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DATE 8/27/91  
TIME 9:35 AM  
PURPOSE \_\_\_\_\_  
BY [Signature]

RESOLUTION NO 91-200

A RESOLUTION ACCEPTING THE MILLARD COUNTY COMMISSION PROPOSAL FOR HORIZONTAL REVENUE SHARING BETWEEN MILLARD COUNTY AND THE CITY OF DELTA, UTAH.

The City Council of the City of Delta, Utah, referred to in this resolution as the "City Council" recites the following as the basis for adopting this resolution:

WHEREAS, a majority of the mayors of the incorporated cities and towns of Millard County met on June 26, 1991 to discuss revenue sharing from Millard County to the incorporated cities and towns in Millard County in order to provide for a more equitable distribution of revenues derived from ad valorem taxes on real property and improvements thereto in Millard County, to reduce double taxation and to alleviate the economic hardships encountered by said cities and towns; and

WHEREAS, on or about July 10, 1991, at a special meeting of the Millard County Board of Commissioners (the "Commissioners") held in Fillmore, Utah, mayors and city council members representing the ten incorporated cities and towns in Millard County presented to the Commissioners their proposal regarding revenue sharing, which the Commissioners took under advisement; and

WHEREAS, on or about August 12, 1991, the Commissioners provided a counter proposal to the governing bodies of the incorporated cities and towns as set out in a document entitled "Horizontal Revenue Sharing Commission Proposal"; and

WHEREAS, as a condition to implementing revenue sharing in Millard County, the Commissioners requested to know, in resolution format, the intent of the cities and towns regarding the Commission's proposal no later than August 31, 1991; and

WHEREAS, after considering the Commission's proposal for Horizontal Revenue Sharing, the City Council has determined to accept said proposal in an effort to initiate revenue sharing in Millard County between Millard County and the incorporated cities and towns thereof; and

WHEREAS, pursuant to Article XIII, § 5, of the Constitution of the State of Utah and UCA § 11-13-16.5 (1981), Millard County, at the discretion of its Board of Commissioners, may share the County's tax and other revenues with those incorporated cities, towns or political subdivisions thereof located within Millard County;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Delta, Utah:

Section 1. Acceptance of Millard County Commission's Proposal to Horizontal Revenue Sharing. The Commissioners' proposal for Horizontal Revenue Sharing, a copy of which is attached hereto as Exhibit "A" and incorporated herein by reference, is hereby accepted by the City of Delta.

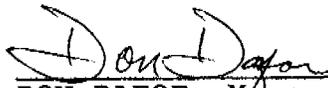
Section 2. Authorizations. The mayor of this municipality is hereby authorized to negotiate the terms of a proposed revenue sharing agreement for sharing of revenues to be received by this municipality from Millard County and to engage legal counsel and other assistance as necessary to prepare such an agreement for consideration by this governing body and such ordinances or resolutions as are necessary to approve said agreement. The agreement shall provide for the revenues to be shared on a per capita basis among the incorporated cities and towns in Millard County.

Section 3. Effective Date. This resolution shall become effective upon adoption.

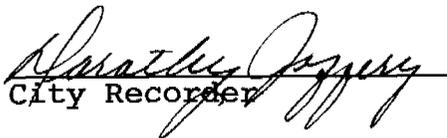
Section 4. Severability. In the event that any provision of this resolution less than the entire resolution is held invalid by a court of competent jurisdiction, this resolution shall be deemed severable and such finding of invalidity shall not affect the remaining portions of this resolution.

Section 5. Repeal of Conflicting Resolutions. To the extent that any resolutions or policies of the City of Delta conflict with the provisions of this resolution, they are hereby amended to be in accordance with the provisions hereof.

PASSED AND ADOPTED this 26TH day of August, 1991.

  
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DON DAFOE, Mayor

Attest:

  
City Recorder

# HORIZONTAL REVENUE SHARING

## COMMISSION PROPOSAL

1. Item to be placed on ballot in November, 1991 General Election. IF APPROVED:
2. County to levy a tax of 1 mill or .0002 or less, against general property for the purposes of sharing revenue with the 10 incorporated cities and towns in Millard County.
3. The tax cannot be raised above the .0002 ceiling without a majority vote of the general electorate of the County.
4. The shared revenue can only be used for capital projects and/or capitol equipment.
5. All participating cities and towns must deliver a list with valid dollar estimates of proposed capital expenditures adopted in a public meeting, to the County Commission at least thirty (30) days prior to adoption of the County's tentative budget the first of November. The lists will become part of the County's adopted budget record.

**EXHIBIT A**

6. The permission or authority to levy the tax will automatically sunset after 10 years. It may be reinstated by approval in a subsequent general election.
7. The shared revenue must be incorporated into the cities or towns budget and independent audit and separately identified for purposes of review by the Millard County Auditor. The County Auditor may also choose to review expenditure detail to verify compliance with budget intent. Unauthorized variations may prevent a community from future participation.
8. The County Commission may choose to discontinue Horizontal Revenue Sharing when it is in the best interest of the County to do so. Some of these reasons may include: exceeding the maximum tax levy allowed by law, major declines in assessed value, changes in tax structure, mandated State and Federal programs, or unforeseen catastrophic events.

9. If the proposal is adopted by the majority of the electorate, Interlocal Contracts will have to be adopted between Millard County and the cities and towns to set forth the agreed upon terms. ( The cities and towns will be subject to all state and Federal Laws in regards to proper financial procedures.)
10. Protested portions of shared revenue will be retained by the County Treasurer until resolution of the protest.
11. This list may not be all inclusive. Because of the shortness of time, both the County and communities may have overlooked important items which must be included in the Interlocal Contracts to stay in compliance with existing state law.
12. The County Commission needs to know, in resolution format, the intent of the cities and towns regarding the above items no later than August 31, 1991.