FOR COUNCIL ACTION

SUBJECT: Ordinance 19-55, an Ordinance Amending 2009 West Jordan Municipal Code Title 3, Chapters 3 through 9 inclusive (Revenue, Finance and Taxation) regarding the change to the Council-Mayor Form of Municipal Government.

SUMMARY: Adoption of this Ordinance would update Chapters 3 through 9 of the Revenue, Finance and Taxation Title, to comply with the change to the Council-Mayor Form of Municipal Government. The most significant changes are in Chapter 8, which is the new financial reporting and budget chapter.

FISCAL/ASSET IMPACT: There is no cost or financial impact to the City (revenue neutral).

STAFF RECOMMENDATION: Staff recommends approval of this Ordinance, as discussed in the December 4, 2019 Council Work Session.

MOTION RECOMMENDED: “I move to approve Ordinance 19-55, an Ordinance Amending 2009 West Jordan Municipal Code Title 3, Chapters 3 through 9 inclusive (Revenue, Finance and Taxation) regarding the change to the Council-Mayor Form of Municipal Government.”

[OR approved as part of a Consent Motion.] [Roll Call Vote required.]

Prepared and Presented by:

Duncan T. Murray
Assistant City Attorney

Recommended by:

Korban Lee
Assistant City Manager

Authorized for Council Consideration:

David R. Brickey
City Manager

Reviewed for Legal Sufficiency:

Duncan T. Murray
City Attorney’s Office
THE CITY OF WEST JORDAN, UTAH
A Municipal Corporation

ORDINANCE NO. 19-__
[CHANGE OF FORM OF GOVERNMENT (Title 3, Chapters 3 through 9]

AN ORDINANCE AMENDING
TITLE 3, "REVENUE, FINANCE AND TAXATION."

WHEREAS, the City of West Jordan adopted a City Code in 2009, for the purpose of carrying into effect and discharging all powers and duties conferred by law upon the City and its officers, employees and inhabitants, and to provide for the safety, preserve the health, promote the prosperity, improve the morals, peace, good order, comfort and convenience of the City and its inhabitants, and to protect property in the City; and

WHEREAS, the West Jordan City Council reviewed Title 3, Chapter 6, Article B, Sections 1 through 12 of the 2009 City Code for the upcoming change of form of government and found no changes were needed at this time; and

WHEREAS, the West Jordan City Council finds and determines that the purpose of the 2009 City Code, and the public health and welfare, will best be reached by the adoption of the following amendments to Title 3, Chapters 3, 4, 5, 6A, 6C, 6D, 7, 8 and 9 of the 2009 City Code.

NOW THEREFORE, IT IS ORDAINED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF WEST JORDAN, UTAH:

Section 1. Title 3, Chapter 3, Sections 1, 3, 4, 5, 6 and 7 of the 2009 City Code shall hereafter read as follows:

3-3-1: TITLE:

This chapter shall be known as USER FEE REVENUE/COST COMPARISON. (2001 Code § 2-7-501; amd. Ord. 19-__-__-2019, Effective at 12 noon on January 6, 2020)

3-3-3: DEFINITION OF REASONABLE COSTS:

"Reasonable costs", as used and ordered to be applied in this chapter, shall be determined as set forth in this chapter and may consist of the following elements:

A. Direct Costs: All applicable direct costs, including, but not limited to, salaries, wages, overtime, employee fringe benefits, services and supplies, maintenance and operation expenses, contracted services, special supplies, and any other direct expense incurred.

B. Indirect Costs: All applicable indirect costs, including, but not restricted to, building maintenance and operations, equipment maintenance and operations, communications expenses, computer costs, printing and reproduction, vehicle expenses, insurance, debt service, and like expenses when distributed by a documented proration system of accounting.
C. Fixed Asset Recovery: Fixed asset recovery expenses, consisting of depreciation of fixed assets, and additional fixed asset expense recovery charges calculated on the current estimated cost of replacement, divided by the approximate life expectancy of the fixed asset. A further additional charge to make up the difference between book value depreciation not previously recovered and reserved in cash and the full cost of replacement also shall be calculated and considered a cost so as to recover such unrecovered costs between book value and cost of replacement over the remaining life of the asset.

D. General Overhead: General overhead, expressed as a percentage, distributing and charging the expenses of the city council, mayor’s office, city attorney, city administrator, city recorder, finance department, human resources division, and all other staff and support services provided to the entire city organization, which costs are not otherwise directly distributed to service centers. Overhead shall be prorated between tax financed services and fee financed services on the basis of such percentage so that each of taxes and fees and charges shall proportionately defray such overhead costs.

E. Departmental Overhead: Departmental overhead, expressed as a percentage, distributing and charging the cost of each department head and his supporting expenses as enumerated in subsections A, B, C and F of this section.

F. Debt Service Costs: Debt service costs, consisting of repayment of principal, payment of interest, and trustee fees and administrative expenses for all applicable bond, certificate or securities issues or loans of whatever nature or kind. Any required coverage factors or required or established reserves beyond basic debt service costs also shall be considered a cost if required by covenant within any securities ordinance, resolution, indenture or general law applicable to the city. (2001 Code § 2-7-503; amd. Ord. 19___, ___-2019, Effective at 12 noon on January 6, 2020)

3-3-4: SCOPE OF AUTHORITY OF THE MAYOR:

The mayor has the authority and duty to provide documents to the city council to implement the policy enumerated in this chapter to adjust fees and charges to recover the percentage of reasonable costs as established in this chapter, in providing the regulation, product or service enumerated in this chapter in the percentage of reasonable costs and on the schedule of rate review and revision as established in this chapter. (2001 Code § 2-7-504; amd. Ord. 19___, ___-2019, Effective at 12 noon on January 6, 2020)

3-3-5: REQUIRED ANNUAL REVIEW OF FEES:

The city administrator, finance director, and each city department head, under the direction of the mayor and city administrator, shall review annually the fees and service charges adopted pursuant to resolution of the city council, and provide an adjusted fee or charge schedule to the city council for its consideration so as to recover the listed percentage of reasonable costs necessary to provide the listed regulation, product or service. (2001 Code § 2-7-505; amd. Ord. 19___, ___-2019, Effective at 12 noon on January 6, 2020)
3-3-6: PUBLIC NOTICE:

A. Required: Annually, as part of the annual budget adoption process, the city recorder shall cause published public notice to be provided, and the city council shall receive at a regularly scheduled meeting, oral and written information and staff presentations concerning fees and charges proposed to be increased or added for the fiscal year encompassed by the proposed annual budget.

B. Action Following Notice, Meeting: Such notice, oral and written presentation, and public meeting shall be provided prior to the city council taking action on new or increased fees or charges. (2001 Code § 2-7-506; amd. Ord. 19-__, ____, 2019, Effective at 12 noon on January 6, 2020)

3-3-7: APPEAL TO CITY COUNCIL:

A. Time Limit for Filing: Any person who is required to pay a fee as set forth in a resolution by the city council and who feels that the fee or charge determined and set is in excess of the percentage of reasonable costs to be recovered as set out in this chapter may appeal in writing to the city council. Such appeal shall be filed within fifteen (15) calendar days of the imposition and payment of the fee.

B. Hearing; Decision: At the city council's discretion, such appeal may be placed on the agenda of a city council meeting within sixty (60) days of receipt of such appeal and heard at such city council meeting. If the city council determines that such fee or charge is in excess of the percentage of reasonable costs as set forth in this chapter, the city shall refund the fee within thirty (30) calendar days. (2001 Code § 2-7-507; amd. 2009 Code; Ord. 19-__, ____, 2019, Effective at 12 noon on January 6, 2020)

Section 2. Title 3, Chapter 4, Sections 1 through 3 shall be repealed and replaced by Title 3, Chapter 4, Sections 1 and 2 and hereafter read as follows:

3-4-1: ALLOWED TRANSACTIONS:

A. Definition of Waive and Obligation: For purposes of this chapter, "waiving", "waive", or "waived" also means writing off, forgiving, settling, and/or compromising any fee, fine, interest, penalty, or other monies legally required to be paid to the city ("Obligation").

B. An Obligation may only be waived as follows:

1. City Administrator Determination of Doubtful/Uncollectible Amounts: After the city (i) has made reasonable efforts to collect an Obligation, or (ii) has otherwise concluded that an Obligation is uncollectible as determined by the city administrator or designee, the city may waive any amount less than five thousand dollars ($5,000.00) per account without city council approval.

2. City Administrator Authority to Rectify Errors: The city administrator or designee may rectify an alleged error by city personnel.
3. Nonprofit Contributions: Consistent with the requirements of Utah Code section 10-8-2(2) or any successor provision, and the procedures required by title 2, chapter 14 of this code, the city council may (i) waive an Obligation, or (ii) otherwise provide monetary or nonmonetary assistance to a nonprofit entity whether or not the city receives consideration in return.

4. Settlement of Litigation and Claims by or Against the City: A claim made by or against the city shall be settled or compromised, in whole or in part, as set forth in section 3-2-2.

5. For-Value Exchange Agreements: The mayor may agree to the payment of an Obligation in a written for-value exchange agreement without the approval of the city council if the value of the agreement is ten thousand dollars ($10,000.00) or less. (Ord. 19-__, __-__-2019, Effective at 12 noon on January 6, 2020)

3-4-2: REPORT TO CITY COUNCIL:

The mayor or designee shall provide an annual report to the city council which includes a summary of the Obligations waived, the for-value exchange agreements entered, and the assistance provided to nonprofit entities, pursuant to this chapter. The summary shall (i) identify the recipients or participants, and (ii) the dollar amount or value provided to each recipient or participant. (Ord. 19-__, __-__-2019, Effective at 12 noon on January 6, 2020)

Section 3. Title 3, Chapter 5, Sections 2 through 5 shall be repealed; Section 1 of the 2009 City Code shall hereafter read as follows:

3-5-1: FEES FOR RENTAL OF CITY BUILDING FACILITIES:

Fees for the rental of city building facilities shall be determined by the city council in the consolidated fee schedule. (Ord. 15-04, 1-28-2015; amd. Ord. 19-__, __-__-2019, Effective at 12 noon on January 6, 2020)

Section 4. Title 3, Chapter 6, Article A, Sections 1 through 7 shall be repealed, and Title 3 Chapter 6, Article A shall be titled “Reserved.”

Section 5. Title 3, Chapter 6, Article C, Sections 3, 5, 6 and 7 of the 2009 City Code shall hereafter read as follows:

3-6C-3: LEVIED:

A. Utility Tax Levy: There is levied, subject to the provisions of this article, a tax on every sale or use of taxable energy made within the city equaling six percent (6%) of the delivered value of the taxable energy to the consumer. This tax shall be known as the municipal energy sales and use tax. The tax shall be calculated on the delivered value of the taxable energy to the consumer.

B. Utility Tax in Addition to Sales Tax Levy: This tax shall be in addition to any sales or use tax on taxable energy imposed by the city authorized by Utah Code Annotated title 59, chapter 12, part 2, the local sales and use tax act. (2001 Code § 78-4-103; amd. Ord. 19-__, __-__-2019, Effective at 12 noon on January 6, 2020)
3-6C-5: NO EFFECT UPON EXISTING FRANCHISES/AGREEMENTS; CREDIT FOR FRANCHISE FEES:

A. Existing Franchise Agreements not Altered: This article shall not alter any existing franchise agreements between the city and energy suppliers.

B. Franchise Fee Tax Credit: A credit is granted against the tax due from any consumer, in the amount of a contractual franchise fee paid if the:

1. Energy supplier pays the contractual franchise fee to the city pursuant to a franchise agreement in effect on July 1, 1997;

2. Contractual franchise fee is passed through by the energy supplier to a consumer, as a separately itemized charge; and

3. Energy supplier has legally accepted or is legally bound by the franchise. (2001 Code § 78-4-105; amd. 2009 Code; Ord. 19-__, __-2019, Effective at 12 noon on January 6, 2020)

3-6C-6: TAX COLLECTION WITH STATE TAX COMMISSION:

A. Monthly Tax Payment Obligation: An energy supplier shall pay the municipal energy sales and use tax revenues collected from consumers directly to the city monthly if:

1. The city is the energy supplier; or

2. a. The energy supplier estimates that the municipal energy sales and use tax collected annually from its state consumers equals one million dollars ($1,000,000.00) or more; and

   b. The energy supplier collects the municipal energy sales and use tax.

B. Adjustment or Credit for Direct Payment: An energy supplier paying the municipal energy sales and use tax directly to the city may deduct any contractual franchise fees collected by the energy supplier, which qualify as a credit, and remit the net tax due, less any amount the energy supplier retains as authorized by Utah Code Annotated section 10-1-307(4), or successor provisions. (2001 Code § 78-4-106; amd. 2009 Code; Ord. 19-__, __-2019, Effective at 12 noon on January 6, 2020)

3-6C-7: INCORPORATION OF STATE LAW:

A. Incorporation of State Law by Reference: Except as provided in this article and except insofar as they are inconsistent with the provisions of Utah Code Annotated title 10, chapter 1, the municipal energy sales and use tax act, as well as this article, all of the provisions of Utah Code Annotated title 59, chapter 12, insofar as they relate to sales and use taxes, excepting Utah Code Annotated sections 59-12-101 and 59-12-119, and excepting for the amount of the sales and use taxes levied therein, are adopted and made a part of this article as if fully set forth in this article.
B. City Name Substitution: Wherever, and to the extent that in Utah Code Annotated title 59, chapter 12, the state is named or referred to as the taxing agency, the name of the city shall be substituted, insofar as is necessary for the purposes of that part, as well as Utah Code Annotated title 10, chapter 1. Nothing in this subsection shall be deemed to require substitution of the name of the city for the word "state" when that word is used as part of the title of the state tax commission or of the state constitution, nor shall the name of the city be substituted for that of the state in any section when the result of such a substitution would require action to be taken by or against the city or any agency of the city, rather than by or against the state tax commission in performing the functions incident to the administration or operation of this article.

C. Amendments to State Law: Any amendments made to Utah Code Annotated title 59, chapter 12, which would be applicable to the city for the purposes of carrying out this article are incorporated in this article by reference and shall be effective upon the date that they are effective as a state statute. (2001 Code § 78-4-107; amd. Ord. 19-__, ____, 2019, Effective at 12 noon on January 6, 2020)

**Section 6.** Title 3, Chapter 6, Article D, Section 3 of the 2009 City Code shall hereafter read as follows:

**3-6D-3: COLLECTION OF TAX:**

A. When Due: The tax imposed by this article shall be due and payable to the city treasurer quarterly on or before the thirtieth day of the month following each calendar quarter, the first of such quarterly periods being the period commencing with July 1, 2007.

B. Report Filed: Every person or business taxed hereunder shall, on or before the thirtieth day of the month following each calendar quarter, file with the city treasurer's office a report of its gross revenue for the preceding quarterly period. The report shall be accompanied by a remittance of the amount of tax due for the period covered by the report. (2001 Code § 78-5-103; amd. Ord. 19-__, ____, 2019, Effective at 12 noon on January 6, 2020)

**Section 7.** Title 3, Chapter 7, Sections 4, 5, 8 and 9 of the 2009 City Code shall hereafter read as follows:

**3-7-4: NOTICE:**

A. Notice of Intent to Prepare an Impact Fee Facilities Plan:

1. Before preparing or amending an impact fee facilities plan, the city shall provide written notice of its intent to prepare or amend an impact fee facilities plan.

2. A notice required under subsection A1 of this section shall:

    a. Indicate that the city intends to prepare or amend an impact fee facilities plan;

    b. Describe or provide a map of the geographic area where the proposed impact fee facilities will be located; and
c. Be posted on the Utah public notice website created under Utah code section 63F-1-701.

B. Notice to Adopt or Amend an Impact Fee Facilities Plan:

1. If the city chooses to prepare an independent impact fee facilities plan rather than include an impact fee facilities element in the general plan in accordance with Utah code section 11-36a-301, the city shall, before adopting or amending the impact fee facilities plan:
   a. Give public notice, in accordance with subsection B2 of this section, of the plan or amendment at least ten (10) days before the day on which the public hearing described in subsection B1d of this section is scheduled;
   b. Make a copy of the plan or amendment, together with a summary designed to be understood by a lay person, available to the public on its website;
   c. Place a copy of the plan or amendment and summary in each public library within the borders of the city; and
   d. Hold a public hearing to hear public comment on the proposed plan or amendment.

2. With respect to the public notice required under subsection B1 of this section, the city shall comply with the notice and hearing requirements of, and, receive the protections of Utah code sections 10-9a-205, 10-9a-801 and 10-9a-502(2).

C. Notice of Preparation of an Impact Fee Analysis: Before preparing or contracting to prepare an impact fee analysis, the city shall post a public notice on the Utah public notice website created under Utah code section 63F-1-701.

D. Notice of Intent to Adopt Impact Fee Enactment; Hearing; Protections:

1. Before adopting an impact fee enactment, the city shall:
   a. Comply with the notice requirements of Utah code section 10-9a-205 as if the impact fee enactment were a land use ordinance;
   b. Hold a hearing in accordance with Utah code section 10-9a-502 as if the impact fee enactment were a land use ordinance; and
   c. Receive the protections of Utah code section 10-9a-801 as if the impact fee were a land use ordinance;

2. The city shall at least ten (10) days before the day on which a public hearing is scheduled in accordance with this section:
   a. Make a copy of the impact fee enactment available to the public; and
   b. Post notice of the city's intent to enact or modify the impact fee, specifying the type of impact fee being enacted or modified, on the Utah public notice website created under Utah code section 63F-1-701;

3-7-5: ESTABLISHMENT OF SERVICE AREAS:

Service areas shall be established as follows:

A. Law Enforcement: The entire incorporated territory of the city is hereby designated as a single unified service area for the purposes of the law enforcement facilities impact fees.

B. Fire and Emergency Medical: The entire incorporated territory of the city is hereby designated as a single unified service area for purposes of the imposition of the fire and emergency medical facilities impact fees.

C. Road: The entire incorporated territory of the city is hereby designated as a single unified service area for the purposes of the imposition of the road facilities impact fees.

D. Stormwater: The entire incorporated territory of the city is hereby designated as a single unified service area for the purposes of the imposition of the stormwater facilities impact fees.

E. Roadway Water: The entire incorporated territory of the city is hereby designated as a single unified service area for the purposes of the imposition of the roadway water facilities impact fee.

F. Sanitary Sewer Collection: The entire incorporated territory of the city is hereby designated as a single unified service area for the purposes of the imposition of the sanitary sewer collection facilities impact fees.

G. Parks, Open Space and Trails: The entire incorporated territory of the city is hereby designated as a single unified service area for the purposes of the imposition of the parks, open space and trails facilities impact fees. (2001 Code § 89-8-105; amd. Ord. 19-__, __-__-2019, Effective at 12 noon on January 6, 2020)

3-7-8: CALCULATIONS:

A. Justification: An impact fee coefficient may not exceed the highest fee justified by the written impact fee analysis.

B. Calculation of Fee Due: The city shall calculate the amount of all applicable impact fees due for each building permit or subdivision plat by:

1. Determining the types of capital facilities impacted by the development activity;

2. Verifying the applicable unit of measure for the development;

3. Verifying the applicable impact fee coefficient for each capital facility impacted by the development;
4. Determining the number of units of measure applicable to the particular development; and

5. For each capital facility impacted by the development, multiplying the applicable impact fee coefficient by the number of units of measure.

C. Mixed Uses: If the development for which a building permit or subdivision plat is sought contains a mix of uses, the city must separately calculate the impact fee due for each type of development.

D. Nonbinding Estimate: Prior to making an application for a building permit, an applicant may request a nonbinding impact fee estimate from the city, which shall base such estimate on the development potential of the particular site and through the same manner as provided in this section.

E. Review; Modifications: The city shall, in conjunction with the annual capital budget and capital improvements planning processes, review the development potential of each development and the impact fee facilities plan and make such modifications as are deemed necessary as a result of:

1. Development occurring in prior years;
2. Capital improvements actually constructed;
3. Changing facility needs;
4. Inflation;
5. Revised cost estimates for capital improvements;
6. Changes in the availability of other funding sources applicable to public facility projects; and
7. Such other factors as may be relevant.

F. Amendments: Changes to the current impact fee facilities plan and impact fees not requiring a new impact fee study may be accomplished, as needed, by the city council through adoption of amending resolutions. (2001 Code § 89-8-108; amd. Ord. 13-28, 7-31-2013; Ord. 19-__, ____-2019, Effective at 12 noon on January 6, 2020)

3-7-9: ACCOUNTING:

A. Collection of Impact Fees: The city shall:

1. Establish a separate interest bearing ledger account for each type of public facility for which an impact fee is collected;
2. Deposit a receipt for an impact fee in the appropriate ledger account established under subsection A1 of this section;
3. Retain the interest earned on each fund or ledger account in the fund or ledger account;

4. At the end of each fiscal year, prepare a report on each fund or ledger account showing:
   a. The source and amount of all money collected, earned, and received by the fund or ledger account; and
   b. Each expenditure from the fund or ledger account; and

5. Produce a report that:
   a. Identifies impact fee funds by the year in which they were received, the project from which the funds were collected, the impact fee projects for which the funds were budgeted, and the projected schedule for expenditure;
   b. Is in a format developed by the state auditor;
   c. Is certified by the local political subdivision’s chief financial officer; and

Section 8. Title 3, Chapter 8, Sections 1 through 3 of the 2009 City Code shall be repealed and replaced by Title 3, Chapter 8, Sections 1 and 2 and hereafter read as follows:

3-8-1: CITY BUDGET PROCESS:

Annual budgets are prepared and adopted in accordance with the Uniform Fiscal Procedures Act adopted by the state of Utah. Once a budget has been adopted, it remains in effect until it has been formally revised. Furthermore, in accordance with state law, all appropriations lapse at the end of the budget year. If any obligations are contracted for and are in excess of the adopted budget, they are not a valid or enforceable claim against the city. Budgets are adopted on a basis consistent with GAAP, and all funds have legally adopted budgets.

The city adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

A. Prior to or on the first council meeting in May, the mayor submits to the city council a proposed operating budget for the fiscal year commencing the following July 1st. The operating budget includes proposed expenditures and the proposed sources of revenues.

B. Between the date of the council’s receipt of the proposed budget from the mayor and June 30th, the council reviews and adjusts the mayor’s proposed budget. On or before June 30th, a public hearing is held and the budget is legally adopted through passage of a resolution.

C. After the budget is adopted, the finance director may transfer any unencumbered or unexpended appropriation amount from one expenditure account to another within a department. The council may, by resolution, transfer any unencumbered or unexpended
appropriation amount from one department in a fund to another department within the same fund. Other budget amendments occur throughout the year as deemed necessary with council approval following a public hearing.

D. The budget is used as a management control device during the year for the general fund, special revenue funds, and capital projects fund. In the general fund, budgets are adopted at the functional level and budgetary control is exercised at the departmental level. For special revenue funds, budgets are adopted and control is exercised at the level of total expenditures for each individual fund.

E. Annual budgets for the general fund, capital projects fund, and all special revenue funds are prepared on the modified-accrual method of accounting and legally adopted by the council.

F. Encumbrances (commitments related to unpaid purchase orders or contracts for goods or services) are used only as an internal management control device during the year. All outstanding encumbrances lapse at fiscal year end. However, some encumbered amounts are re-authorized and honored as part of the following year's budget.

G. Although Utah State law requires the initial preparation of budgets for all city funds (both governmental and proprietary), it only requires the reporting of actual versus budget for governmental funds. (Ord. 19-__, __-__-2019, Effective at 12 noon on January 6, 2020)

3-8-2: PROPERTY TAXES:

The Salt Lake County treasurer acts as an agent for the city and collects and distributes the city's property tax revenue. Utah state laws establish the process by which taxes are levied and collected. The property tax calendar is as follows:

A. By June 8, the city receives valuation, certified tax rate, and levy worksheet forms via the state of Utah’s certified tax rate website.

B. Before June 30, the city holds a public hearing and adopts a proposed tax rate. This proposed tax rate is then submitted to the county auditor for review via the website.

C. Before July 22 (if the city proposes a tax rate higher than the certified tax rate), the county auditor mails a notice of intent to exceed the certified tax rate to property owners. This notice is normally combined with the tax notice.

D. By August 17, the city holds a public hearing and adopts the final tax rate and certifies the tax rate with the county auditor.

E. Between August 8 and August 22, taxpayers may petition the county board of equalization for an adjustment in the taxable value of their real property.

F. By November 1, the county auditor approves changes in taxable value of the real property and the county treasurer mails tax notices with a due date of November 30. Payments made after November 30 are considered delinquent and are subject to a penalty.
G. Unless the delinquent taxes and penalties are paid before January 15, a lien is attached to the real property, and the amount of taxes and penalties bear interest from January 1 until paid. If after five years, delinquent taxes have not been paid, the county sells the property at a tax sale.

For property taxes, at January 1 of each year (the assessment date), the city has the legal right to collect the taxes and has recorded a receivable and a corresponding deferred inflow of resources for the assessed amount of those property taxes as of January 1 of each year. Most of the tax will not be received until the following fiscal year. (Ord. 19-__, __-2019, Effective at 12 noon on January 6, 2020)

**Section 9.** Title 3, Chapter 9, Section 1 of the 2009 City Code shall hereafter read as follows:

**3-9-1: SERVICE FEE FOR RETURNED CHECKS AND DISHONORED CREDIT CHARGES:**

The city treasurer may assess and collect a service fee from the maker or issuer of any check, debit card or credit card payable to the city when payment is dishonored upon first presentation by the bank upon which it is drawn. The service fee shall be the sum adopted by the city council in the city uniform fee schedule. The assessment and collection of this fee shall not preclude the initiation of appropriate civil or criminal proceedings against the issuer or maker of the dishonored check. (2001 Code § 2-7-207; 2009 Code § 1-8G-7; amd. Ord. 09-13, 4-14-2009; Ord. 19-__, __-2019, Effective at 12 noon on January 6, 2020)

**Section 10.** Additions or amendments to the 2009 City Code when passed in such form as to indicate the intention of the City Council to make the same a part of the 2009 City Code shall be deemed to be incorporated in the 2009 City Code, so that reference to the 2009 City Code hereafter includes the additions and amendments.

**Section 11.** This Ordinance shall become effective at 12 noon on January 6, 2020.

Passed and adopted by the City Council of the City of West Jordan, Utah this ___ day of ____, ____.

CITY OF WEST JORDAN

By:

JIM RIDING
Mayor

ATTEST:

JAMIE BROOKS, CMC
Interim City Clerk
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**CITY CLERK/RECORDER’S CERTIFICATE OF PUBLICATION**

I, Jamie Brooks, certify that I am the City Clerk/Recorder of the City of West Jordan, Utah, and that the foregoing ordinance was published in the Legal Section, of the Salt Lake Tribune, on the _____ day of ____________, ____, pursuant to Utah Code Annotated, 10-3-711.

JAMIE BROOKS, CMC
Interim City Clerk/Recorder

[SEAL]
Chapter 3
USER FEE REVENUE/COST COMPARISON POLICY

3-3-1: TITLE:

This chapter shall be known as the USER FEE REVENUE/COST COMPARISON POLICY. (2001 Code § 2-7-501; amd. Ord. 19- _, _, _ -2019, Effective at 12 noon on January 6, 2020)

3-3-3: DEFINITION OF REASONABLE COSTS:

"Reasonable costs", as used and ordered to be applied in this chapter, shall be determined as set forth in this chapter and shall may consist of the following elements:

A. Direct Costs: All applicable direct costs, including, but not limited to, salaries, wages, overtime, employee fringe benefits, services and supplies, maintenance and operation expenses, contracted services, special supplies, and any other direct expense incurred.

B. Indirect Costs: All applicable indirect costs, including, but not restricted to, building maintenance and operations, equipment maintenance and operations, communications expenses, computer costs, printing and reproduction, vehicle expenses, insurance, debt service, and like expenses when distributed by a documented proration system of accounting.

C. Fixed Asset Recovery: Fixed asset recovery expenses, consisting of depreciation of fixed assets, and additional fixed asset expense recovery charges calculated on the current estimated cost of replacement, divided by the approximate life expectancy of the fixed asset. A further additional charge to make up the difference between book value depreciation not previously recovered and reserved in cash and the full cost of replacement also shall be calculated and considered a cost so as to recover such unrecovered costs between book value and cost of replacement over the remaining life of the asset.

D. General Overhead: General overhead, expressed as a percentage, distributing and charging the expenses of the city council, mayor's office, city attorney, city manager administrator, city clerk/recorder, finance department, personnel office human resources division, and all other staff and support services provided to the entire city organization, which costs are not otherwise directly distributed to service centers. Overhead shall be prorated between tax financed services and fee financed services on the basis of such percentage so that each of taxes and fees and charges shall proportionately defray such overhead costs.

E. Departmental Overhead: Departmental overhead, expressed as a percentage, distributing and charging the cost of each department head and his supporting expenses as enumerated in subsections A, B, C and F of this section.

F. Debt Service Costs: Debt service costs, consisting of repayment of principal, payment of interest, and trustee fees and administrative expenses for all applicable bond, certificate or securities issues or loans of whatever nature or kind. Any required coverage factors or required or established reserves beyond basic debt service costs also shall be considered a cost if required by covenant within any securities ordinance, resolution, indenture or general law applicable to the city. (2001 Code § 2-7-503; amd. Ord. 19- _, _, _ -2019, Effective at 12 noon on January 6, 2020)
3-3-4: **DELEGATION OF SCOPE OF AUTHORITY TO CITY MANAGER OF THE MAYOR:**

A. Scope Of Authority: The city manager is delegated mayor has the authority and directed duty to provide documents to the city council to implement the policy enumerated in this chapter to adjust fees and charges to recover the percentage of reasonable costs as established in this chapter, in providing the regulation, product or service enumerated in this chapter in the percentage of reasonable costs and on the schedule of rate review and revision as established in this chapter.

B. Executive Administrative Orders: The city manager is delegated authority to issue executive administrative orders defining terms; setting out administrative, fee collection and financial procedures; stating definitions; and establishing effective dates of all fees set by the city council by resolution. All executive administrative orders shall be signed by the director of finance certifying that the financial requirements of this chapter are complied with, and shall be signed by the city manager connecting the effective date of the executive administrative order and new or revised rate structure, procedure or definition. (2001 Code § 2-7-504; amd. Ord. 19-___, ___-2019, Effective at 12 noon on January 6, 2020)

3-3-5: **REQUIRED ANNUAL REVIEW OF FEES:**

A. Required: The city manager, director of administrator, finance director, and each city department head, under the direction of the city manager mayor and city administrator, shall review annually the fees and service charges adopted pursuant to resolution of the city council, and provide an adjusted fee or charge schedule to the city council for its consideration so as to recover the listed percentage of reasonable costs necessary to provide the listed regulation, product or service.

B. Variation Permitted:

1. The schedule of frequency of rate adjustments may be varied by the city manager to adjust revenues sufficient to meet debt service coverage requirements of any bond, certificate or ordinance, resolution, indenture, contract or action under which securities have been issued by the city which contain any coverage factor requirement.

2. The city manager may vary the review schedule listed in this section if, in the judgment of the city manager and a directly affected and requesting department head, a gross inequity would be perpetrated by not revising the rate schedule. (2001 Code § 2-7-505; amd. Ord. 19-___, ___-2019, Effective at 12 noon on January 6, 2020)

3-3-6: **PUBLIC NOTICE:**

A. Required: Annually, as part of the annual budget adoption process, the city clerk/recorder shall cause published public notice to be provided, and the city council shall receive at a regularly scheduled meeting, oral and written information and staff presentations concerning fees and charges proposed to be increased or added for the fiscal year encompassed by the proposed annual budget.

B. Action Following Notice, Meeting: Such notice, oral and written presentation, and public meeting shall be provided prior to either of the city council's or the city manager's taking of any action on any new or increased fees or charges upon which the annual budget is predicated. (2001 Code § 2-7-506; amd. Ord. 19-___, ___-2019, Effective at 12 noon on January 6, 2020)
3-3-7: APPEAL TO CITY COUNCIL:

A. **Time Limit For Filing:** Any person who is required to pay a fee as set forth in a resolution by the city council and who feels that the fee or charge determined and set is in excess of the percentage of reasonable costs to be recovered as set out in this chapter may appeal in writing to the city council. Such appeal shall be filed within fifteen (15) calendar days of the imposition and payment of the fee.

B. **Hearing; Decision:** At the city council's discretion, such appeal may be placed on the agenda of a city council meeting within sixty (60) days of receipt of such appeal and heard at such city council meeting. If the city council determines that such fee or charge is in excess of the percentage of reasonable costs as set forth in this chapter, the city shall refund the fee within thirty (30) calendar days. (2001 Code § 2-7-507; amd. 2009 Code; Ord. 19-___-___-2019; Effective at 12 noon on January 6, 2020)

3-4-1: WAIVER OF FEES AND FINES, GENERALLY:
3-4-2: FOR-VALUE EXCHANGE AGREEMENTS:
3-4-3: REPORTS:

3-4-1: WAIVER OF FEES AND FINES, GENERALLY:

For purposes of this chapter, "waiving" an amount also means writing off, forgiving and/or compromising such an amount. Any fees or other monies legally required by this code to be paid to the city may not be waived, unless:

A. **City Attorney Determination:** Determined by the city attorney to be legally uncollectible.

B. **City Manager Authority:** Any fee, fine, interest, penalty or other money legally required by this code to be paid by a citizen, applicant or respondent to the city in connection with a city provided service or a license/permit may be waived by the city manager:

1. **Value For Value Settlements:** If the waiver of fees or claims confers a substantially equivalent benefit on the city consistent with law, provided that any such waiver/forgiveness of an amount exceeding fifteen thousand dollars ($15,000.00) must be approved by the city council; or

2. **Rectifying Errors:** In an amount not to exceed five hundred dollars ($500.00) in any one instance, to rectify an alleged error by city personnel or to rectify any other perceived inequity.

3. **Doubtful/Uncollectible Amounts:** Once the city has made reasonable efforts to collect an unpaid fee, fine, interest, penalty or other money legally owed to the city, or has otherwise determined in good faith that the amount is practically uncollectible, provided that any amount totaling more than one thousand dollars ($1,000.00) per account may not be waived without city council approval.

The city manager may delegate some or all of this authority to department heads and other managers in city government by administrative directive.

C. **Support Of Charitable Entities:** After following the procedures required by Utah code section 10-8-2(2) or any successor provision, the city council may waive fees otherwise due to the city, and may otherwise provide financial and nonfinancial support to a charitable entity providing services to the citizens of the city.

D. **Settling Litigation And Prelitigation Claims By Or Against The City:** A claim made by or against the city may be compromised, in whole or in part, without city council approval, up to
an amount payable by, or to be paid to, the city of fifteen thousand dollars ($15,000.00), if the city attorney determines that such a compromise is in the best interests of the city. Notwithstanding the foregoing, prior to settling any claim by or against the city, the mayor shall be notified of any claim over five thousand dollars ($5,000.00), and if deemed necessary the mayor shall call a special/extraordinary council meeting. (2001 Code § 1-1-120; Ord. 09-19, 7-14-2009; §3-4-1 Rep. Ord. 19____-____-2019, Effective at 12 noon on January 6, 2020)

3-4-2: FOR-VALUE EXCHANGE AGREEMENTS:

The limitations imposed in this chapter do not prohibit the city agreeing to waive or pay such fees or other city assessments in a written for-value exchange agreement, approved by the city council. (Ord. 09-19, 7-14-2009; §3-4-2 Rep. Ord. 19____-____-2019, Effective at 12 noon on January 6, 2020)

3-4-3: REPORTS:

The city manager shall report to the city council annually in connection with the budget presentation concerning: a) the aggregate amounts waived, compromised and/or written off pursuant to this chapter, and b) the aggregate amounts waived or forgiven with respect to nonprofit entities under this section, to enable the city's ongoing compliance with Utah code section 10-8-2(2). (Ord. 09-19, 7-14-2009; §3-4-3 Rep. Ord. 19____-____-2019, Effective at 12 noon on January 6, 2020)

WAIVER OF FEES, FINES AND DOUBTFUL ACCOUNTS; COMPROMISE OF CLAIMS BY OR AGAINST THE CITY; NONPROFIT ASSISTANCE

3-4-1: ALLOWED TRANSACTIONS:
3-4-2: REPORT TO CITY COUNCIL:

3-4-1: ALLOWED TRANSACTIONS:

A. Definition of Waive and Obligation: For purposes of this chapter, "waiving", "waive", or "waived" also means writing off, forgiving, settling, and/or compromising any fee, fine, interest, penalty, or other monies legally required to be paid to the city ("Obligation").

B. An Obligation may only be waived as follows:

1. City Administrator Determination of Doubtful/Uncollectible Amounts: After the city (i) has made reasonable efforts to collect an Obligation, or (ii) has otherwise concluded that an Obligation is uncollectible as determined by the city administrator or designee, the city may waive any amount less than five thousand dollars ($5,000.00) per account without city council approval.

2. City Administrator Authority to Rectify Errors: The city administrator or designee may rectify an alleged error by city personnel.

3. Nonprofit Contributions: Consistent with the requirements of Utah Code section 10-8-2(2) or any successor provision, and the procedures required by title 2, chapter 14 of this code, the city council may (i) waive an Obligation, or (ii) otherwise provide monetary or nonmonetary assistance to a nonprofit entity whether or not the city receives consideration in return.
4. Settlement of Litigation and Claims by or Against the City: A claim made by or against the city shall be settled or compromised, in whole or in part, as set forth in section 3-2-2.

5. For-Value Exchange Agreements: The mayor may agree to the payment of an Obligation in a written for-value exchange agreement without the approval of the city council if the value of the agreement is ten thousand dollars ($10,000.00) or less. (Ord. 19- , - -2019, Effective at 12 noon on January 6, 2020)

3-4-2: REPORT TO CITY COUNCIL:

The mayor or designee shall provide an annual report to the city council which includes a summary of the Obligations waived, the for-value exchange agreements entered, and the assistance provided to nonprofit entities, pursuant to this chapter. The summary shall (i) identify the recipients or participants, and (ii) the dollar amount or value provided to each recipient or participant. (Ord. 19-, - -2019, Effective at 12 noon on January 6, 2020)

3-5-1: DESIGNATION FEES FOR RENTAL OF CITY BUILDING FACILITIES AVAILABLE FOR RESERVATION:

3-5-2: RESERVATIONS FOR USE:

3-5-3: FEES:

3-5-4: REGULATIONS:

3-5-5: CONDITIONS FOR DENIAL:

3-5-1: DESIGNATION FEES FOR RENTAL OF CITY BUILDING FACILITIES AVAILABLE FOR RESERVATION:

For purposes of this chapter, the following are city building facilities that may be subject to reservation:

<table>
<thead>
<tr>
<th>Name</th>
<th>Location</th>
<th>Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Hall</td>
<td>8000 South Redwood Road</td>
<td></td>
</tr>
<tr>
<td>- Community room</td>
<td>1st floor</td>
<td>102</td>
</tr>
<tr>
<td>- Council chambers</td>
<td>3rd floor</td>
<td>126</td>
</tr>
<tr>
<td>- Observatory</td>
<td>4th floor</td>
<td>45</td>
</tr>
<tr>
<td>- Room-331</td>
<td>3rd floor</td>
<td>13</td>
</tr>
<tr>
<td>- Schorr Gallery</td>
<td>3rd floor</td>
<td>19</td>
</tr>
<tr>
<td>Justice Center</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>- Community room</td>
<td>8040 South Redwood Road</td>
<td>164</td>
</tr>
<tr>
<td>Pioneer Hall</td>
<td>1137 West 7800 South</td>
<td>118</td>
</tr>
</tbody>
</table>

Fees for the rental of city building facilities shall be determined by the city council in the consolidated fee schedule. (Ord. 15-04, 1-28-2015; amd. Ord. 19- , - -2019, Effective at 12 noon on January 6, 2020)
3-5-2: RESERVATIONS FOR USE:

A. Permitted: The building facilities specifically identified in this chapter may be reserved in accordance with this chapter and applicable city rules, policies and processes. Except at Pioneer Hall, parking lots may not be reserved. Limited space within an adjacent parking lot may be reserved if expressly specified in a reservation or permit approved or issued by the city manager or designee in accordance with city code and applicable city rules, policies and processes.

B. Reservation Procedure:

1. General: The city manager or designee will receive, and approve or deny, reservation requests. Reservation requests must be received at least two (2) weeks but no more than eleven (11) months prior to the time and date of the reservation. The city manager may, but is not required to, consider late reservations.

2. Other City Property: City buildings or building space not specifically listed in section 3-5-1 of this chapter are not available for reservation.

3. Special Events: Special events must be scheduled through the special event permit rules, policies and processes prescribed and adopted by the city manager.

4. Multi-Day Reservations: Multi-day reservations may be requested but will require personal items and property to be removed each day for at least three (3) hours.

5. Cancellation Of Reservations: Reservations may be canceled at any time up to twenty-four (24) hours before the reserved date and time. Reservation fees will be refunded at the following rates: a) one hundred percent (100%) refund for a cancellation that is received by the city manager or designee in writing at least ninety (90) days before the reserved date and time; b) fifty percent (50%) refund for a cancellation that is received by the city manager or designee in writing between eighty-nine (89) days and thirty (30) days before the reserved date and time; c) twenty-five percent (25%) refund for a cancellation that is received by the city manager or designee in writing less than thirty (30) days and more than twenty-four (24) hours before the reserved date and time. Reservations will not be canceled and a refund will not be available if the cancellation is received in writing more than twenty-four (24) hours before the reserved date and time. Fees other than reservation fees are nonrefundable unless otherwise expressly stated.

C. Rules, Policies and Processes: The city manager or designee is authorized to prescribe and adopt rules, policies and processes for the effective implementation of this section, provided such rules, policies and processes are not inconsistent with the provisions of this section. (Ord. 15-04, 1-28-2015; §3-5-2 Repealed, Ord. 19-____, ____-2019, Effective at 12 noon on January 6, 2020)

3-5-3: FEES:

A. Rental Fees: The fees for city building facility use shall be set forth in a fee schedule, which shall be on file in the office of the city clerk-recorder, with a copy to be maintained and made available to the public in the office of the finance department. The fees and schedule shall be established by resolution of the city council following a public hearing, and may be amended from time to time as necessary.

B. Deposit: In accordance with adopted regulations, policies and practices adopted by the city manager, the city manager will collect from each individual or organization a deposit in an amount set forth by resolution in a fee schedule. The city manager shall return the entirety of the deposit to the individual or organization that furnished the fee unless, in the reasonable opinion of the city manager, the individual or organization failed to keep the city building facility clean and free from damage. If the individual or organization so failed, the city
manager will retain an appropriate amount of the cleanup fee to reimburse the city for its expenses of cleanup and repairs. If the cleanup fee is insufficient, the city manager may provide an invoice to the individual or organization, which shall pay the invoice within thirty (30) days after receipt. The city manager’s decision not to refund the cleanup fee or to refund only a portion of the cleanup fee may be appealed to the city council, whose decision shall be final. (Ord. 15-04, 1-28-2015; §3-5-3 Repealed, Ord. 19-_-_ _-_ _-2019, Effective at 12 noon on January 6, 2020)

3-5-4: REGULATIONS:

A. Alcoholic Beverages; Smoking: No alcoholic beverages may be possessed or consumed within the city building facilities, except for private functions as approved by the city manager. In accordance with the Utah clean indoor air act, Utah Code Annotated section 26-38-1 et seq., smoking is prohibited within all areas of city building facilities.

B. Authority Of City Manager: The city manager may adopt and enforce appropriate regulations, forms, policies and practices, not inconsistent with the provisions of this chapter, pertaining to:

1. The rental and usage of city building facilities, except that the rental fees will be as adopted by the city council;

2. When the payment of a security or cleanup deposit is required, except that the amount of the deposit will be as adopted by the city council;

3. The conditions upon which the security or cleanup deposit (or a portion) will be returned;

4. The procedures for reservations of the facility;

5. Whether and under what conditions refreshments may be served and consumed; and

6. Other reasonable issues pertaining to the use of the public resource. (2001 Code § 2-9-101; § 3-5-2; amd. Ord. 15-04, 1-28-2015; Ord. 16-12, 3-9-2016; §3-5-4 Repealed, Ord. 19-_-_ _-_ _-2019, Effective at 12 noon on January 6, 2020)

3-5-5: CONDITIONS FOR DENIAL:

Notwithstanding any provision of this section to the contrary, the city manager will not be required to allow reservation of city building facilities to any person, group or organization, when:

A. In the reasonable opinion of the city manager or designee, such person, group or organization would damage or misuse city property;

B. In the reasonable opinion of the city manager or designee, the proposed usage of the facilities would be disruptive or burdensome upon ongoing city activities;

C. The proposed activity will recur at a frequency such that the organization holding the activity is similar to other organizations that own or rent other facilities within the community, and the rental of the city building facility is for the economic advantage of the organization;

D. The use of the facility by the organization will not further a public, civic or community-wide purpose; or

E. Within the previous three (3) years, the person or entity requesting or using the reservation had a portion or all of a deposit withheld for a past reservation or permit for use of any city building, park or recreational facility; or
Chapter 6
TAXATION

ARTICLE A. SALES AND USE TAX RESERVED

3-6A-1: TITLE:
3-6A-2: PURPOSE:
3-6A-3: LEVIED:
3-6A-4: EXEMPTIONS FROM TAXES:
3-6A-5: CONTRACT WITH STATE TAX COMMISSION:
3-6A-6: DISTRIBUTION OF TAX REVENUES:
3-6A-7: REPORT OF TAX COLLECTIONS; POINT OF SALE; PUBLIC UTILITIES:

3-6A-1: TITLE:

This article shall be known as the UNIFORM LOCAL SALES AND USE TAX ORDINANCE OF THE CITY OF WEST JORDAN. (2001 Code § 78-2-101; §3-6A-1 Repealed, Ord. 19-___, ____-2019, Effective at 12 noon on January 6, 2020)

3-6A-2: PURPOSE:

The Utah legislature has authorized municipalities to adopt an ordinance that imposes a one percent (1%) sales and use tax. It is the purpose of this article to conform the city sales and use tax ordinance to the requirements of the local sales and use tax act, and successor provisions. (2001 Code § 78-2-102; amd. 2009 Code) §3-6A-2 Repealed, Ord. 19-___, ____-2019, Effective at 12 noon on January 6, 2020)

3-6A-3: LEVIED:

A. City Sales And Use Tax Levied: There are levied and there shall be collected and paid taxes, as follows:

1. A tax at the rate of one percent (1%) is imposed upon every retail sale of tangible personal property, services or meals, and items listed in Utah Code Annotated section 59-12-103, or successor sections, and any other retail sale permitted by law which is made within the city; and

2. An excise tax at the rate of one percent (1%) is imposed on the storage, use or other consumption in the city of tangible personal property or any items listed in Utah Code Annotated section 59-12-103, or any successor provisions, and any others allowed by law.
B. Place Of Sales Defined: For the purpose of this article, all retail sales shall be presumed to have been consummated at the place of business of the retailer, unless the tangible personal property sold is delivered by the retailer or his agent to an out of state destination. If a retailer has no permanent place of business in the state, or has more than one place of business, the place or places at which the retail sales are consummated shall be as determined under the rules and regulations prescribed and adopted by the state tax commission. The place of sale or the sales tax revenues arising from public utility services allocable to the city shall be as determined by the state tax commission, pursuant to an appropriate formula and other rules and regulations to be prescribed and adopted by it.

C. State Law Incorporated By Reference: Except as herein provided and except insofar as they are inconsistent with the provisions of the Utah local sales and use tax act, all of the provisions of Utah Code Annotated title 59, chapter 12, part 1, as amended, insofar as they relate to sales and use taxes, excepting section 59-12-101, and the amount of the sales or use tax levied therein, are hereby adopted and made a part of this article as though fully set forth herein.

D. Exceptions To State Law Incorporated: Wherever, and to the extent that Utah Code Annotated title 59, chapter 12, part 1, as amended, the state of Utah is named or referred to as the "taxing agency", the name of this city shall be substituted therefor. Nothing in this subsection shall be deemed to require substitution of the name of the city for the word "state" when that word is used as part of the title of the state tax commission, or of the constitution of Utah, nor shall the name of the city be substituted for that of the state in any section when the result of that substitution would require action to be taken by or against the state or any agency thereof, rather than by or against the state tax commission in performing the functions incident to the administration or operation of this article.

E. Incorporate From State Law Amendments: Any amendments made by the Utah legislature to Utah Code Annotated title 59, chapter 12, part 1, as amended, which would be applicable to the city, are hereby incorporated herein by reference and shall be effective upon the date they are effective as a Utah statute.

F. Governmental Purchase Sales Tax Exemption: There shall be excluded from the purchase price paid or charged by which the tax is measured:

1. The amount of any sales or use tax imposed by the state upon a retailer or consumer.

2. Receipts from the sale of tangible personal property upon which a sales or use tax has become due by reason of the same transaction to any other municipality or any county in the state, under a sales or use tax ordinance enacted by that county or municipality in accordance with the Utah local sales and use tax law act. (2001 Code § 78-2-103; amd. 2009 Code, §3-6A-3 Repealed, Ord. 19-___, -2019. Effective at 12 noon on January 6, 2020)

3-6A-4: EXEMPTIONS FROM TAXES:

The sale, storage, use or other consumption of tangible personal property, the gross receipts from the sale of or the cost of which has been subject to sales or use tax under a sales and use tax ordinance enacted in accordance with Utah Code Annotated section 59-12-104, as amended, by a county other than Salt Lake County or by any other Utah city or town, shall be exempt from the tax. (2001 Code § 78-2-104; amd. 2009 Code, §3-6A-4 Repealed, Ord. 19-___, -2019. Effective at 12 noon on January 6, 2020)
3-6A-5: CONTRACT WITH STATE TAX COMMISSION:

The contract entered into with the state tax commission to perform all functions incident to the administration or operation of the sales and use tax ordinance of the city is confirmed. The city manager is authorized to negotiate and arrange such supplementary agreements with the state tax commission, as may be necessary to the continued administration and operation of this article. (2001 Code § 78-2-105; §3-6A-5 Repealed, Ord. 19–___, ___-2019, Effective at 12 noon on January 6, 2020)

3-6A-6: DISTRIBUTION OF TAX REVENUES:

The tax revenues collected by the state tax commission for the city pursuant to section 3-6A-6 of this article shall be distributed according to the provisions of state law. The city manager is authorized to execute whatever documents are necessary to distribute sales and use tax revenues on the combination of point of sale and population factors set forth in Utah Code Annotated section 59-12-205, or successor provisions. (2001 Code § 78-2-106; amd. 2009 Code, §3-6A-6 Repealed, Ord. 19–___, ___-2019, Effective at 12 noon on January 6, 2020)

3-6A-7: REPORT OF TAX COLLECTIONS; POINT OF SALE; PUBLIC UTILITIES:

A. Retailer Duty To Report: All sales and use taxes collected under this article shall be reported to the state tax commission on forms which accurately identify the location where the sale or use transaction was consummated. If a retailer has no permanent place of business in the state or has more than one place of business, the place or places at which the retail sales are consummated for the purposes of this article shall be determined under rules of the state tax commission.

B. Public Utilities Reporting Duty: "Public utilities", as defined by Utah Code Annotated title 54, as amended, are not obligated to determine the place or places within the county where public utility services are rendered, and the state tax commission shall apportion the revenues arising from such services, on an equitable basis, pursuant to an appropriate formula and under rules to be prescribed and adopted by it. (2009 Code, §3-6A-7 Repealed, Ord. 19–___, ___-2019, Effective at 12 noon on January 6, 2020)

3-6C-3: LEVIED:

A. Utility Tax Levy: There is levied, subject to the provisions of this article, a tax on every sale or use of taxable energy made within the city equaling six percent (6%) of the delivered value of the taxable energy to the consumer. This tax shall be known as the municipal energy sales and use tax. The tax shall be calculated on the delivered value of the taxable energy to the consumer.

B. Utility Tax In Addition To Sales Tax Levy: This tax shall be in addition to any sales or use tax on taxable energy imposed by the city authorized by Utah Code Annotated title 59, chapter 12, part 2, the local sales and use tax act. (2001 Code § 78-4-103, amd. Ord. 19–___, ___-2019, Effective at 12 noon on January 6, 2020)

3-6C-5: NO EFFECT UPON EXISTING FRANCHISES/AGREEMENTS; CREDIT FOR FRANCHISE FEES:

A. Existing Franchise Agreements Not Altered: This article shall not alter any existing franchise agreements between the city and energy suppliers.

B. Franchise Fee Tax Credit: A credit is granted against the tax due from any consumer, in the amount of a contractual franchise fee paid if the:
1. Energy supplier pays the contractual franchise fee to the city pursuant to a franchise agreement in effect on July 1, 1997;

2. Contractual franchise fee is passed through by the energy supplier to a consumer, as a separately itemized charge; and

3. Energy supplier has legally accepted or is legally bound by the franchise. (2001 Code § 78-4-105; amd. 2009 Code; Ord. 19-___, -2019, Effective at 12 noon on January 6, 2020)

3-6C-6: TAX COLLECTION CONTRACT WITH STATE TAX COMMISSION:

A. City Contract With State Tax Commission: The city shall contract with the state tax commission to perform all functions incident to the administration and collection of the municipal energy sales and use tax, in accordance with this article.

B. Monthly Tax Payment Obligation: An energy supplier shall pay the municipal energy sales and use tax revenues collected from consumers directly to the city monthly if:

1. The city is the energy supplier; or

2. a. The energy supplier estimates that the municipal energy sales and use tax collected annually from its state consumers equals one million dollars ($1,000,000.00) or more; and

   b. The energy supplier collects the municipal energy sales and use tax.

C. Adjustment or Credit for Direct Payment Set Off Rights: An energy supplier paying the municipal energy sales and use tax directly to the city may deduct any contractual franchise fees collected by the energy supplier, which qualify as a credit, and remit the net tax due, less any amount the energy supplier retains as authorized by Utah Code Annotated section 10-1-307(4), or successor provisions. (2001 Code § 78-4-106; amd. 2009 Code; Ord. 19-___, -2019, Effective at 12 noon on January 6, 2020)

3-6C-7: INCORPORATION OF STATE LAW:

A. Incorporation Of State Law By Reference: Except as provided in this article and except insofar as they are inconsistent with the provisions of Utah Code Annotated title 10, chapter 1, the municipal energy sales and use tax act, as well as this article, all of the provisions of Utah Code Annotated title 59, chapter 12, insofar as they relate to sales and use taxes, excepting Utah Code Annotated sections 59-12-101 and 59-12-119, and excepting for the amount of the sales and use taxes levied therein, are adopted and made a part of this article as if fully set forth in this article.

B. City Name Substitution: Wherever, and to the extent that in Utah Code Annotated title 59, chapter 12, the state is named or referred to as the taxing agency, the name of the city shall be substituted, insofar as is necessary for the purposes of that part, as well as Utah Code Annotated title 10, chapter 1. Nothing in this subsection shall be deemed to require substitution of the name of the city for the word "state" when that word is used as part of the title of the state tax commission or of the state constitution, nor shall the name of the city be substituted for that of the state in any section when the result of such a substitution would require action to be taken by or against the city or any agency of the city, rather than by or against the state tax commission in performing the functions incident to the administration or operation of this article.
C. Amendments To State Law: Any amendments made to Utah Code Annotated title 59, chapter 12, which would be applicable to the city for the purposes of carrying out this article are incorporated in this article by reference and shall be effective upon the date that they are effective as a state statute. (2001 Code § 78-4-107; amd. Ord. 19--19, Effective at 12 noon on January 6, 2020)

3-6D-3: COLLECTION OF TAX:

A. When Due: The tax imposed by this article shall be due and payable to the city treasurer quarterly on or before the thirtieth day of the month following each calendar quarter, the first of such quarterly periods being the period commencing with July 1, 2007.

B. Report Filed: Every person or business taxed hereunder shall, on or before the thirtieth day of the month following each calendar quarter, file with the city treasurer’s office a report of its gross revenue for the preceding quarterly period. The report shall be accompanied by a remittance of the amount of tax due for the period covered by the report.

C. Contract For Administration And Operation: The city manager is authorized to negotiate a contract with the state tax commission to perform all functions incident to the administration and operation of this article. (2001 Code § 78-5-103; amd. Ord. 19--19, Effective at 12 noon on January 6, 2020)

3-7-4: NOTICE:

A. Notice Of Intent To Prepare An Impact Fee Facilities Plan:

1. Before preparing or amending an impact fee facilities plan, the city shall provide written notice of its intent to prepare or amend an impact fee facilities plan.

2. A notice required under subsection A1 of this section shall:
   a. Indicate that the city intends to prepare or amend an impact fee facilities plan;
   b. Describe or provide a map of the geographic area where the proposed impact fee facilities will be located; and
   c. Be posted on the Utah public notice website created under Utah code section 63F-1-701.

B. Notice To Adopt Or Amend An Impact Fee Facilities Plan:

1. If the city chooses to prepare an independent impact fee facilities plan rather than include an impact fee facilities element in the general plan in accordance with Utah code section 11-35a-301, the city shall, before adopting or amending the impact fee facilities plan:
   a. Give public notice, in accordance with subsection B2 of this section, of the plan or amendment at least ten (10) days before the day on which the public hearing described in subsection B1d of this section is scheduled;
   b. Make a copy of the plan or amendment, together with a summary designed to be understood by a lay person, available to the public on its website;
   c. Place a copy of the plan or amendment and summary in each public library within the borders of the city; and
   d. Hold a public hearing to hear public comment on the proposed plan or amendment.
2. With respect to the public notice required under subsection B1 of this section, the city shall comply with the notice and hearing requirements of, and, receive the protections of Utah code sections 10-9a-205, 10-9a-801 and 10-9a-502(2).

C. Notice of Preparation of An Impact Fee Analysis: Before preparing or contracting to prepare an impact fee analysis, the city shall post a public notice on the Utah public notice website created under Utah code section 63F-1-701.

D. Notice of Intent To Adopt Impact Fee Enactment; Hearing; Protections:

1. Before adopting an impact fee enactment, the city shall:
   a. Comply with the notice requirements of Utah code section 10-9a-205 as if the impact fee enactment were a land use ordinance;
   b. Hold a hearing in accordance with Utah code section 10-9a-502 as if the impact fee enactment were a land use ordinance; and
   c. Receive the protections of Utah code section 10-9a-801 as if the impact fee were a land use ordinance;

2. The city shall at least ten (10) days before the day on which a public hearing is scheduled in accordance with this section:
   a. Make a copy of the impact fee enactment available to the public; and
   b. Post notice of the city’s intent to enact or modify the impact fee, specifying the type of impact fee being enacted or modified, on the Utah public notice website created under Utah code section 63F-1-701;

3. The city shall submit a copy of the impact fee analysis and a copy of a summary of the impact fee analysis on its website. (2001 Code § 89-8-104; amd. Ord. 13-28, 7-31-2013; Ord. 19-____-____-2019, Effective at 12 noon on January 6, 2020)

3-7-5: ESTABLISHMENT OF SERVICE AREAS:

Service areas shall be established as follows:

A. Law Enforcement: The entire incorporated territory of the city is hereby designated as a single unified service area for the purposes of the law enforcement facilities impact fees.

B. Fire And Emergency Medical: The entire incorporated territory of the city is hereby designated as a single unified service area for purposes of the imposition of the fire and emergency medical facilities impact fees.

C. Road: The entire incorporated territory of the city is hereby designated as a single unified service area for the purposes of the imposition of the road facilities impact fees.

D. Stormwater: The entire incorporated territory of the city is hereby designated as a single unified service area for the purposes of the imposition of the stormwater facilities impact fees.

E. Roadway Water: The entire incorporated territory of the city is hereby designated as a single unified service area for the purposes of the imposition of the roadway water facilities impact fee.
F. Sanitary Sewer Collection: The entire incorporated territory of the city is hereby designated as a single unified service area for the purposes of the imposition of the sanitary sewer collection facilities impact fees.

G. Parks, Open Space and Trails: The entire incorporated territory of the city is hereby designated as a single unified service area for the purposes of the imposition of the parks, open space and trails facilities impact fees. (2001 Code § 89-8-105; amd. Ord. 19-____-____-2019, Effective at 12 noon on January 6, 2020)

3-7-8: CALCULATIONS:

A. Justification: An impact fee coefficient may not exceed the highest fee justified by the written impact fee analysis.

B. Calculation Of Fee Due: The city shall calculate the amount of all applicable impact fees due for each building permit or subdivision plat by:

1. Determining the types of capital facilities impacted by the development activity;
2. Verifying the applicable unit of measure for the development;
3. Verifying the applicable impact fee coefficient for each capital facility impacted by the development;
4. Determining the number of units of measure applicable to the particular development; and
5. For each capital facility impacted by the development, multiplying the applicable impact fee coefficient by the number of units of measure.

C. Mixed Uses: If the development for which a building permit or subdivision plat is sought contains a mix of uses, the city must separately calculate the impact fee due for each type of development.

D. Nonbinding Estimate: Prior to making an application for a building permit, an applicant may request a nonbinding impact fee estimate from the city, which shall base such estimate on the development potential of the particular site and through the same manner as provided in this section.

E. Review; Modifications: The city shall, in conjunction with the annual capital budget and capital improvements planning processes, review the development potential of each development and the impact fee facilities plan and make such modifications as are deemed necessary as a result of:

1. Development occurring in prior years;
2. Capital improvements actually constructed;
3. Changing facility needs;
4. Inflation;
5. Revised cost estimates for capital improvements;
6. Changes in the availability of other funding sources applicable to public facility projects; and
7. Such other factors as may be relevant.
Amendments: Changes to the current impact fee facilities plan and impact fees not requiring a new impact fee study may be accomplished, as needed, by the city council through adoption of amending resolutions. (2001 Code § 89-8-108; amd. Ord. 13-28, 7-31-2013; Ord. 19--____--2019, Effective at 12 noon on January 6, 2020)

3-7-9: ACCOUNTING:

A. Collection Of Impact Fees: The city shall:

1. Establish a separate interest bearing ledger account for each type of public facility for which an impact fee is collected;

2. Deposit a receipt for an impact fee in the appropriate ledger account established under subsection A1 of this section;

3. Retain the interest earned on each fund or ledger account in the fund or ledger account;

4. At the end of each fiscal year, prepare a report on each fund or ledger account showing:
   a. The source and amount of all money collected, earned, and received by the fund or ledger account; and
   b. Each expenditure from the fund or ledger account; and

5. Produce a report that:
   a. Identifies impact fee funds by the year in which they were received, the project from which the funds were collected, the impact fee projects for which the funds were budgeted, and the projected schedule for expenditure;
   b. Is in a format developed by the state auditor;
   c. Is certified by the local political subdivision's chief financial officer; and

Chapter 8
CITY FINANCIAL REPORTING AND BUDGET PROCESS

3-8-1: PREPARATION OF TENTATIVE BUDGET;
3-8-2: ADOPTION OF TENTATIVE BUDGET; PREPARATION OF FINAL BUDGET;
   PUBLIC HEARINGS;
3-8-3: FINANCIAL REPORTS TO CITY COUNCIL:

3-8-1: CITY BUDGET PROCESS:
3-8-2: PROPERTY TAXES:
3-8-1: PREPARATION OF TENTATIVE BUDGET:

A. First Review Of Strategic Plan And Budget: On or before February 1 of each year, the city manager shall meet with the city council and review the city strategic plan, budget goals and policies.

B. Budget Policies: The following policies shall be in effect in preparing the city manager’s proposed budget and in administering the final adopted budget thereafter:

1. The burden of financing city government should, with reasonable deviations, be financed in accordance with the basic principle of “benefits received”.

2. As a general principle, the broad group of basic services rendered to the general public, such as police and fire protection, streets and parks, should be financed from revenues imposed on the broad general public, as through property taxes and sales taxes, franchise taxes or other broad-based taxes. The cost of increased demand on these services due to new development should be financed through the collection of development impact fees.

3. Special services rendered to special groups of citizens (whether individual or business groups) should be financed by special fees or assessments. Examples are:
   a. Special improvements to private property, paid for by abutting property owners;
   b. Regulatory license fees and permits imposed on individual businesses;
   c. Planning and permit fees imposed for planning and zoning services rendered for the benefit of real estate developers and individual homeowners.

4. The city should seek to maintain stable tax rates for taxes imposed on the broad general public. As a general rule, growth or decline in population and new businesses should produce revenue increases or decreases approximately equal to the changing cost of existing services. As a guiding principle, therefore, the rate of property taxes or sales or franchise taxes should not be increased or decreased unless inflation or deflation has clearly changed operation costs faster than the natural changes in the tax base or changed levels of services are commenced.

5. The city will estimate its annual revenues in all budgeted funds by an objective, analytical process; conservative estimates will be utilized.

6. The city will maintain a forward moving projection of revenues for a three (3) year period in its principal operating funds. Each existing and potential revenue source will be reexamined annually and may be adjusted based on current experience concurrent with midyear budget adjustments.

7. The city will utilize onetime or special purpose revenues (such as program grants) for capital expenditures or for specific expenditures required by the terms of the grant, and not to subsidize recurring personnel and operation and maintenance costs, except where application of these added capital projects would result in increased operating costs.

8. Special fees, assessments, or user type charges imposed to assist in financing activities in the city general fund, which benefit special segments of the broad general public, shall be established at a level closely related to the cost of providing the relevant services.

9. Each year the city shall recalculate the full costs of activities supported by special fees or charges to identify the impact of inflation/deflation and other cost modifiers; such fees or charges will be adjusted to compensate for related cost changes.
10. The city shall actively seek all available grant and supplementary funding for operating or capital purposes in any fund.

11. A minimum five percent (5%) fund balance for restricted use, as required by law, with a desired target minimum of ten percent (10%), and a maximum in the amount permitted by Utah Code Annotated section 10-6-116(2) as amended from time to time, shall be permitted to accumulate in the city general fund for the following purposes:

   a. To provide sufficient working capital;

   b. As a cushion or reserve if ever needed to absorb emergencies, such as a fire, flood or earthquake; or

   c. To cover any unanticipated deficit resulting from a shortfall in actual revenues in a given budget year. Emergency spending shall comply with ordinances and policies adopted by the city council.

12. Each department expenditure budget shall be prepared on the basis of true economic need and without regard for providing contingency within each department. Estimating budget expenditures shall be conservative and tight.

13. In case budget estimates prove to be high or low, future adjustments will be made without prejudice.

14. Each tentative budget may contain a general contingency in the nondepartmental account. In administering the general contingency, the city manager may distribute up to fifty percent (50%) of the total amount budgeted for general contingency using his best professional judgment, without the consent of the city council. He shall make at least a quarterly report to the city council of contingency distributions. Any single distribution of the general contingency in excess of ten thousand dollars ($10,000.00) shall have the consent of the city council prior to distribution. The second fifty percent (50%) of the general contingency, or any portion thereof, shall be distributed only with the consent of the city council.

15. Unless otherwise directed by the city council in the pre-February 1 planning meeting, the city manager’s proposed budget shall be prepared to continue providing the same level of service as was provided in the previous budget year.

16. The priorities of the strategic plan shall be provided for, as far as resources will allow.

17. Any proposals for increasing the full-time staff will be specifically called out in both the proposed department budget and in the budget message.

18. The city manager’s proposed budget shall comply with the present pay policy of the city, and the city manager shall submit to the city council the amount of funding which will be allocated for market adjustments, reclassifications and cost-of-living adjustments, and within the amount designated for employee compensation adjustments.

19. Proposals for capital projects shall comply with the adopted capital projects plan. Funds allocated for capital projects which are not disbursed during a fiscal year because the capital project is incomplete shall be reserved for the same capital project in the budget of the following fiscal year.

20. Class C road monies shall be budgeted exclusively for major maintenance, overlays, new construction of roads and items directly related to the same.
21. The fee rates of the enterprise funds shall be examined each year to ensure that revenues reasonably relate to necessary expenditures.

22. The city manager shall endeavor to place an amount of sales tax, at least equal to twenty-five percent (25%) of all general fund property taxes assessed, exclusively for the purpose of funding capital projects not already funded from other allocable fees and taxes.

C. Filing Proposed Budget With City Council: On or before the first regularly scheduled meeting of the city council in May of each year, the city manager shall prepare for the ensuing year, on forms acceptable to the state auditor, and file with the city council, the city manager's proposed budget for each fund for which a budget is required. The city manager's proposed budget of each fund shall set forth in tabular form:

1. Actual revenues and expenditures in the last completed fiscal year.

2. Budget amounts for the current fiscal year.

3. Actual revenues and expenditures for a period of five (5) to nine (9) months, as appropriate, of the current fiscal year.

4. Estimated total revenue and expenditures to complete the current fiscal year.

5. The estimates of revenues and expenditure for the next upcoming year, computed in the following manner:

   a. The city manager shall estimate, on the basis of demonstrated need, the expenditures for the budget year after a review of the budget requests and estimates of the department heads. Each department head shall be heard by the city manager prior to making of his final estimates, but thereafter he may revise any department's estimate as he deems advisable for the purpose of presenting the budget to the city council.

   b. The city manager shall estimate the amount of revenue available to serve the needs of each fund, estimate the portion to be derived from each revenue source. Should such total revenue show a surplus to the projected expenditures, the city manager shall provide recommendations to deal with that excess, to include options for reduction of property and franchise tax and potential impact of each recommendation.

D. Contents Of Proposed Budget: Each city manager's proposed budget, when filed with the city council, shall contain the estimates of expenditures submitted by department heads, together with specific work programs and such other supporting data as state statute or the city council may request. The city manager may submit a supplementary estimate of all capital projects which each department head believes should be undertaken within the next three (3) succeeding years.

E. Budget Message: Each city manager's proposed budget submitted to the city council shall be accompanied by a budget message, which shall explain the budget, contain an outline of the proposed financial policies of the city for the budget year, and shall describe in connection therewith the important features of the budgetary plan. It shall set forth the reasons for salient changes from the previous year in appropriation and revenue items and shall explain any major changes in financial policy.

F. Expenditures Conform To Budget: The city manager shall require all expenditures by any department to conform with the departmental budget.
G. **Budget Controls And Accounts:** To implement the system of budget control, including use of the encumbrance system, the city manager shall keep separate accounts for the items of appropriation contained in the budget of each applicable fund, each of which shall show the amount of the appropriation, the recorded expenditures, the unexpended balance, the recorded encumbrances, and the unencumbered balance; and no expenditure shall be made against any departmental appropriation unless there is sufficient encumbered balance in the department's appropriation, except in cases of emergency as provided in this chapter. (2001 Code § 2-7-202; 2009 Code § 1-8G-3; amd. Ord. 09-13, 4-14-2009; Ord. 14-13, 4-23-2014; §3-8-1 Repealed, Ord. 19--;--2019, Effective at 12 noon on January 6, 2020)

3-8-2: **ADOPTION OF TENTATIVE BUDGET; PREPARATION OF FINAL BUDGET; PUBLIC HEARINGS:**

A. **Tentative Budget Adoption:** After each city manager's proposed budget has been submitted to the city council, it shall be reviewed, considered or amended, and adopted as the city council's tentative budget. This may take place in any regular meeting or special meeting called for that purpose. Prior to its adoption, it may be amended or revised in such manner as is deemed advisable by the city council prior to public hearings.

B. **Appropriations For Debt Service:** No appropriation required for debt retirement and interest or otherwise required by law or ordinance may be reduced below the minimum so required.

C. **Public Hearing Date:** Notice: At the meeting at which each tentative budget is adopted, the city council shall establish the time and place of a public hearing to consider its adoption as a final budget and shall order that notice be published at least seven (7) days prior to the hearing on the state notice website pursuant to Utah code section 45-1-101 and in at least one issue of a newspaper of general circulation published in the county. If there is no such newspaper, the notice required by this section may be posted in three (3) public places within the city.

D. **Public Record And Inspection Requirement:** Each tentative budget adopted by the city council and all supporting schedules and data shall be a public record in the office of the city clerk and shall be available for public inspection at least ten (10) days prior to the adoption of a final budget.

E. **Public Hearing Required:** At the time and place advertised, or at any time and place to which the public hearing may be adjourned, the city council shall hold a public hearing on the budgets tentatively adopted. All interested persons in attendance shall be given an opportunity to be heard, for or against, the estimates of revenue and expenditures or any item thereof in the tentative budget of any fund. (2001 Code § 2-7-203; amd. 2009 Code § 1-8G-4; Ord. 09-13, 4-14-2009; Ord. 11-30, 9-28-2011; §3-8-2 Repealed, Ord. 19--;--2019, Effective at 12 noon on January 6, 2020)

3-8-3: **FINANCIAL REPORTS TO CITY COUNCIL:**

A. **Financial Reports For City Council:** The city manager shall prepare and present to the city council monthly summary financial reports and quarterly detailed financial reports, prepared in the manner consistent with the uniform accounting manual for Utah cities.

B. **Fiscal Year Financial Reports:** Within one hundred eighty (180) days after the close of each fiscal year, the city manager shall present to the city council an annual financial report prepared in conformity with generally accepted accounting principles, as prescribed in the uniform accounting manual for Utah cities. This requirement may be satisfied by presentation of the audit report furnished by the independent auditor, if the financial statements included in the report are appropriately prepared and reviewed with the city council. Notwithstanding the acceptability of the audit report furnished by the independent auditor in substitution for financial statements prepared by an office of the city, the city council has the responsibility of those financial statements. The independent auditor has the responsibility of reporting
whether the city financial statements are prepared in conformity with generally accepted accounting principles. Copies of the annual financial report or the audit report furnished by the independent auditor shall be filed with the state auditor and shall be filed as a public document in the office of the city clerk recorder.

C. Publication Of Financial Reports: Within ten (10) days following the receipt of the audit report furnished by the independent auditor, the city manager shall prepare and publish at least twice in a newspaper of general circulation published within the county a notice to the public that the audit of the city has been completed and that a copy may be inspected at the office of the city clerk recorder. (2001 Code § 2-7-206; 2009 Code § 1-8G-6; amd. Ord. 09-13, 4-14-2009; §3-8-3 Repealed, Ord. 19- , -2019, Effective at 12 noon on January 6, 2020)

3-8-1: CITY BUDGET PROCESS:

Annual budgets are prepared and adopted in accordance with the Uniform Fiscal Procedures Act adopted by the state of Utah. Once a budget has been adopted, it remains in effect until it has been formally revised. Furthermore, in accordance with state law, all appropriations lapse at the end of the budget year. If any obligations are contracted for and are in excess of the adopted budget, they are not a valid or enforceable claim against the city. Budgets are adopted on a basis consistent with GAAP, and all funds have legally adopted budgets.

The city adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

A. Prior to or on the first council meeting in May, the mayor submits to the city council a proposed operating budget for the fiscal year commencing the following July 1st. The operating budget includes proposed expenditures and the proposed sources of revenues.

B. Between the date of the council’s receipt of the proposed budget from the mayor and June 30th, the council reviews and adjusts the mayor’s proposed budget. On or before June 30th, a public hearing is held and the budget is legally adopted through passage of a resolution.

C. After the budget is adopted, the finance director may transfer any unencumbered or unexpended appropriation amount from one expenditure account to another within a department. The council may, by resolution, transfer any unencumbered or unexpended appropriation amount from one department in a fund to another department within the same fund. Other budget amendments occur throughout the year as deemed necessary with council approval following a public hearing.

D. The budget is used as a management control device during the year for the general fund, special revenue funds, and capital projects fund. In the general fund, budgets are adopted at the functional level and budgetary control is exercised at the departmental level. For special revenue funds, budgets are adopted and control is exercised at the level of total expenditures for each individual fund.

E. Annual budgets for the general fund, capital projects fund, and all special revenue funds are prepared on the modified accrual method of accounting and legally adopted by the council.

F. Encumbrances (commitments related to unpaid purchase orders or contracts for goods or services) are used only as an internal management control device during the year. All outstanding encumbrances lapse at fiscal year end. However, some encumbered amounts are re-authorized and honored as part of the following year’s budget.

G. Although Utah State law requires the initial preparation of budgets for all city funds (both governmental and proprietary), it only requires the reporting of actual versus budget for governmental funds. (Ord. 19- , -2019, Effective at 12 noon on January 6, 2020)
3-8-2: PROPERTY TAXES:

The Salt Lake County treasurer acts as an agent for the city and collects and distributes the city's property tax revenue. Utah state laws establish the process by which taxes are levied and collected. The property tax calendar is as follows:

A. By June 8, the city receives valuation, certified tax rate, and levy worksheet forms via the state of Utah's certified tax rate website.

B. Before June 30, the city holds a public hearing and adopts a proposed tax rate. This proposed tax rate is then submitted to the county auditor for review via the website.

C. Before July 22 (if the city proposes a tax rate higher than the certified tax rate), the county auditor mails a notice of intent to exceed the certified tax rate to property owners. This notice is normally combined with the tax notice.

D. By August 17, the city holds a public hearing and adopts the final tax rate and certifies the tax rate with the county auditor.

E. Between August 8 and August 22, taxpayers may petition the county board of equalization for an adjustment in the taxable value of their real property.

F. By November 1, the county auditor approves changes in taxable value of the real property and the county treasurer mails tax notices with a due date of November 30. Payments made after November 30 are considered delinquent and are subject to a penalty.

G. Unless the delinquent taxes and penalties are paid before January 15, a lien is attached to the real property, and the amount of taxes and penalties bear interest from January 1 until paid. If after five years, delinquent taxes have not been paid, the county sells the property at a tax sale.

For property taxes, at January 1 of each year (the assessment date), the city has the legal right to collect the taxes and has recorded a receivable and a corresponding deferred inflow of resources for the assessed amount of those property taxes as of January 1 of each year. Most of the tax will not be received until the following fiscal year. (Ord. 19---, ---2019, Effective at 12 noon on January 6, 2020)

3-9-1: SERVICE FEE FOR RETURNED CHECKS AND DISHONORED CREDIT CHARGES:

The city manager treasurer may assess and collect a service fee from the maker or issuer of any check, debit card or credit card payable to the city when payment is dishonored upon first presentment by the bank upon which it is drawn. The service fee shall be the sum adopted by the city council in the city uniform fee schedule. The assessment and collection of this fee shall not preclude the initiation of appropriate civil or criminal proceedings against the issuer or maker of the dishonored check. (2001 Code § 2-7-207; 2009 Code § 1-8G-7; amd. Ord. 09-13, 4-14-2009; Ord. 19---, ---2019, Effective at 12 noon on January 6, 2020)