



Adopting an Annual Budget

CITIES, TOWNS AND TOWNSHIPS

Legal requirements can be found in State Code 10-6 for Cities and Townships, 10-5 for Towns

- Budget Officer requests and gathers budget proposals from departments
- Budget Officer determines preliminary budget for all non-departmental line items
- Budget Officer estimates capital project for the budget year and three succeeding years
- Budget Officer drafts a tentative budget
- If the budget contains a subsidy transfer from an enterprise fund to another fund
 - mail public notice of intended transfer at least 7 days prior to hearing
 - email public notice of intended transfer to users if bills are sent via email
 - Post notice on Utah Public Notice Website
 - Post notice on entity website, if one exists
- Budget Officer submits the tentative budget to the governing board
- Governing board adopts the tentative budget prior to its first May meeting
- Governing board members review tentative budget
- Governing board considers holding a budget work meeting
- Governing board may revise or amend the tentative budget prior to public hearing
- Governing board set date for a public hearing concerning adoption of the budget
- Public hearing notice is posted at least 7 days prior to the date of the hearing
 - On Utah Public Notice Website
 - In local newspaper, if one exists
 - On entity website, if one exists
- The proposed budget is made available to the public at least 10 days prior to hearing
- All governmental funds in the proposed budget must balance in one of the following ways:
 - Total revenues equal total expenditures
 - Total revenues plus contribution from fund balance equal total expenditures
 - Total revenues equal total expenditures plus contribution to fund balance
- All transfers to or from other funds must net to zero

- ❑ Transfers with other funds must indicate which fund the transfer is going to or coming from or provide a separate schedule of transfers that accomplished the same clarity
- ❑ If there is a deficit fund balance in a fund at the close of the last completed fiscal year, appropriate amounts in the current budget equal to:
 - At least 5% of the total revenue of the fund in the last completed fiscal year; or
 - If the deficit is equal to less than 5% of the total revenue of the fund in the last completed fiscal year, the entire amount of the deficit
- ❑ The public hearing is held on the appointed date
- ❑ Governing board considers making final adjustments
- ❑ Governing board sets the tax rate and certifies it to the county auditor by June 15th
- ❑ Governing body adopts the budget prior to July 1st unless adopting a tax rate greater than the certified tax rate, then prior to August 17th
- ❑ Make adopted budget available to the public
- ❑ Adopted budget submitted to Office of the State Auditor within 30 days of adoption
- ❑ Adopted property tax rate submitted to county auditor
- ❑ Contact State Tax Commission if adopted tax rate exceeds the certified rate to begin Truth in Taxation process
- ❑ If the adopted budget contains a subsidy transfer out of an enterprise fund
 - Within 7 days after adoption
 - Post specific enterprise fund data to entity website, if one exists
 - Post specific enterprise fund data to all social media accounts of the entity
 - Within 30 days after adoption
 - Submit specific enterprise fund information to State Auditor
 - Within 60 days after adoption
 - Mail a notice of decision to transfer to users
 - Email a notice of decision to transfer to users if bill is sent via email