

ORDINANCE NO. 23-10

AN ORDINANCE AMENDING SECTIONS 7.04.020 (SOLID WASTE), 13.08.010 (WATER), 13.32.130 (WASTEWATER), 13.48.060 (STORMWATER), AND 15.20.260 (POWER) OF THE MURRAY CITY MUNICIPAL CODE RELATING TO THE FINANCIAL STANDARDS OF THE SOLID WASTE, WATER, WASTEWATER, STORMWATER, AND POWER ENTERPRISE FUNDS

BE IT ENACTED BY THE MURRAY CITY MUNICIPAL COUNCIL

Section 1. Purpose. The purpose of this Ordinance is to amend sections 7.04.020 (solid waste), 13.08.010 (water), 13.32.130 (wastewater), 13.48.060 (stormwater), and 15.20.260 (power) of the Murray City Municipal Code relating to the financial standards of the solid waste, water, wastewater, stormwater, and power enterprise funds.

Section 2. Amendment to sections 7.04.020, 13.08.010, 13.32.130, 13.48.060, and 15.20.260 of the Murray City Municipal Code.

Sections 7.04.020, 13.08.010, 13.32.130, 13.48.060, and 15.20.260 of the Murray City Municipal Code shall be amended as follows:

**TITLE 7
SOLID WASTE AND RECYCLING MANAGEMENT**

...

7.04.020: FUND:

A. Fund Created: There is created an Enterprise Fund known as the Solid Waste and Recycling Management Fund. All funds received from, or expended in connection with, general solid waste management services and green waste trailer reservations shall be accounted for in the Solid Waste and Recycling Management Fund separate and apart from all other City funds. The collection, accounting, and expenditure of all such funds shall be in accordance with existing fiscal policies of the City.

B. Annual Transfer: Beginning fiscal year 2014, there shall be, each fiscal year, an operational transfer from the City's Solid Waste and Recycling Management Fund to the City's General Fund of eight percent (8.00%) of total operating revenue as used and defined in the Utah Uniform Fiscal Procedures Act. Such transfer shall not prohibit acts and other services being rendered to other departments of the City.

C. Investments, Cash And Cash Equivalents Reserves (Reserve): The reserve level for the Solid Waste and Recycling Management Fund (the "fund") is thirty percent (30%) of the amount of revenue from the immediately preceding fiscal year ("reserve level"). This reserve level is to provide cash liquidity and operational stability in case of situations such as natural disasters, equipment failure, economic uncertainty, and weather variations. As a result of onetime expenses, the reserve level may fluctuate, provided however that the reserve level should not be drawn upon for ongoing operational expenses. If reserves are drawn below the reserve level, the fund will replenish reserves to the reserve level within five (5) years. (Ord. 16-01)

D. Solid Waste and Recycling Master Plan; Updates: The Public Works Department shall prepare, and the City Council shall adopt a solid waste and recycling master plan ("Plan") that includes a comprehensive evaluation of the current solid waste and recycling system and identifies programs, facilities, activities, and technologies that will best support sustainable solid waste management. This Plan will serve as the guide for solid waste operations and program development to meet the future solid waste management needs of the City in both the short and long terms. The Plan shall also include a review of applicable laws and regulations, planning assumptions, finances, organizational structure, and workforce. The Plan shall be updated not less than every 5 years.

E. Rate Studies and Impact Fee Studies: Solid Waste and Recycling System rate studies and impact fee studies shall be conducted not less than every five years to update assumptions and ensure the long- term solvency and viability of the City's Solid Waste and Recycling System.

F. Annual Review: Utility rates and impact fees shall be reviewed annually as part of the budget process and necessary adjustments made to avoid major rate increases.

....

CHAPTER 13.08 WATER SERVICE SYSTEM

...

13.08.010: WATER SYSTEM FINANCIAL STANDARDS:

In order to maintain fiscal soundness of the Water Enterprise Fund, the following financial standards are established:

A. Annual Transfer: Subject to approval of the annual final budget by the City Council, there shall be, each fiscal year, an operational transfer to the General Fund from the total operating revenues of the City's Water Enterprise Fund as used and defined in the Utah Uniform Fiscal Procedures Act, to cover the costs of City services provided to the Water Enterprise Fund. The City Council may, at any time, modify the amount of transfer. Such transfer shall not prohibit acts and other services being rendered to other departments of the City.

B. Transfer For Administrative Services: Transfer for administrative services to the General Fund shall be in an amount not to exceed the value of the actual services rendered. Such amount shall be set not less than every five (5) years by the City Council after the performance of an independent audit to determine the value of service performed.

C. Investments, Cash And Cash Equivalents Reserves (Reserve): A Reserve Fund shall be established within the Water Enterprise Fund. The minimum reserve level for the Water Enterprise Fund (the "fund") is thirty percent (30%) of the amount of revenue from the immediately preceding fiscal year ("reserve level"). This level of reserves provides the minimum cash liquidity and operational stability in case of natural disasters, equipment failure, economic uncertainty, and weather variations. As a result of one-time expenses, the reserve level may fluctuate, provided however that the reserve level should not be drawn upon for ongoing operational expenses. If reserves are drawn below the minimum reserve level, the fund will replenish reserves to the reserve level within five (5) years. (Ord. 17-40)

D. Water System Master Plan; Updates: The Water Division shall prepare, and the City Council shall adopt a water system master plan ("Plan") that includes a comprehensive study of the city's water source, storage, treatment, and delivery systems and will be used to guide future water utility decisions. The Plan serves to evaluate the existing water system and provide recommendations regarding how the city should prepare for the future. The Plan shall include a review of applicable laws and regulations, planning assumptions, water use, finances, organizational structure, and workforce. The Plan shall be updated not less than every 5 years.

E. Rate Studies and Impact Fee Studies: Water System rate studies and impact fee studies shall be conducted not less than every five years to update assumptions and ensure the long- term solvency and viability of the City's Water System.

F. Annual Review: Utility rates and impact fees shall be reviewed annually as part of the budget process and necessary adjustments made to avoid major rate increases.

....

CHAPTER 13.32 WASTEWATER SYSTEM

...

13.32.130: WASTEWATER FINANCIAL STANDARDS:

In order to maintain fiscal soundness of the Wastewater Enterprise Fund, the following financial standards are established:

A. Annual Transfer: Subject to approval of the final budget by the City Council, there shall be, each fiscal year, an operational transfer to the City's General Fund from total operating revenue of the City Wastewater Enterprise Fund as used and defined in the Utah Uniform Fiscal Procedures Act but shall not include funds dedicated for Central Valley Water Reclamation Facility. The City Council may, at any time, modify the operational transfer. Such transfer shall not prohibit acts and other services being rendered to other departments of the City.

B. Transfer For Administrative Services: Transfer for administrative services from the Wastewater Enterprise Fund to the General Fund in an amount not to exceed the value of the actual services rendered. Such amount shall be set not less than every five (5) years by the City Council after the performance of an independent audit to determine the value of services performed. The City Council may, at any time, modify the amount of transfer.

C. Investments, Cash And Cash Equivalents Reserves (Reserve): A Reserve Fund shall be established within the Wastewater Enterprise Fund (the "fund"). The minimum reserve level for the fund is thirty percent (30%) of the amount of revenue from the immediately preceding fiscal year ("reserve level"). This level of reserves provides the minimum cash liquidity and operational stability in case of natural disasters, equipment failure, economic uncertainty, and weather variations. As a result of one-time expenses, the reserve level may fluctuate, provided however that the reserve level should not be drawn upon for ongoing operational expenses. If reserves are drawn below the minimum reserve level, the fund will replenish reserves to the reserve level within five (5) years. (Ord. 17-40)

D. Wastewater System Master Plan; Updates: The Wastewater Division shall prepare, and the City Council shall adopt a wastewater system master plan ("Plan") that includes a comprehensive study of the City's collection system

storage including the capacity of the collection system, capacity issues, and collection system operations and maintenance programs and will be used to guide future wastewater system decisions. The Plan serves to evaluate the existing wastewater system and provide recommendations regarding how the city should prepare for the future. The Plan shall include a review of applicable laws and regulations, finances, organizational structure, and workforce. The Plan should review planning assumptions by analyzing the existing collection system under existing and future land use conditions, identify capacity problems under future conditions, develop and identify recommended improvement projects, prioritize the recommended improvements and develop estimates of capital construction cost. The Plan shall be updated not less than every 5 years.

E. Rate Studies and Impact Fee Studies: Wastewater system rate studies and impact fee studies shall be conducted not less than every five years to update assumptions and ensure the long- term solvency and viability of the City's wastewater system.

F. Annual Review: Utility rates and impact fees shall be reviewed annually as part of the budget process and necessary adjustments made to avoid major rate increases.

....

CHAPTER 13.48 STORMWATER UTILITY

...

13.48.060: STORMWATER FINANCIAL STANDARDS:

A. Annual Transfer: Subject to the approval of the final annual budget by the City Council, there shall be, each fiscal year, an operational transfer from the City's Stormwater Fund operating revenue to the City's General Fund as used and defined in the Uniform Fiscal Procedures Act. The City Council may, at any time, modify the operational transfer. The operational transfers shall not prohibit acts and other services being rendered to other departments of the City.

B. Transfer For Administrative Services: Transfer for administrative services to the General Fund shall be in an amount not to exceed the value of the actual services rendered. Such amount shall be set not less than every five (5) years by the City Council after the performance of an independent audit to determine the value of the service performed.

C. Investments, Cash And Cash Equivalents Reserves (Reserve): The minimum reserve level for the Stormwater Utility Enterprise Fund (the "fund") is thirty percent (30%) of the amount of revenue from the immediately preceding fiscal year ("reserve level"). This level of reserves provides the minimum cash liquidity and operational stability in case of natural disasters, equipment failure, economic

uncertainty, and weather variations. As a result of one-time expenses, the reserve level may fluctuate, provided however that the reserve level should not be drawn upon for ongoing operational expenses. If reserves are drawn below the minimum reserve level, the fund will replenish reserves to the reserve level within five (5) years. (Ord. 17-40)

D. Stormwater Utility Master Plan; Updates: The Stormwater Division shall prepare, and the City Council shall adopt a stormwater utility master plan ("Plan") that includes a comprehensive assessment of the City's roads, drainage infrastructure, and water management features to identify improvements needed to address capacity and flooding issues and will be used to guide future stormwater utility decisions. The Plan serves to evaluate the existing stormwater utility and provide recommendations regarding how the city should prepare for the future. The Plan shall include a review of applicable laws and regulations, finances, planning assumptions, organizational structure, and workforce. The Plan should recommend design standards for new development, re-development, transportation, water quality, floodplain mitigation, and inadequacies in the storm sewer system. The Plan shall be updated not less than every 5 years.

E. Rate Studies and Impact Fee Studies: Stormwater utility rate studies and impact fee studies shall be conducted not less than every five years to update assumptions and ensure the long- term solvency and viability of the City's stormwater system.

F. Annual Review: Utility rates and impact fees shall be reviewed annually as part of the budget process and necessary adjustments made to avoid major rate increases.

....

CHAPTER 15.20 ELECTRICAL REGULATIONS

...

15.20.260: POWER FUND FINANCIAL STANDARDS:

In order to maintain fiscal soundness of the Power Fund, the following financial standards are established:

A. Operational Transfers: There shall be, each fiscal year, an operational transfer from the City's Power Enterprise Fund to the City's General Fund of eight percent (8.00%) of total operating revenues (including wholesale power sales revenue), as used and defined in the Utah Uniform Fiscal Procedure Act, excluding:

1. Disbursements and/or refunds of overcollections and/or margins received from Utah Associated Municipal Power Systems (UAMPS) and/or the Intermountain Power Agency (IPA); and

2. Revenues collected in accordance with electric service schedule 30, supply cost adjustment (SCA): The in lieu of tax transfer approximates the equivalent ad valorem taxes which would be imposed on an investor-owned utility with the same or similar facilities. This transfer does not prohibit the Power Department from assisting or providing other services to other City departments.

B. Transfer For Administrative Services: Transfer for administrative services to the General Fund must be in an amount not to exceed the value of the actual services rendered. Such amount will be set each year by the Director of Finance and Administration and approved by the City Council through the budget approval process, based upon established cost allocation methodologies. In the general audit for fiscal year 1994-1995, and every fifth year thereafter, an allocation audit will be included in the general audit performed for the City by an independent auditor, to verify and/or recommend modification of the cost allocation methodologies. Any additional costs must be paid out of an appropriate Power Department account.

C. Investments, Cash And Cash Equivalents Reserves (Reserve): The reserve level for the Power Enterprise Fund (the "fund") is thirty percent (30%) of the amount of revenue from the immediately preceding fiscal year ("reserve level"). This reserve level is to provide cash liquidity and operational stability in case of situations such as natural disasters, equipment failure, economic uncertainty, and weather variations. As a result of onetime expenses, the reserve level may fluctuate, provided however that the reserve level should not be drawn upon for ongoing operational expenses. If reserves are drawn below the reserve level, the fund will replenish reserves to the reserve level within five (5) years. (Ord. 19-05: Ord. 16-17)

D. Power Utility Master Plan; Updates: The Power Department shall prepare, and the City Council shall adopt a power utility master plan ("Plan") that includes a comprehensive a long-term outlook and ongoing reevaluation of power utility needs and will be used to guide future power utility decisions. The Plan serves to evaluate the existing power utility and provide recommendations regarding how the City should prepare for the future. Components of the Plan include energy procurement, infrastructure improvement, funding, energy conservation, and energy management.

The Plan shall also include a review of applicable laws and regulations, finances, planning assumptions, organizational structure, and workforce. The Plan will assist the power department to develop a framework for the infrastructure needs of development and re-development in the City's service area. The Plan shall be updated not less than every 5 years.

E. Rate Studies and Impact Fee Studies: Power utility rate studies and impact fee studies shall be conducted not less than every five years to update assumptions and ensure the long- term solvency and viability of the City's power utility system.

F. Annual Review: Utility rates and impact fees shall be reviewed annually as part of the budget process and necessary adjustments made to avoid major rate increases.

....

Section 3. Effective Date. This Ordinance shall take effect on first publication.



ATTEST:

MURRAY CITY MUNICIPAL COUNCIL

Garry Hrechkosy, Chair


Brooke Smith, City Recorder

Transmitted to the Office of the Mayor of Murray City on this 5th day of July, 2023.

MAYORS ACTION: Approved

DATED this 5th day of July, 2023


Brett A. Hales, Mayor

ATTEST:


Brooke Smith, City Recorder

CERTIFICATE OF PUBLICATION

I hereby certify that this Ordinance or a summary hereof was published according to law on 5th day of July, 2023.


Brooke Smith, City Recorder