

Council Meeting of December 4, 2019

Workshop Agenda Item No. 1DC

## **REQUEST FOR COUNCIL WORKSHOP**

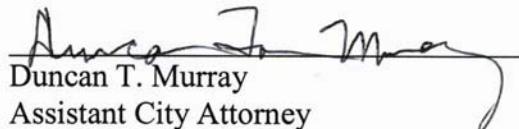
**SUBJECT:** Workshop Discussion regarding an Ordinance Amending 2009 West Jordan Municipal Code Title 3, Chapters 3 through 9 inclusive (Revenue, Finance and Taxation) regarding the change to the Council-Mayor Form of Municipal Government.

**SUMMARY:** This Ordinance would update certain chapter(s) and article(s) 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.

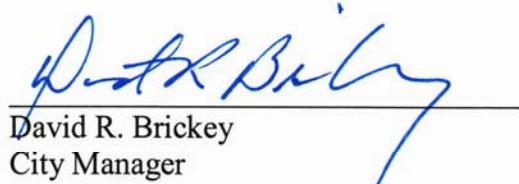
### **WORKSHOP**

**DISCUSSION ONLY:** No action to be taken at this meeting; may be placed on the December 11<sup>th</sup> Council Consent Agenda for action.

Prepared and Presented by:

  
Duncan T. Murray  
Assistant City Attorney

Authorized for Council Consideration:

  
David R. Brickey  
City Manager

# Legislative

## Chapter 3 USER FEE REVENUE/COST COMPARISON POLICY

### 3-3-1: TITLE:

### 3-3-2: PURPOSE:

### 3-3-3: DEFINITION OF REASONABLE COSTS:

### 3-3-4: DELEGATION OF SCOPE OF AUTHORITY TO CITY MANAGER OF THE MAYOR:

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

### 3-3-6: PUBLIC NOTICE:

### 3-3-7: APPEAL TO CITY COUNCIL:

### 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)

### 3-3-2: PURPOSE:

- A. It is the intent of the city council to require the ascertainment and recovery of reasonable costs from fees, charges and regulatory license fees levied in providing the regulation, products or services enumerated in this code.
- B. The fee and service charge revenue/cost comparison system set forth in this chapter provides a mechanism for ensuring that fees adopted by the city for services rendered do not exceed the reasonable cost for providing the services for which the fees are charged, and that tax subsidies to the services for which such fees and charges are made is pursuant to policy established by the city council. (2001 Code § 2-7-502)

### 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 connoting 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 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)

## Chapter 4

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

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

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

### **3-4-32: REPORTS TO CITY COUNCIL:**

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

For purposes of this chapter, "waiving" an amount also means writing off, forgiving, settling, 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 Administrator Determination of Doubtful/Uncollectible Amounts: Determined by the city attorney administrator to be legally uncollectible, as follows: 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 five thousand dollars (\$5,000.00) per account may not be waived without city council approval. The city administrator may delegate some or all of this authority to department heads and other managers in city government by administrative directive.

B. City Manager Administrator Authority to Rectify Errors: 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: 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. A higher amount may be approved by the city council. The city administrator may delegate some or all of this authority to department heads and other managers in city government by administrative directive.

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. City Council Support Of of Charitable Entities: After following the procedures required by 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 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. Mayor's Authority to Settle Settling Litigation And and Prelitigation Claims By Or by or Against The the City: A claim made by or against the city may be settled or compromised, in whole or in part, without city council t 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/emergency council meeting, as set forth in section 3-2-2.
- E. Mayor or City Council Approval of For-Value Exchange Agreements: The limitations imposed in this chapter do not prohibit the city agreeing to pay such fees or other city assessments in a written for-value exchange agreement. Such an agreement may be approved by the mayor, or his/her designee, if the agreement is for one thousand dollars (\$1,000.00) or less. An agreement must be approved by the city council if the agreement is for more than one thousand dollars (\$1,000.00). (2001 Code § 1-1-120; Ord. 09-19, 7-14-2009; 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, Repealed Ord. 19-\_\_\_\_, \_\_\_\_-2019, Effective at 12 noon on January 6, 2020)

#### **3-4-32: REPORTS TO CITY COUNCIL:**

The city manager mayor, or his/her designee, 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 amd. Ord. 19-\_\_\_\_, \_\_\_\_-2019, Effective at 12 noon on January 6, 2020)

## Chapter 5

# RENTAL OF CITY BUILDING FACILITIES

### 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:

Name	Location	Capacity
City Hall:	8000 South Redwood Road	-
Community room	1st floor	102
Council chambers	3rd floor	126
Observatory	4th floor	15
Room 331	3rd floor	13
Schorr Gallery	3rd floor	19
Justice Center:		-
Community room	8040 South Redwood Road	164
Pioneer Hall	1137 West 7800 South	118

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 not 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. Deposits: In accordance with adopted regulations, policies and practices adopted by the city manager, the city manager will collect from each individual or organization a cleanup fee in an amount set forth by resolution in a fee schedule. The city manager shall return the entirety of the cleanup fee 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
- F. The proposed activity will require the unreasonable relocation or repositioning of the fixtures, furniture or other elements of the building facility.-(2001 Code § 2-9-101; § 3-5-3 amd. Ord. 15-04, 1-28-2015; §3-5-5 Repealed, Ord. 19-\_\_\_\_-2019, Effective at 12 noon on January 6, 2020)

# 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 city 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-5 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)

## **ARTICLE B. MUNICIPAL TELECOMMUNICATION TAX**

### **3-6B-1: STATE STATUTE ADOPTED BY REFERENCE:**

### **3-6B-2: DEFINITIONS:**

### **3-6B-3: TAX LEVY:**

### **3-6B-4: RATE:**

### **3-6B-5: RATE LIMITATION AND EXEMPTION:**

### **3-6B-6: PROCEDURE FOR TAXES ERRONEOUSLY RECEIVED FROM CUSTOMERS:**

### **3-6B-7: CHANGE OR REPEAL OF TAX:**

### **3-6B-8: CHANGES IN RATE OF TAX:**

### **3-6B-9: INTERLOCAL AGREEMENT FOR COLLECTION OF TAX:**

### **3-6B-10: REPEAL OF INCONSISTENT TAXES AND FEES:**

### **3-6B-11: EFFECTIVE DATE OF TAX LEVY:**

### **3-6B-12: EXPENDITURE OF TAX REVENUE:**

### **3-6B-1: STATE STATUTE ADOPTED BY REFERENCE:**

The municipal telecommunications license tax act, Utah Code Annotated section 10-1-401 et seq., as amended from time to time, is hereby adopted by this reference in its entirety as if set forth in full herein. (2001 Code § 78-3-101)

### **3-6B-2: DEFINITIONS:**

All words and phrases in this article shall have the same meanings given to them in the municipal telecommunications license tax act, Utah code section 10-1-401 et seq. In addition, "municipality" shall mean the city of West Jordan. (2001 Code § 78-3-102)

### **3-6B-3: TAX LEVY:**

There is hereby levied a municipal telecommunications license tax on the gross receipts from telecommunications service attributed to the municipality in accordance with Utah Code Annotated section 10-1-407, or any successor provision. (2001 Code § 78-3-103)

### **3-6B-4: RATE:**

The rate of the tax levy shall be three and one-half percent (3.5%) of the telecommunication provider's gross receipts from telecommunication service that are attributed to the municipality in accordance with Utah Code Annotated section 10-1-407, or any successor provision. (2001 Code § 78-3-104)

### **3-6B-5: RATE LIMITATION AND EXEMPTION:**

The rate of this levy shall not exceed three and one-half percent (3.5%) of the telecommunication provider's gross receipts from telecommunication service attributed to the municipality, unless a higher rate is approved by a majority vote of the voters in the city that vote in a municipal general election; a regular general election; or a local special election. (2001 Code § 78-3-105)

### **3-6B-6: PROCEDURE FOR TAXES ERRONEOUSLY RECEIVED FROM CUSTOMERS:**

The provisions of Utah Code Annotated section 10-1-408, and any successor provisions, are hereby incorporated herein by this reference. (2001 Code § 78-3-106)

### **3-6B-7: CHANGE OR REPEAL OF TAX:**

The telecommunications tax may be changed or repealed by ordinance adopted by the city council. The change or repeal shall take effect the first day of the calendar quarter following a ninety (90) day period beginning on the date the Utah state tax commission actually receives from the city written notice changing or repealing the tax. The notice shall meet the requirements of Utah Code Annotated section 10-1-403(3)(b)(ii) (1953, as amended) or any successor provisions. (2001 Code § 78-3-107; Ord. 09-28, 9-22-2009; Ord. 12-09, 4-25-2012; Ord. 16-22, 5-25-2016)

### **3-6B-8: CHANGES IN RATE OF TAX:**

This article is subject to the requirements of Utah Code Annotated section 10-1-403, or successor provisions. If the tax rate is changed, then the appropriate notice shall be given as provided in Utah Code Annotated section 10-1-403, or any successor provisions. (2001 Code § 78-3-108; Ord. 09-28, 9-22-2009)

### **3-6B-9: INTERLOCAL AGREEMENT FOR COLLECTION OF TAX:**

On or before the effective date hereof, the municipality shall enter into the uniform interlocal agreement with the commission described in Utah Code Annotated section 10-1-405, or any successor provisions, under which the commission collects, enforces and administers this municipal telecommunications license tax. (2001 Code § 78-3-109)

### **3-6B-10: REPEAL OF INCONSISTENT TAXES AND FEES:**

Nothing in this article shall be interpreted to repeal any city ordinance or fee which provides that the city may recover from a telecommunications provider the management costs of the city caused by the activities of the telecommunications provider in the rights of way of the city, if/or costs are imposed in accordance with and not prohibited by state law, including the provisions of Utah Code Annotated section 72-7-102, or any successor provisions. This article does not limit the city's right to charge fees, costs or taxes on persons that are not subject to the municipal telecommunications license tax under this article and locate telecommunications facilities, as defined in Utah Code Annotated section 72-7-108. (2001 Code § 78-3-110)

### **3-6B-11: EFFECTIVE DATE OF TAX LEVY:**

The tax levy shall take effect on October 1, 2008. (2001 Code § 78-3-111)

### **3-6B-12: EXPENDITURE OF TAX REVENUE:**

It is the intent of the city council that all telecommunication tax revenue be deposited into the general fund without earmark. (2001 Code § 78-3-112; amd. Ord. 12-09, 4-25-2012)

## **ARTICLE C. MUNICIPAL ENERGY SALES AND USE TAX**

### **3-6C-1: PURPOSE:**

### **3-6C-2: DEFINITIONS:**

### **3-6C-3: LEVIED:**

### **3-6C-4: EXEMPTIONS FROM TAX:**

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

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

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

### **3-6C-8: NO ADDITIONAL LICENSE OR REPORTING REQUIREMENTS:**

### **3-6C-9: EXPENDITURE OF TAX REVENUE:**

### **3-6C-1: PURPOSE:**

It is the intent of the city to adopt the municipal energy sales and use tax, pursuant to and in conformance with Utah Code Annotated title 10, chapter 1, part 3, the municipal energy sales and use tax act. (2001 Code § 78-4-101)

### **3-6C-2: DEFINITIONS:**

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

**CONSUMER:** A person who acquires taxable energy for any use that is subject to the municipal energy sales and use tax.

**CONTRACTUAL FRANCHISE FEE:**

A. A fee:

1. Provided for in a franchise agreement; and
2. That is consideration for the franchise agreement; or

B.

1. A fee similar to subsection A1 of this definition; or
2. Any combination of subsection A1 or A2 of this definition.

**DELIVERED VALUE:**

A. The fair market value of the taxable energy delivered for sale or use in the city and includes:

1. The value of the energy itself; and
2. Any transportation, freight, customer demand charges, service charges, or other costs typically incurred in providing taxable energy in usable form to each class of customer in the municipality.

B. "Delivered value" does not include the amount of a tax paid under Utah Code Annotated title 59, chapter 12.

**ENERGY SUPPLIER:** A person supplying taxable energy, except for persons supplying a de minimis amount of taxable energy, if such persons are excluded by rule promulgated by the state tax commission.

**FRANCHISE AGREEMENT:** Franchise or an ordinance, contract or agreement granting a franchise.

**FRANCHISE TAX:**

- A. A franchise tax;
- B. A tax similar to a franchise tax; or
- C. Any combination of subsection A or B of this definition.

**PERSON:** Includes any individual, firm, partnership, joint venture, association, corporation, estate, trust, business trust, receiver, syndicate, this state, any county, city, municipality, district or other local governmental entity of the state, or any group or combination acting as a unit.

**SALE:** Any transfer of title, exchange or barter, conditional or otherwise, in any manner, of taxable energy for a consideration. It includes:

- A. Installment and credit sales;
- B. Any closed transaction constituting a sale; and
- C. Any transaction under which right to acquire, use or consume taxable energy is granted under a lease or contract and the transfer would be taxable if an outright sale were made.

**STORAGE:** Any keeping or retention of taxable energy in this city for any purpose except sale in the regular course of business.

**TAXABLE ENERGY:** Gas and electricity.

**USE:** The exercise of any right or power over taxable energy incident to the ownership or the leasing of the taxable energy. "Use" does not include the sale, display, demonstration or trial of the taxable energy in the regular course of business and held for resale. (2001 Code § 78-4-102)

**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 in~~ ~~To 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-4: EXEMPTIONS FROM TAX:**

- A. Limited Exemptions Under State Law: No exemptions are granted from the municipal energy sales or use tax, except as expressly provided in Utah Code Annotated section 10-1-305(2)(b), notwithstanding an exemption granted by Utah Code Annotated section 59-12-104, or any successor provision.
- B. Specific Exemptions: The following are exempt from the municipal energy sales and use tax, pursuant to Utah Code Annotated section 10-1-305(2)(b):
  1. Sales and use of aviation fuel, motor fuel, and special fuels subject to taxation under Utah Code Annotated section 59-13-1 et seq.;
  2. Sales and use of taxable energy that is exempt from taxation under federal law, the United States constitution, or the Utah constitution;
  3. Sales and use of taxable energy purchased or stored for resale;
  4. Sales or use of taxable energy to a person, if the primary use of the taxable energy is for use in compounding or producing taxable energy or a fuel subject to taxation under Utah Code Annotated section 59-13-1 et seq.;
  5. Taxable energy brought into the state by a nonresident for the nonresident's own personal use or enjoyment while within the state, except taxable energy purchased for use in the state by a nonresident living or working in the state at the time of purchase;
  6. The sale or use of taxable energy for any purpose other than as a fuel or energy; and
  7. The sale of taxable energy for use outside the boundaries of the city.
- C. Consumptive Energy Exemptions: The sale, storage, use or other consumption of taxable energy is exempt from the municipal energy sales and use tax levied by this article, provided:
  1. The delivered value of the taxable energy has been subject to a municipal energy sales or use tax levied by another municipality within the state authorized by Utah Code Annotated section 59-12-301 et seq.; and

2. The city is paid the difference between the tax paid to the other municipality and the tax that would otherwise be due under this article, if the tax due under this article exceeds the tax paid to the other municipality. (2001 Code § 78-4-104)

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

- A. Existing Franchise Agreements **Not 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.
- BA. 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.
- CB. **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 of** State Law **By 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** **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)

### **3-6C-8: NO ADDITIONAL LICENSE OR REPORTING REQUIREMENTS:**

No additional license to collect or report the municipal energy sales and use tax levied by this article is required, provided the energy supplier collecting the tax has a license issued under Utah Code Annotated section 59-12-106. (2001 Code § 78-4-108)

### **3-6C-9: EXPENDITURE OF TAX REVENUE:**

It is the intent of the city council to help fund the city pavement management program using the additional tax revenue that is attributable to the increase in the municipal energy sales and use tax from five and one-half percent (5½%) to six percent (6%). (2001 Code § 78-4-109)

## **ARTICLE D. TRANSIENT ROOM SERVICES TAX**

### **3-6D-1: DEFINITIONS:**

### **3-6D-2: TAX IMPOSED:**

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

### **3-6D-4: PENALTIES AND INTEREST:**

### **3-6D-1: DEFINITIONS:**

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

**PUBLIC ACCOMMODATION:** A place providing temporary sleeping accommodations to the public and includes:

- A. A motel;
- B. A hotel;
- C. A motor court;

- D. An inn;
- E. A bed and breakfast establishment;
- F. A condominium; and
- G. A resort home.

RENTS: Include:

- A. Amounts paid or charged for transient accommodations and services in a tourist home, hotel, motel or trailer court which is regularly rented for less than thirty (30) consecutive days; and
- B. Timeshare fees or dues.

TRANSIENT: A person who occupies a public accommodation for thirty (30) consecutive days or less. (2001 Code § 78-5-101)

### **3-6D-2: TAX IMPOSED:**

There is levied a transient room tax on the rents charged to transients occupying public accommodations in an amount that is equal to one percent (1%) of the rents charged. (2001 Code § 78-5-102)

### **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-\_\_\_\_-2019, Effective at 12 noon on January 6, 2020)

### **3-6D-4: PENALTIES AND INTEREST:**

- A. Penalty: The penalty for failure to file a report within the time prescribed in this article is the greater of twenty dollars (\$20.00) or ten percent (10%) of the unpaid tax due on the report.
- B. Interest: Interest on any underpayment, deficiency or delinquency of any tax or fee administered by the commission shall be computed from the time the original return is due, to the date the payment is received, at the rate of two (2) percentage points above the federal short term rate. (2001 Code § 78-5-104)

## **Chapter 7**

# **IMPACT FEES**

- 3-7-1: PURPOSE AND SCOPE:**
- 3-7-2: IMPACT FEE FACILITIES PLAN:**
- 3-7-3: IMPACT FEE ANALYSIS:**
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- 3-7-8: CALCULATIONS:**
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- 3-7-15: BONDING OF EXCESS FACILITY PROJECTS:**
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- 3-7-17: IMPACT FEE ASSESSMENT IS AN ADDITIONAL AND SUPPLEMENTAL REQUIREMENT:**
- 3-7-18: LIBERAL CONSTRUCTION:**
- 3-7-19: CONFLICTS WITH STATE LAW:**

### **3-7-1: PURPOSE AND SCOPE:**

This chapter is intended to meet the requirements of Utah Code Annotated section 11-36a-101 et seq., titled the impact fees act. The intent of collecting impact fees is to impose a portion of the cost of capital improvements upon those developments that create the need for, or increase the demands on, such capital improvements, as follows:

- A. Water rights and water supply, treatment, storage, and distribution facilities;
- B. Wastewater collection and treatment facilities;
- C. Stormwater, drainage, and flood control facilities;
- D. Roadway facilities;
- E. Parks, recreation facilities, open space, and trails;
- F. Public safety facilities, including law enforcement, fire and emergency medical facilities; or
- G. Environmental mitigation as provided in Utah code section 11-36a-205.

The impact fees imposed by this chapter are separate from and in addition to any applicable tax, special assessment, charge or fee otherwise provided by law or imposed as a condition of development. (2001 Code § 89-8-101; amd. Ord. 13-28, 7-31-2013; Ord. 16-48, 11-16-2016)

### **3-7-2: IMPACT FEE FACILITIES PLAN:**

The city council shall adopt and the city shall maintain an impact fee facilities plan.

- A. An impact fee facilities plan shall:
  - 1. Identify the existing level of service;
  - 2. Subject to subsection C of this section, establish a proposed level of service;
  - 3. Identify any excess capacity to accommodate future growth at the proposed level of service;
  - 4. Identify demands placed upon existing public facilities by new development activity at the proposed level of service; and
  - 5. Identify the means by which the political subdivision or private entity will meet those growth demands.
- B. A proposed level of service may diminish or equal the existing level of service.
- C. A proposed level of service may:
  - 1. Exceed the existing level of service if, independent of the use of impact fees, the city provides, implements, and maintains the means to increase the existing level of service for existing demand within six (6) years of the date on which new growth is charged for the proposed level of service; or
  - 2. Establish a new public facility if, independent of the use of impact fees, the political subdivision or private entity provides, implements, and maintains the means to increase the existing level of service for existing demand within six (6) years of the date on which new growth is charged for the proposed level of service.
- D. The city may only impose impact fees on development activities when the city's plan for financing system improvements establishes that impact fees are necessary to achieve an equitable allocation to the costs borne in the past and to be borne in the future, in comparison to the benefits already received and yet to be received, and to maintain a proposed level of service that complies with subsections B and C of this section. (2001 Code § 89-8-102; amd. Ord. 13-28, 7-31-2013)

### **3-7-3: IMPACT FEE ANALYSIS:**

- A. An impact fee analysis shall be performed for each impact fee proposed to be collected. The impact fee analysis shall:
  - 1. Identify the anticipated impact on or consumption of any existing capacity of a public facility by the anticipated development activity;
  - 2. Identify the anticipated impact on system improvements required by the anticipated development activity to maintain the established level of service for each public facility;
  - 3. Subject to subsection A2 of this section, demonstrate how the anticipated impacts described in subsections A1 and A2 of this section, are reasonably related to the anticipated development activity;
  - 4. Estimate the proportionate share of:
    - a. The costs for existing capacity that will be recouped; and

b. The costs of impacts on system improvements that are reasonably related to the new development activity; and

5. Based on the requirements of this chapter, identify how the impact fee was calculated.

B. In analyzing whether or not the proportionate share of the costs of public facilities are reasonably related to the new development activity, the local political subdivision or private entity, as the case may be, shall identify, if applicable:

1. The cost of each existing public facility that has excess capacity to serve the anticipated development resulting from the new development activity;
2. The cost of system improvements for each public facility;
3. Other than impact fees, the manner of financing for each public facility, such as user charges, special assessments, bonded indebtedness, general taxes, or federal grants;
4. The relative extent to which development activity will contribute to financing the excess capacity of and system improvements for each existing public facility, by such means as user charges, special assessments, or payment from the proceeds of general taxes;
5. The relative extent to which development activity will contribute to the cost of existing public facilities and system improvements in the future;
6. The extent to which the development activity is entitled to a credit against impact fees because the development activity will dedicate system improvements or public facilities that will offset the demand for system improvements, inside or outside the proposed development;
7. Extraordinary costs, if any, in servicing the newly developed properties; and
8. The time-price differential inherent in fair comparisons of amounts paid at different times. (2001 Code § 89-8-103; amd. Ord. 13-28, 7-31-2013)

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

A. Notice Of of Intent To to Prepare An 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 to** Adopt **Or or** Amend **An 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 of** Preparation **Of An 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 of** Intent **To 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 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 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)

### **3-7-6: UNIT OF MEASURE:**

Each facility service demand shall have calculated for it the appropriate type of and total applicable units of measure in order to determine the development potential of the service area. These calculations shall take into consideration:

- A. Acreage available for development;
- B. Current zoning map of the city;
- C. Subdivision and zoning ordinance with related provisions in the code;
- D. Adopted general plan;
- E. Capital facility plans. (2001 Code § 89-8-106)

### **3-7-7: LEVEL OF SERVICE AND FEE COEFFICIENTS:**

Included in the impact fee calculation are demand indicators, and proportionate share factors that establish the level of service standards:

A. For law enforcement facilities, fire and emergency medical facilities, roadway facilities, water, sanitary sewer, stormwater, parks, open space and trails, the level of service and impact fee coefficients are contained in "West Jordan impact fees facilities plan (IFFP)"; September 26, 2016; TischlerBise, Inc., and is incorporated by reference into this code by ordinance 16-45, which was adopted on October 12, 2016; and are also contained in "West Jordan Impact Fee Study"; January 19, 2017; TischlerBise, Inc., and is incorporated by reference into this code by ordinance 17-12, which was adopted on February 22, 2017. (2001 Code § 89-8-107; amd. Ord. 13-28, 7-31-2013; Ord. 16-48, 11-16-2016; Ord. 17-12, 2-22-2017)

### **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 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~~ 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
  - d. Is transmitted annually to the state auditor. (2001 Code § 89-8-109; amd. Ord. 13-28, 7-31-2013; Ord. 19-\_\_\_\_, \_\_\_\_-2019, Effective at 12 noon on January 6, 2020)

### **3-7-10: EXPENDITURES:**

A. The city may expend impact fees only for a system improvement:

1. Identified in the impact fee facilities plan; and
2. For the specific public facility type for which the fee was collected.

B. Except as provided in subsection B2 of this section:

1. The city shall expend or encumber an impact fee for a permissible use within six (6) years of its receipt.
2. The city may hold an impact fee for longer than six (6) years if the city identifies, in writing:
  - a. An extraordinary and compelling reason why the fee should be held longer than six (6) years; and

b. An absolute date by which the fee will be expended. (2001 Code § 89-8-110; amd. Ord. 13-28, 7-31-2013)

### **3-7-11: REFUND OF IMPACT FEES:**

The city shall refund any impact fees paid by a developer, plus interest earned and minus an administration fee, when:

- A. The developer does not proceed with the development activity and has filed a written request for a refund and no impact has resulted; or
- B. The fees have not been spent or encumbered within the time required by subsection 3-7-10B of this chapter. (2001 Code § 89-8-111; amd. Ord. 13-28, 7-31-2013)

### **3-7-12: PETITION FOR REFUND OF IMPACT FEES:**

A petition for an impact fee refund must be submitted to the city on a form provided by the city for such purpose. Within two (2) weeks of the date of the city's receipt of a complete petition for refund, the city must provide the petitioner, in writing, with a decision on the refund request, including the reasons for the decision. If a full or partial refund is due petitioner, the city shall notify the city treasurer and direct that a full or a partial refund payment be made to the petitioner within one month of the date of the city's written decision. Petitioner may appeal the city's initial refund determination to the city council. (2001 Code § 89-8-112; amd. Ord. 13-28, 7-31-2013)

### **3-7-13: CHALLENGE OF IMPACT FEE ASSESSMENT:**

- A. Any person or entity required to pay an impact fee, may challenge the impact fee if the impact fee does not meet the requirements of Utah code section 11-36a-101 et seq.
- B. Within thirty (30) days after paying an impact fee, the person or entity that has paid the impact fee and wishes to challenge the impact fee shall file a written challenge petition to the city council. The city council shall make its decision regarding the applicability and legality of the impact fee within thirty (30) days after challenge was filed. (2001 Code § 89-8-113; amd. Ord. 13-28, 7-31-2013)

### **3-7-14: ADJUSTMENTS, CREDITS AND EXEMPTIONS:**

- A. A person may petition the city council for an adjustment to the standard impact fee. The city council may adjust the fee if it finds that there are unusual circumstances which affect the petitioner and that the impact fees are being imposed fairly when adjusted.
- B. The city council may adjust the amount of the impact fee to be imposed on a particular development based upon studies and data submitted by the developer.
- C. The city council may:
  1. Exempt low income housing and other development activities with broad public purposes from impact fees and establish one or more sources of funds other than impact fees to pay for that development activity;
  2. Impose an impact fee for public facility costs previously incurred by a local political subdivision to the extent that new growth and development will be served by the previously constructed improvement; and
  3. Allow a credit against impact fees for any dedication of land for, improvement to, or new construction of, any system improvements provided by the developer if the facilities are:

- a. Identified in the impact fee facilities plan; and
- b. Required by the local political subdivision as a condition of approving the development activity. (Ord. 13-28, 7-31-2013)

### **3-7-15: BONDING OF EXCESS FACILITY PROJECTS:**

The city may issue bonds, revenue certificates, and other obligations of indebtedness in such manner and subject to such limitations as may be provided by law in furtherance of the completion of capital improvement projects. Funds pledged toward retirements of bonds, revenue certificates, or other obligations of indebtedness for such projects may include impact fees and other city revenues as may be allocated by the city council. Impact fees paid pursuant to this chapter, however, shall be restricted to use solely and exclusively for financing the cost of capital facilities listed on the city's impact fee facilities plan. (2001 Code § 89-8-114; § 3-7-14; amd. Ord. 13-28, 7-31-2013)

### **3-7-16: NO EFFECT ON ZONING AND SUBDIVISION REGULATIONS:**

This chapter shall not affect, in any manner, the permissible use of property, density of development, design, and improvement standards and requirements, or any other aspect of the development of land or provision of capital facilities subject to the zoning and subdivision regulations or other regulations of the city, which shall be operative and remain in full force and effect without limitation with respect to all such development. (2001 Code § 89-8-115; § 3-7-15; amd. Ord. 13-28, 7-31-2013)

### **3-7-17: IMPACT FEE ASSESSMENT IS AN ADDITIONAL AND SUPPLEMENTAL REQUIREMENT:**

- A. Impact fees are additional and supplemental to, and not in substitution of, any other requirements imposed by the city on the development of land or the issuance of building permits. Impact fees are intended to be consistent with and to further the objectives and policies of the general plan, the impact fee facilities plan, and other city policies, ordinances, and resolutions by which the city seeks to ensure the provision of public facilities in conjunction with the development of land.
- B. All impact fees must be paid prior to issuance of any building permit, or if no building permit is involved in the development, prior to the issuance of any certificate of zoning compliance. (2001 Code § 89-7-116; amd. 2009 Code; § 3-7-16; Ord. 13-28, 7-31-2013)

### **3-7-18: LIBERAL CONSTRUCTION:**

The provisions of this chapter are hereby found and declared to be in furtherance of the public health, safety and welfare, and convenience, and it shall be liberally construed to effectively carry out its purpose. (2001 Code § 89-8-118)

### **3-7-19: CONFLICTS WITH STATE LAW:**

Any provision of this chapter which conflicts with any provision of state law, including the impact fees act<sup>1</sup>, shall be severable and shall be deemed to be superseded by the applicable provisions of state law. (Ord. 16-48, 11-16-2016)

**Footnotes** - Click any footnote link to go back to its reference.  
Footnote 1: UCA § 11-36a-101 et seq.

# 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 homebuilders.

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 amounts 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 recorder 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 30<sup>th</sup>, the council reviews and adjusts the mayor's proposed budget. On or before June 30<sup>th</sup>, 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)

## **Chapter 9**

### **SERVICE FEES**

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

#### **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 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)