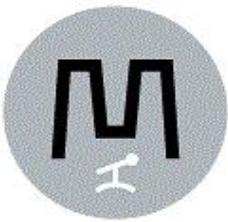




MURRAY
CITY COUNCIL

**Committee of the
Whole Meeting
November 25, 2025**



Murray City Municipal Council

Committee of the Whole

Meeting Notice

November 25, 2025

PUBLIC NOTICE IS HEREBY GIVEN that the Murray City Municipal Council will hold a Committee of the Whole meeting beginning at 4:30 p.m. on Tuesday, November 25, 2025 in the Poplar Meeting Room #151 located at Murray City Hall, 10 East 4800 South, Murray, Utah.

The public may view the Committee of the Whole Meeting via the live stream at www.murraycitylive.com or <https://www.facebook.com/Murraycityutah/>.

Meeting Agenda

4:30 p.m. **Committee of the Whole** – Poplar Meeting Room #151
Pam Cotter conducting.

Approval of Minutes

None scheduled.

Discussion Items

1. Murray Senior Recreation Center Report. Hal Luke presenting. (10 minutes)
2. Discuss a resolution finding that adopting the Utah Wildland Urban Interface Code to apply within Murray City is impracticable. Joey Mittelman presenting. (10 minutes)
3. Discuss an ordinance enacting Section 17.76.165 of the Murray City Municipal Code relating to residential ponds. Zachary Smallwood presenting. (15 minutes)
4. Discuss an ordinance enacting Title 11 of the Murray City Municipal Code establishing the Administrative Code Enforcement Program. Chad Wilkinson presenting. (20 minutes)
5. Discuss a Joint Resolution adopting the Murray City Privacy Program Policy. Brooke Smith and G.L. Critchfield presenting. (15 minutes)
6. Discuss an ordinance enacting Section 12.28.070 of the Murray City Municipal Code relating to collection fees for outstanding balances owed to the city and amending Sections 7.04.030, 12.30.010, 13.04.040 and 13.48.050 of the Murray City Municipal Code relating to the same. Brenda Moore presenting. (10 minutes).
7. Discuss a Resolution adopting and approving the Murray City Investment Policy. Brenda Moore presenting. (10 minutes)

Adjournment

NOTICE

Supporting materials are available for inspection on the Murray City website at www.murray.utah.gov.

Special accommodations for the hearing or visually impaired will be made upon a request to the office of the Murray City Recorder (801-264-2663). We would appreciate notification two working days prior to the meeting. TTY is Relay Utah at #711.

Council Members may participate in the meeting via telephonic communication. If a Council Member does participate via telephonic communication, the Council Member will be on speaker phone. The speaker phone will be amplified so that the other Council Members and all other persons present in the Poplar Meeting Room will be able to hear all discussions.

On Friday, November 21, 2025, at 9:00 a.m., a copy of the foregoing notice was posted in conspicuous view in the front foyer of the Murray City Hall, Murray, Utah. Copies of this notice were provided for the news media in the Office of the City Recorder. A copy of this notice was posted on Murray City's internet website www.murray.utah.gov, and the state noticing website at <http://pmn.utah.gov>.



Jennifer Kennedy
Council Executive Director
Murray City Municipal Council



MURRAY
CITY COUNCIL

Discussion Items



MURRAY
CITY COUNCIL

Discussion Item #1



MURRAY

Murray City Council

Murray Senior Recreation Center Report

Council Action Request

Committee of the Whole

Meeting Date: November 25, 2025

Department Director Jennifer Kennedy	Purpose of Proposal Murray Senior Recreation Center Report
Phone # 801-264-2622	Action Requested Information only.
Presenters Hal Luke	Attachments
Required Time for Presentation 10 Minutes	Budget Impact None
Is This Time Sensitive No	Description of this Item Hal Luke will provide an update on the Murray Senior Recreation Center.
Mayor's Approval	
Date October 28, 2025	



MURRAY
CITY COUNCIL

Discussion Item #2



MURRAY

Council Action Request

Murray City Fire Department

Wildland Urban Interface Prevention

Committee of the Whole

Meeting Date: November 25, 2025

Department Director Joseph Mittelman	Purpose of Proposal Present a resolution for passing in Council Meeting.
Phone # 801-264-2775	Action Requested Discuss the required passing of a resolution that HB48 requires the Municipality to complete before Jan 1st, 2026
Presenters Joseph Mittelman	Attachments Proposed Resolution
Required Time for Presentation 10 Minutes	Budget Impact Zero Budget impact for Murray City currently.
Is This Time Sensitive No	Description of this Item Resolution of Wildfire Risk in the Wildland-Urban Interface: Why Action is Needed Many Utah communities lie within the Wildland-Urban Interface (WUI) — areas where homes and developments meet or intermingle with wildland vegetation. Wildfires in WUI zones pose an increased risk to structures, making additional building, landscaping, defensible-space, and home-hardening requirements critical for public safety. Utah House Bill 48 (enacted March 3, 2025) requires cities and counties to adopt the Utah Wildland-Urban Interface (WUI) Code for designated WUI zones by January 1, 2026. After review, Murray City has no current or anticipated areas that meet the criteria for WUI designation. This resolution serves as formal recognition of the absence of WUI within Murray City's geographical boundaries and fulfills the city's compliance requirement under HB 48.
Mayor's Approval	
Date November 12, 2025	

RESOLUTION NO. R25-60

A RESOLUTION FINDING THAT ADOPTING THE UTAH WILDLAND URBAN INTERFACE CODE TO APPLY WITHIN MURRAY CITY IS IMPRACTICABLE.

WHEREAS, in 2010 the Utah Legislature adopted the 2006 edition of the Utah Wildland Urban Interface Code issued by the International Code Council, with approved alternatives or amendments and in 2025, passed HB 48 (2025) requiring that each municipality identify boundaries of the wildland urban interface within the municipality and adopt and begin enforcing the Utah Wildland Urban Interface (WUI) Code no later than January 1, 2026; and

WHEREAS, The WUI Code supplements the Building Code and Fire Code to provide for increased regulation to mitigate the fire and life-safety hazards of **wildland-urban interface** areas which are areas within communities that are susceptible to wildland fires; and

WHEREAS, the purpose of the WUI Code is to establish more strict regulations consistent with nationally recognized good practices for the safeguarding of life and property protection; and

WHEREAS, state law sets forth the parameters of wildland urban interface with the following definitions (see Utah Code §65A-1-1 Definitions):

"Wildland" means an area where: (a) development is essentially non-existent, except for roads, railroads, powerlines, or similar transportation facilities; and (b) structures, if any, are widely scattered.

"Wildland-urban interface" means the zone where structures and other human development meets, or intermingles with, undeveloped wildland.

"Wildland fire" means a fire that consumes: (a) wildland; or (b) wildland-urban interface; and

WHEREAS, generally, the wildland urban interface is where homes and infrastructure border flammable vegetation such as brush, grass, or forest; and

WHEREAS, examples of the wildland urban interface include (a) subdivisions developed adjacent to a national forest or other large wildland area, (b) rural developments with large parcels or (c) isolated cabins in the mountains; and

WHEREAS, the Fire Chief has discussed the applicability of the code to Murray City with representatives from the State Division of Forestry, Fire, and State Lands and was told among other things, specifically, that the Jordan River Parkway and Murray Park are not considered wildland urban interface areas; and

WHEREAS, Fire Department staff, including the Fire Chief, have referred to the State of Utah Department of Natural Resources (DNR) map that designates areas in the state that have been assigned "Structure Exposure Scores" high enough to qualify as wildland urban interface areas and did not identify on the map any areas of the City that would qualify as wildland urban interface areas; and

WHEREAS, given the discussion with representatives from the State Division of Forestry, Fire, and State Lands, the review of the DNR map, and their own analysis, the Fire Department staff, including the Fire Chief, are unable to recommend the establishment of WUI boundaries required under the code; and

WHEREAS, based upon the City's geographical location away from the foothills of the mountains, its distance from any undeveloped wildland, its built environment, and lack of definable zones qualifying as wildland urban interface areas, the City Council finds it impracticable to adopt the WUI code.

NOW, THEREFORE, BE IT RESOLVED by the Murray City Municipal Council as follows:

1. Recitals. The foregoing recitals are true and correct and incorporated herein by reference.

2. Findings. The City Council has reviewed relevant provisions of state law, received the explanation from the Fire Chief regarding the applicability of the Utah Wildland Urban Interface Code to Murray City, and based upon the record and its independent judgment and analysis finds that it is impracticable to adopt the Wildland Urban Interface Code. Specifically, the City Council finds the following:

a. Given the City's current understanding and interpretation of state law, there is neither wildland nor undeveloped wildland within the City.

b. There is no zone within the City where structures and other human development meets, or intermingles with, undeveloped wildland.

c. Based upon the City's geographical location away from the foothills of the mountains, its distance from any undeveloped wildland, its built environment, and

lack of definable zones qualifying as wildland urban interface areas, it is impracticable to adopt the WUI code.

3. The City and State of Utah share a common interest in public safety, property and environmental protection and the City supports the adoption of the Utah Wildland Urban Interface Code as part of a comprehensive effort to reduce community risk.

4. The Mayor, in consultation with the Fire Chief and other relevant staff, will continue to monitor the implementation of the WUI Code in and around Salt Lake County and return and report to the City Council should the Fire Chief's recommendation regarding adoption of the WUI Code change.

5. This Resolution shall become effective upon passage.

PASSED, APPROVED, AND ADOPTED by the Murray City Municipal Council this ____ day of December 2025.

MURRAY CITY MUNICIPAL COUNCIL

Pam Cotter, Council Chair

ATTEST:

Brooke Smith, City Recorder



MURRAY
CITY COUNCIL

Discussion Item #3



MURRAY

Council Action Request

Community and Economic Development

Residential Pond Regulations Text Amendment

Committee of the Whole

Meeting Date: November 25, 2025

Department Director Chad Wilkinson	Purpose of Proposal Amend Chapter 17.76 Supplementary Development Standards to enact Section 17.76.165 related to Residential Ponds.
Phone # 801-270-2427	Action Requested Adoption of the proposed text addition
Presenters Zachary Smallwood	Attachments Slides
Required Time for Presentation 15 minutes	Budget Impact None Anticipated
Is This Time Sensitive No	Description of this Item At the July 15, 2025 City Council meeting, a citizen requested that the city consider adopting regulations related to the construction of ponds in residential zones. At the request of the Mayor and Council, staff conducted research into the ordinances and policies of surrounding communities with regard to ponds. At a subsequent meeting, staff presented a summary of pond regulations from surrounding communities in Salt Lake County. After reviewing the information presented, Council directed staff to draft potential regulations for ponds and bring them forward for formal consideration.
Mayor's Approval	The Planning Commission conducted a public hearing on October 16, 2025 and voted 4-1 recommending that City Council adopt the proposed amendment to the Zoning Ordinance with a modification to remove any requirement for a building permit.
Date January 31, 2018	

MURRAY CITY CORPORATION

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on the 9th day of December, 2025, at the hour of 6:30 p.m., in the City Council Chambers of the Murray City Hall, 10 East 4800 South, Murray, Utah, the Murray City Municipal Council will hold and conduct a Public Hearing on and pertaining to text amendments to enact section 17.76.165 of the Murray City Municipal Code relating to residential ponds.

The purpose of this hearing is to receive public comment concerning the proposed text amendments as described above.

DATED this 10th day of November 2025.



MURRAY CITY CORPORATION

A handwritten signature in black ink.

Brooke Smith
City Recorder

DATES OF POSTING: November 28, 2025
PH25-49

LOCATIONS OF POSTINGS – AT LEAST 10 CALENDAR DAYS BEFORE THE PUBLIC HEARING:

1. Utah Public Notice Website
2. Murray City Website
3. Posted at Murray City Hall
4. Mailed to Affected Entities

ORDINANCE NO. 25-_____

AN ORDINANCE ENACTING SECTION 17.76.165 OF THE MURRAY CITY MUNICIPAL CODE RELATING TO RESIDENTIAL PONDS.

BE IT ENACTED BY THE MURRAY CITY MUNICIPAL COUNCIL:

Section 1. Purpose. The purpose of this ordinance is to enact Section 17.76.165 of the Murray City Municipal Code relating to residential ponds.

Section 2. Enactment of Section 17.76.165 of the Murray City Municipal Code. Section 17.76.165 of the Murray City Municipal Code relating to residential ponds shall be enacted to read as follows:

17.76.165: RESIDENTIAL PONDS:

A pond is defined as any artificial basin of water that is not intended or designed with the primary purpose of wading or swimming.

- A. Ponds are allowed in all residential zoning districts as an accessory use.
- B. All ponds shall be setback a minimum of five feet (5') from any property line.
- C. All ponds shall have a liner composed of a natural or synthetic material designed to retain water within the pond.
- D. Electrical permits shall be required for any pumps or lighting as determined by adopted building and electrical codes.

Section 3. Effective date. This Ordinance shall take effect upon first publication.

PASSED, APPROVED AND ADOPTED by the Murray City Municipal Council on this _____ day of _____, 2025.

MURRAY CITY MUNICIPAL COUNCIL

Pam Cotter, Chair

ATTEST:

Brooke Smith, City Recorder

Transmitted to the Office of the Mayor of Murray City on this _____ day of
_____, 2025.

MAYOR'S ACTION: Approved

DATED this _____ day of _____, 2025.

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 the _____ day of _____, 2025.

Brooke Smith, City Recorder

Land Use Ordinance Amendment - Project #25-099 - Add Section 17.76.165 related to Residential Ponds

Chad Wilkinson presented this agenda item. The request is for an amendment Chapter 17.76 Supplementary Development Standards to enact Section 17.76.165 related to Residential Ponds. Mr. Wilkinson provided context for the origins of the request. He said that a citizen requested that the city look at adopting regulations for private residential ponds. The citizen is motivated by a potential pond that will be built on the property adjacent to him. Mr. Wilkinson conducted research on pond regulations within surrounding communities. He drafted some regulations for The Planning Commission to review and recommend for approval or denial to the City Council. He said Murray City has not historically required permits for ponds and pointed out that many cities do not. He said that all the cities he researched do require an electrical permit for hard-wired pumps for ponds. Plug-in pumps that are plugged into approved outlets do not need permits. Thresholds for permits being required vary per city. Some are based upon depth and/or volume of the pond or the amount of excavation that occurs. He said these standards are based on above ground water tanks or prefabricated pools, because there are no set standards for permitting for ponds. He noted that, although Herriman previously had a permitting process for ponds, they've retracted it based on a change to the International Swimming Pool and Spa Code that clarifies that the standards of the codes related to pools and spas should only be used to regulate structures that are specifically designed for swimming, bathing and wading. Mr. Wilkinson said he attempted to keep the proposed standards fairly basic, without being overly regulatory. He pointed out the five-foot setback requirement and the requirement for the pond to have a liner. He said he worked with a member from the Utah Pond & Garden Association who indicated that installed ponds should almost always have a liner. He said this is universally required by all the cities that have pond ordinances. He said they've included requirements regarding site plans, size threshold, soil stability, erosion control, liner details, electrical details and slope details. Mr. Wilkinson provided some background on how residential ponds are made, as well as a description of suitable materials that can be used as liners. He gave examples of sizes of standard pools and dimensions to provide context for the size and volume of a resident pond. He provided the example of the diameter of a trampoline to provide reference for pond size. He pointed out that the challenge with ponds is that they aren't a consistent shape, and it would be difficult to measure the gallon size. Mr. Wilkinson said that enforcing a standard based solely on pond depth would be difficult because some of the ponds are built to provide refuge for fish during the winter and may exceed an imposed standard. Staff have proposed a standard that uses both depth and volume to determine size. He said these ponds are only designed for aesthetics and to keep ornamental fish, these are not designed for swimming. He said that a variety of mosquito abatement measures can be implemented. He expressed concern in implementing a pond ordinance relating to the pond structure but said it makes sense to require a permit for the electrical features. He said that requiring a permit for the structure itself would require design professionals to be involved, which would increase the cost substantially for residents. Mr. Wilkinson said they need to be careful in adopting a pond ordinance that is restrictive of land ownership rights. He said Murray City has never had a previous issue with ponds, so they want to apply an ordinance that is not onerous to property owners. Staff recommends that the Planning Commission forward a recommendation of approval to the City Council.

Commissioner Hildreth asked how much extra work the requirement of a permit might create for staff. Mr. Wilkinson said he doesn't think it will be very much. Most ponds won't meet the threshold of the proposed 5,000 gallons required for a permit.

Vice Chair Hristou confirmed that the city hasn't had a lot of issues with ponds in the past. Mr. Wilkinson said there have actually been no issues that current staff could recall.

Commissioner Pehrson asked if the city's current pool code only applied to permanent structures, not above ground pools. Mr. Wilkinson said there is some discretion regarding the requirement of a permit. Generally, permanent structures above 24 inches in depth, intended for swimming or bathing, require a permit.

Commissioner Pehrson asked what the applicant would be required to do for soil stability and erosion control. Mr. Wilkinson said they'll have to use a third party to provide a soil analysis. He pointed out that even for other structures, such as small sheds, that don't require permits it's still required to use best practices, and build in accordance with city codes and ordinances.

Commissioner Pehrson pointed out that having ponds with proper mosquito control reduces the number of mosquitoes in an area.

Commissioner Hacker asked if staff is adding limitations to the code by stating that it's for residential zoning, not including commercial zoning. He also asked if staff found safety concerns in their research. Mr. Wilkinson said there are many unfenced ponds located throughout the city and there have been no safety concerns reported.

A discussion was had regarding the question of requiring permits for ponds in commercial zones. Mr. Wilkinson said the commission can add a clarification to the code that it also applies to commercial zoning.

Chair Richards asked why the city needs to regulate ponds and why not simply rely on civil remedies as needed. He referred to a public comment email that was included in the packet. It stated that if ponds are not properly engineered, they would cause soil erosion and threaten nearby structures. He asked if that was a legitimate concern. Mr. Wilkinson said, for ponds below the 5,000-gallon threshold, there is very little concern. He said staff anticipates that nearly all ponds will have liners.

Commissioner Hildreth asked if an incident occurred that prompted staff develop this ordinance. Mr. Wilkinson said a resident raised the issue because his neighbor is excavating for a pond in his yard.

Chair Richards opened the agenda item for public comment.

Colby Oliverson spoke. He is the resident who made the request for the city to develop a pond ordinance for residents who want to build a big pond. He made the request out of a concern for public safety. He said if his neighbor wants to build a pond, he wants to make sure it's done safely. He said there are many other cities with pond ordinances. He disagrees that there aren't safety issues. He provided an example of a pond that leaked and caused nearby townhomes to sink. He said he easily found safety issues upon performing a basic Google and AI search for incidents Nationwide. He said he sees inconsistencies in what the Planning Commission chooses to regulate, citing the example of a recent patio ordinance, but then argues about having a pond ordinance. He said that, just because there haven't been issues doesn't mean there shouldn't be an ordinance. He said that he and his neighbors are requesting the ordinance requirement should be lowered

from 5,000-gallon ponds to 2,000-gallon ponds. He said they aren't asking to prohibit ponds, just for ponds of a certain size be regulated.

Sheri VanBibber spoke. Her property is adjacent to the neighbor who is building the pond. She said she is concerned about unintended consequences if there are no regulations. She cited concerns about crawdads causing damage. She also expressed concerns that the pond could cause flooding. She doesn't feel her neighbor should be allowed to have the pond.

Nick Skolmoski spoke. He said he supports the requirements of the regulations. He was pleased to hear about the ways that mosquito abatement can be implemented.

Chair Richards closed the public comment period for this agenda item.

A discussion was had about the appropriate threshold required to have a permit. A suggestion was made to split the difference and require a permit for anything bigger than 3,000 gallons. Mr. Wilkinson said there needs to be a threshold, but it's difficult to determine the deciding factor in the number of gallons that must be permitted. Some commissioners felt the number of gallons required was arbitrary and not based on anything that was useful. Mr. Wilkinson used the standard of above ground tanks used by other communities to come up with the threshold of 5,000 gallons. He said the threshold may not be entirely applicable to ponds, but it's at least a standard that's based on code.

A discussion was had regarding the potential difficulty in obtaining a pond permit. Mr. Wilkinson said they need third-party analysis, or they have nothing to review. The challenge is that every pond has a unique shape and slopes that are difficult to quantify. Having a report of soil analysis is a tangible attribute that can be reviewed, along with electrical details. He said they need to ask what's the burden on a property owner who has to get the permit. The requirements of the ordinance need to be reasonable to comply with. He also doesn't want to see overregulation occur for small ponds. He acknowledged that this is a difficult balance to strike.

Some commissioners felt the ordinance was overly restrictive by requiring ponds to meet both a 5,000-gallon capacity threshold and a 24-inch depth requirement. The commissioners discussed the option of striking that section of the ordinance (section E).

The Planning Commissioners discussed whether or not the new ordinance would make having a residential pond safer for children. Some commissioners felt it did not.

Mr. Wilkinson addressed Mr. Oliverson's comments. He said that safety is a primary concern for staff and the Planning Commission. He said there's a lot of work the public doesn't see regarding the process of implementing regulations. He understands that it would be tragic if something happened to a resident, a child, as the result of not having strict regulations. He also knows that regulations must be balanced with property owner rights.

Commissioner Hacker said that another challenge to consider is the size of land the pond is on. It changes the perspective of the size of the pond in reference to the piece of land it's on.

Chair Richards said he's concerned about imposing extra costs and burden on property owners prevent a future safety incident. He said it may be reasonable to do so, but there is no history of issues.

Commissioner Pehrson asked if Mr. Wilkinson found in his research that other cities had issues with pond leakage or any other issues come up. Mr. Wilkinson said many of the cities he researched don't have pond ordinances and haven't seen the need to regulate them. For those cities that do require a permit, it's often discretionary. He said there is certainly no clear consensus on how to regulate ponds.

A discussion was had regarding the conditions outlined in the proposed ordinance. Some commissioners felt it was reasonable to pass conditions A through D and to strike condition E. Some commissioners felt it isn't necessary to implement an ordinance at this time. It was determined that, even implementing those four conditions, would be helpful. The commissions discussed their options for a vote. They discussed their concerns with omitting condition E. The consensus was they would send the ordinance to the City Council for approval, striking condition E.

Chair Richards commented that he struggled with this agenda item. He said he could see both sides of the issue.

Commissioner Pehrson made a motion that the Planning Commission forward a recommendation of approval to the City Council for the proposed amendments to 17.76 Supplementary Development Standards enacting Section 17.76.165 Residential Ponds as reviewed in the Staff Report, striking condition E.

Seconded by Commissioner Hildreth. Roll call vote:

<u>A</u>	Hacker
<u>A</u>	Hildreth
<u>N</u>	Hristou
<u>A</u>	Pehrson
<u>A</u>	Richards

Motion passes: 4-1



AGENDA ITEM # 05 Residential Ponds Regulations

ITEM TYPE:	Text Amendment		
ADDRESS:	Citywide	MEETING DATE:	October 16 th , 2025
APPLICANT:	Murray City	STAFF:	Chad Wilkinson, CED Director
PARCEL ID:	N/A	PROJECT NUMBER:	25-099
REQUEST:	The request is for an amendment Chapter 17.76 Supplementary Development Standards to enact Section 17.76.165 related to Residential Ponds.		

I. STAFF REVIEW & ANALYSIS

History & Background

At the July 15, 2025 City Council meeting, the Council received a request from a citizen to consider adopting regulations related to the construction of ponds in residential zones. The request was made relative to a potential pond being constructed on a neighboring property. At the request of the Mayor and Council, staff conducted research into the ordinances and policies of surrounding communities with regard to ponds. At a subsequent meeting, staff presented a summary of pond regulations from surrounding communities in Salt Lake County. After reviewing the information presented, Council directed staff to draft potential regulations for ponds and bring them forward for formal consideration.

The construction of private ponds has not historically been regulated by Murray City. In the past the City has only required a permit if ponds included pumps or lighting that proposed hard-wired connections to electricity. However, there have not been any standards regulating the size of ponds, distance from property line, materials or similar standards related to placement or construction. Ponds associated with large developments have been regulated via the grading and drainage plans for those projects.

Review of Proposed Changes

The adoption of regulations for ponds would mean adding additional regulations to the Code. The proposed changes would include the following language added as Section 17.76.165:

17.76.165: RESIDENTIAL PONDS:

A pond is defined as any artificial basin of water that is not intended or designed with the primary purpose of wading or swimming.

- A. Ponds are allowed in all residential zoning districts as an accessory use.
- B. All ponds shall be setback a minimum of five feet (5') from any property line.
- C. All ponds shall have a liner composed of a natural or synthetic material designed to retain water within the pond.
- D. Electrical permits shall be required for any pumps or lighting as determined by adopted building and electrical codes.
- E. A building permit is required for ponds that are greater than twenty-four inches (24") in depth and contain more than 5,000 gallons.
 - a. Submittal requirements for the building permit will be established by the Murray City Building Official and shall include but not be limited to the submittal of a site plan, information related to soil stability, erosion control measures, pond liner details, electrical details and slope details.

These regulations would affect the construction of ponds in all residential zoning districts. In drafting potential regulations for ponds, staff have considered the requirements and processes from surrounding Cities. Regulations for ponds vary significantly among the various jurisdictions in Salt Lake County. Several cities including Millcreek, Sandy, West Jordan, West Valley City, regulate pond construction in a similar way to current Murray City practices. These municipalities only require electrical permits for components of the pond regulated by electrical code. Of those municipalities that require permits for ponds, most include a threshold that triggers the need for a permit. Typical thresholds include 24 inches in depth or 5000 gallons or some combination of these standards. Other cities require permits based on the size of excavation for the pond. Many of the regulations are based on regulations for pools found in adopted building codes.

While there are some similarities between pools and ponds there are some notable differences. First, ponds are not typically constructed for the purpose of swimming or wading. Most ponds are ornamental and may include aquatic plants, fish, and sometimes vertical water features such as waterfalls or fountains. Ponds are generally integrated into landscaped areas with surrounding vegetation, rock work or other ornamental features. Ponds vary greatly in size and depth depending on their purpose. Ponds may be constructed of prefabricated plastic liners or a rated pliable liner that follows the contours of the ground. Ponds may also be lined with concrete or clay to prevent water leakage. Pools, in contrast, generally include a reinforced structure that is either above or below ground. These structures are designed to hold large amounts of water at depths appropriate for swimming or wading. As an example, a pool size of 20 feet X 40 feet with an average depth of 4.5 feet would hold approximately 27,000 gallons (based on the formula length x width x depth x 7.5 =

volume in gallons). In drafting the proposed changes, staff have attempted to provide appropriate standards that do not overly impact the construction of small ponds while providing for adequate protections for adjacent property owners for the construction of larger ponds. The proposed regulations include standards that apply to all ponds regardless of size including minimum setback requirements from adjacent properties and requirements for a liner for all ponds. With relation to the triggers for requiring a permit, solely basing requirements on a certain depth of pond may be overly burdensome for small pond construction. For example, a relatively small pond may be constructed at a depth greater than 24 inches in order to provide sufficient depth for ornamental fish to winter over or to provide protection from predators. For this reason, the triggers for a pond building permit are proposed to include both a depth and volume component to allow for construction of small ornamental ponds while still appropriately regulating large ponds.

The proposed standards do not include a requirement for fencing around ponds. In reviewing the various existing private and public ponds throughout the City, staff have noted that there are many large ponds relatively close to residential use that are not fenced. Requiring a fence around private ponds would be creating a standard for private property owners that is not currently applied to many private and public ponds. Because there are fundamental differences between ponds and pools, it is appropriate to treat these uses differently in application of fencing requirements.

II. DEPARTMENT REVIEWS

The proposal has been reviewed by the City Building Official and City Engineer. The Building Official has provided input on the types of information that should be included in a building permit submittal for large ponds which are included in the proposed standards. In addition, the proposed Code provides discretion for the building official to require additional information as needed for the review of large ponds.

III. PUBLIC INPUT

Notices were sent to Affected Entities and posted on City and State Public Meeting website for these amendments. As of the date of this report, no comments have been received.

IV. FINDINGS

Based on the analysis of the proposed amendment and review of applicable sections of the Murray City General Plan, staff concludes the following:

1. Ponds are an appropriate use in residential zones and can provide aesthetic and other benefits for residents.
2. Regulations for ponds should not be overly burdensome for small ornamental pond construction.
3. Regulations for larger ponds are appropriate in order to mitigate impacts to adjoining properties.

V. CONCLUSION/RECOMMENDATION

The Planning Commission may choose to either recommend approval, approval with modifications or denial of the proposed amendment to the zoning ordinance. The Commission may also choose to continue the item to a future meeting in order to consider additional information.

Based on the background, analysis, and the findings within this report, Staff recommends that the Planning Commission forward a recommendation of APPROVAL to the City Council for the proposed amendments to 17.76 Supplementary Development Standards enacting Section 17.76.165 Residential Ponds as reviewed in the Staff Report.



NOTICE OF PUBLIC HEARING

October 16th, 2025, 6:30 PM

The Murray City Planning Commission will hold a public hearing in the Murray City Municipal Council Chambers, located at 10 East 4800 South, Murray, UT to receive public comment on the following applications:

Amendments to Chapter 17.76 Supplementary Development Standards to implement section 17.76.165 Residential Ponds. This provides regulations around ponds in residential areas and when a permit is required.

General Plan Amendment to enact the Water Use and Preservation Element as required by Utah State law.

To make comments regarding this proposal, the public may speak at the meeting, call the Murray City Planning Division at (801) 270-2430, or email pc@murray.utah.gov.

The meeting will be streamed online, at www.murraycitylive.com or www.facebook.com/MurrayCityUtah/.

17.76.160: SWIMMING POOLS:

- A. Swimming pools of permanent construction which are not enclosed within a building shall be set back at least five feet (5') from all rear or side yard property lines in single-family residential and agricultural zones. Each pool shall be surrounded by a substantial fence or wall starting at ground level and having a height of at least six feet (6') from the ground to the top of the fence with only one opening for a self-closing and self-latching gate. However, a second gate for maintenance or service access may be installed if approved by City staff. Fences shall be of a chainlink material, masonry, solid wood, or wood or metal rail with the spacing between rails less than four inches (4"). All swimming pools shall comply with the International Building Code requirements adopted by the City.
- B. Swimming pools of permanent construction which are not enclosed within a building in commercial and multi-family developments shall be surrounded by a substantial fence or wall starting at ground level and having a height of at least six feet (6') from the ground to the top of the fence and shall comply with the International Building Code requirements adopted by the City. (Ord. 12-31)

17.76.165: RESIDENTIAL PONDS:

A pond is defined as any artificial basin of water that is not intended or designed with the primary purpose of wading or swimming.

- A. Ponds are allowed in all residential zoning districts as an accessory use.
- B. All ponds shall be setback a minimum of five feet (5') from any property line.
- C. All ponds shall have a liner composed of a natural or synthetic material designed to retain water within the pond.
- D. Electrical permits shall be required for any pumps or lighting as determined by adopted building and electrical codes.
- E. A building permit is required for ponds that are greater than twenty-four inches (24") in depth and contain more than 5,000 gallons.
 - a. Submittal requirements for the building permit will be established by the Murray City Building Official and shall include but not be limited to the submittal of a site plan, information related to soil stability, erosion control measures, pond liner details, electrical details and slope details.

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MURRAY CITY COUNCIL



Land Use Ordinance Amendment Residential Ponds

Land Use Ordinance Amendment Project
#25-099 Add Section 17.76.165 related to
Residential Ponds



SUMMARY OF POND PERMITTING IN SALT LAKE COUNTY

Cities that do not currently require permit for a pond*

- Murray, Millcreek, Salt Lake City, South Salt Lake, Taylorsville, West Jordan, West Valley City, Herriman**
- *All listed cities would require an electrical permit for any kind of hard-wired pump
- **Herriman has recently discontinued requiring a permit for ponds

Cities that require a “pond permit” at a certain threshold

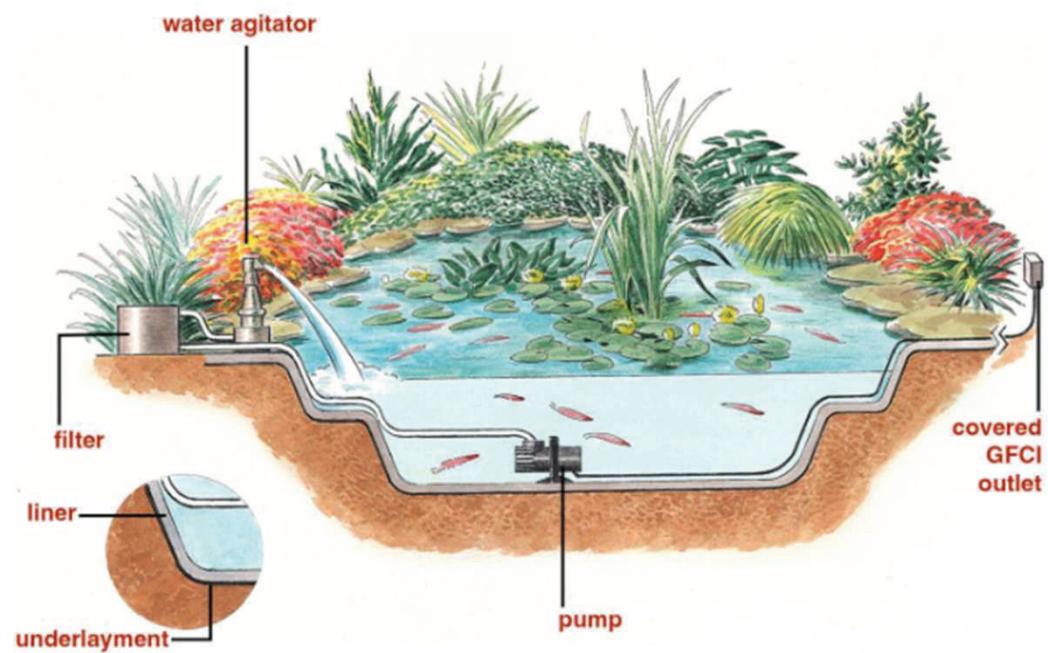
- MSD cities/towns, Midvale, Sandy, Riverton, South Jordan, Holladay
- Frequent thresholds: ponds greater than 24 inches in depth, 5000 gallons or combination, sometimes based on the amount of material removed.
- Submittal requirements vary depending on City, some require building permit others grading or excavation permit

PROPOSED STANDARDS FOR PONDS IN RESIDENTIAL ZONES

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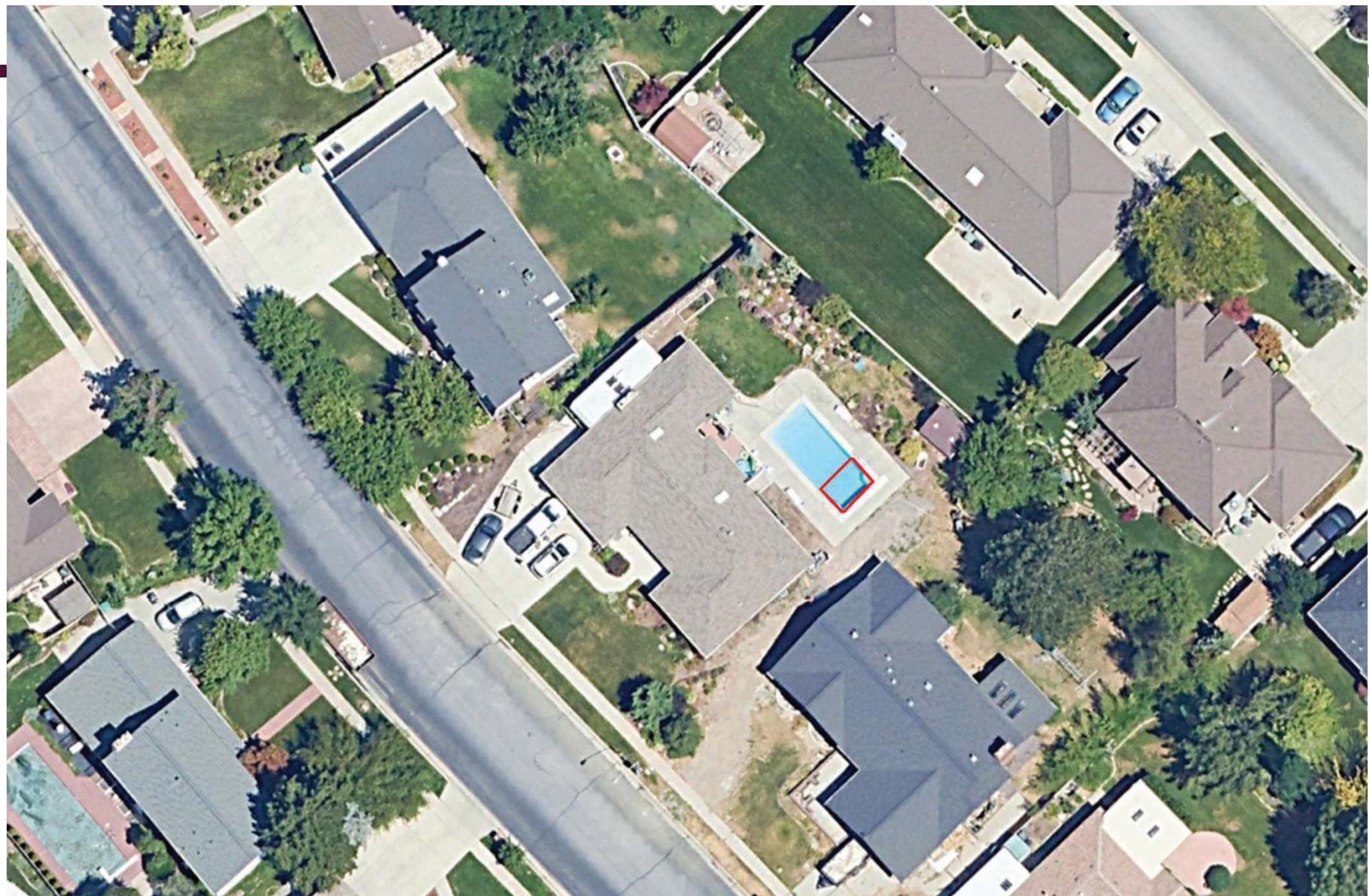


Raw bentonite clay



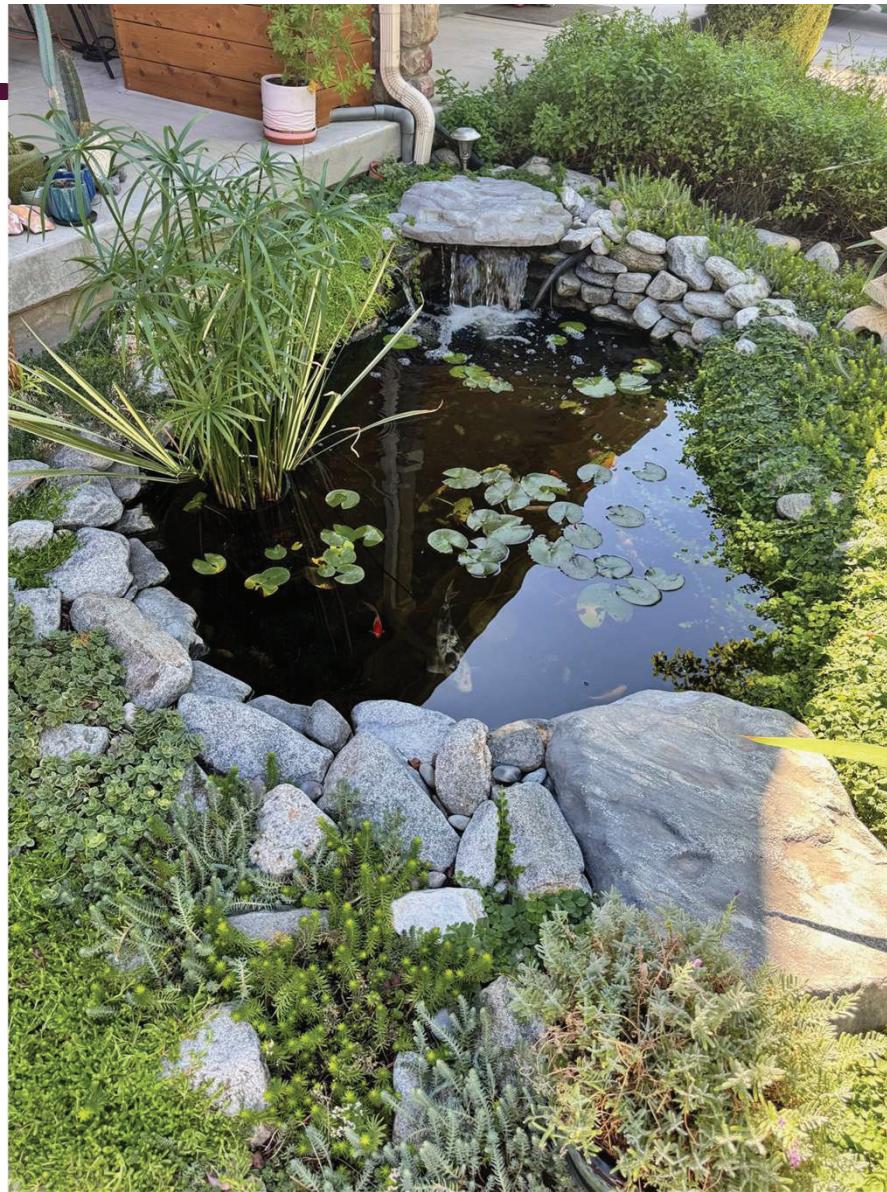












ADDITIONAL ITEMS FOR CONSIDERATION

- Although there are some similarities between pools and ponds, there are notable differences including use of vegetation, fish, landscape materials, etc.
- DWR and Mosquito Abatement District currently regulate fish and mosquito issues
- Unlike a pool, there is not typically a “structure” to review making it difficult to determine submittal requirements other than reports and documents prepared by design professionals
- Building permits for ponds will require, by necessity, the use of third-party consultants for soils and stability analysis increasing costs for homeowners
- Not a frequent issue of concern. Caution should be exercised when drafting ordinances to address individual/infrequent circumstances because of potential for unintended consequences
- If the City does not adopt standards specific for pond regulation, civil remedies are still available

Planning Commission Action

The Murray City Planning Commission held a public hearing on October 16th, 2025 and voted 4-1 to forward a recommendation of approval for the proposed text amendment with a modification removing letter E. from the text that states:

E. A building permit is required for ponds that are greater than twenty-four inches (24") in depth and contain more than 5,000 gallons.

- Submittal requirements for the building permit will be established by the Murray City Building Official and shall include but not be limited to the submittal of a site plan, information related to soil stability, erosion control measures, pond liner details, electrical details and slope details.

Staff Recommendation

The City Council may choose to either approve, approve with modifications or deny the proposed amendment to the zoning ordinance. The Council may also choose to continue the item to a future meeting in order to consider additional information.

Based on the background, analysis, and the findings within this report, The Murray City Planning Commission and staff recommends that the City Council **APPROVE** the proposed amendments to 17.76 Supplementary Development Standards enacting Section 17.76.165 Residential Ponds as reviewed in the Staff Report.



A scenic park with a willow tree, a gazebo, and a bridge.

THANK YOU!





MURRAY
CITY COUNCIL

Discussion Item #4



MURRAY

Council Action Request

Community and Economic Development

Creation of Administrative Code Enforcement Program (ACE)

Committee of the Whole

Meeting Date: November 25, 2025

Department Director Chad Wilkinson	Purpose of Proposal Creation of Administrative Code Enforcement Program
Phone # 801-270-2427	Action Requested Adoption of Ordinances establishing the Administrative Code Enforcement Program
Presenters Chad Wilkinson	Attachments Ordinance Enacting Title 11 - Administrative Code Enforcement Ordinance amending Title 2 creating Code Enforcement Division
Required Time for Presentation 20 minutes	Budget Impact The City budget currently includes funding for Code Enforcement activities. Additional funding would be required for hiring an administrative law judge as proposed in the ordinance.
Is This Time Sensitive No	Description of this Item The attached ordinances propose an amendment to the Murray City Municipal Code enacting Title 11 which establishes an Administrative Code Enforcement (ACE) program. As part of this program, the Municipal Code will also be amended to establish a Code enforcement division under the Community and Economic Development Department. The attached ordinances include the reorganization of the current code enforcement functions of the City, adoption of a new ordinance establishing policies and procedures and hiring of an administrative law judge to provide for due process for the public under the new code.
Mayor's Approval	
Date November 12, 2025	

ORDINANCE NO. _____

AN ORDINANCE ENACTING SECTION 2.11.030 AND AMENDING SECTIONS 2.28.040, 17.67.060, 17.172.010 AND 17.172.020 OF THE MURRAY CITY MUNICIPAL CODE RELATING TO CODE ENFORCEMENT.

BE IT ORDAINED BY THE MURRAY CITY MUNICIPAL COUNCIL:

Section 1. Purpose. The purpose of this Ordinance is to enact section 2.11.030 and amend sections 2.28.040, 17.67.060, 17.172.010, and 17.172.020 of the Murray City Municipal Code relating to the creation of a Code Enforcement Division in the Community and Economic Development Department.

Section 2. Enactment of section 2.11.030 of the Murray City Municipal Code. Section 2.11.030 of the Murray City Municipal Code, creating a Code Enforcement Division in the Community and Economic Development Department, shall be enacted to read as follows:

2.11.030: CODE ENFORCEMENT DIVISION:

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A. The Code Enforcement Division is created. The division is managed by a code enforcement division manager, who reports to the director of the community and economic development department. The division is charged with the responsibility of enforcement of the City Code and applicable state law.

B. The division shall promote and protect the overall health, safety, and welfare of the City's residents and businesses. The division works to protect property owners' investments, enhance the quality in the City's neighborhoods, educate property owners and business owners, and performs community outreach.

C. The division enforces applicable laws, codes, ordinances and related regulations, and coordinates with other departments in the enforcement of laws, codes, ordinances and regulations by making building or property inspections, educating and notifying property owners of violations, coordinating with city, county, and State staff, and issuing citations when necessary.

D. The division shall perform related functions as determined by the director of the Community and Economic Development Department.

Section 3. Amendment of sections 2.28.040, 17.67.060, 17.172.010, and 17ii.172.020 of the Murray City Municipal Code. Sections 2.28.040, 17.67.060, 17.172.010, and 17ii.172.020 of the Murray City Municipal Code, related to code enforcement shall be amended to read as follows:

2.28.040: POWERS AND DUTIES:

...

~~C. Code enforcement officers appointed by the Chief of Police are special function officers and may exercise that authority designated and allowed under section 53-13-105 of the Utah Code.~~

17.67.060: INSPECTION:

Upon receiving a complaint or observation that the standards of this section are in violation, the ~~ordinancecode~~ enforcement officer or representatives of the Salt Lake Valley Health Department are authorized to conduct necessary inspections to determine compliance. If a violation is determined, then city staff may require removal of animals in conformance with the provisions of Title 17 of the Murray City Land Use Ordinance.

17.172.010: ENFORCEMENT AUTHORITY:

The ~~ordinancecode~~ enforcement officer is designated as the officer charged with the primary responsibility for the enforcement of this title. (Ord. 07-30 § 2)

17.172.020: POWERS AND DUTIES:

A. The ~~ordinancecode~~ enforcement officer is authorized to inspect or cause to be inspected all buildings and structures in the course of construction, modification or repair and to inspect land uses to determine compliance with the provisions of this title; provided, however, that no such inspection shall be required as a condition precedent to commencement or continuation of any construction, modification or repair of a building or structure.

Section 4. Effective date. This Ordinance shall take effect upon first publication.

PASSED, APPROVED AND ADOPTED by the Murray City Municipal Council on this _____ day of _____, 2025.

MURRAY CITY MUNICIPAL COUNCIL

Pam Cotter, Chair

ATTEST:

Brooke Smith, City Recorder

Transmitted to the Office of the Mayor of Murray City on this _____ day of
_____, 2025.

MAYOR'S ACTION: Approved

DATED this _____ day of _____, 2025.

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 the _____ day of _____, 2025.

Brooke Smith, City Recorder

ORDINANCE NO. _____

AN ORDINANCE ENACTING TITLE 11 OF THE MURRAY CITY MUNICIPAL CODE ESTABLISHING THE ADMINISTRATIVE CODE ENFORCEMENT PROGRAM.

NOW THEREFORE, BE IT ENACTED BY THE MURRAY CITY MUNICIPAL COUNCIL:

Section 1. Purpose. The purpose of this ordinance is to enact title 11 of the Murray City Municipal Code relating to the Administrative Code Enforcement Program.

Section 2. Enactment. Title 11 of the Murray City Municipal Code shall be enacted as follows:

TITLE 11
ADMINISTRATIVE CODE ENFORCEMENT PROGRAM

CHAPTER 11.01
GENERAL PROVISIONS

SECTION:

11.01.010: Short Title

11.01.020: Purpose

11.01.030: Scope

11.01.040: Existing Law Continued

11.01.050: Criminal Prosecution Right

11.01.060: No Mandatory Duty - Civil Liability

11.01.070: Definitions

11.01.080: Service Of Process

11.01.090: Constructive Notice Of Recorded Documents

11.01.010: SHORT TITLE:

This title shall be known as the “Administrative Code Enforcement Program” (the “ACE Program”). This title shall also be known as Title 11 of the Murray City Code. It may be cited and pleaded under either designation.

11.01.020: DECLARATION OF PURPOSE:

The City Council finds that the enforcement of the city code and applicable state codes throughout the City is an important public service. Code enforcement is vital to the protection of the public's health, safety, and quality of life. The City Council finds that a comprehensive code enforcement system that uses a combination of judicial and administrative remedies is critical to gain compliance with the city code and all duly enacted applicable statutes, rules, codes, and regulations.

11.01.030: SCOPE:

The provisions of this title may be applied to all violations of the city code and applicable state codes. This title establishes an additional remedy for the City to use in achieving compliance with its ordinances.

11.01.040: EXISTING LAW CONTINUED:

The provisions of this title shall not invalidate any other provision of this code but shall be read in conjunction with those provisions as an additional remedy available for enforcement of this code.

11.01.050: CRIMINAL PROSECUTION RIGHT:

The City has sole discretion in deciding whether to file a civil or criminal case for the violation of any of its ordinances. The City may choose to file both, or one or the other. The enactment of this administrative remedy shall in no way interfere with the City's right to prosecute ordinance violations as criminal offenses. The remedies available to the City under this title are cumulative, not exclusive, and the use of one remedy does not bar the City from using other available legal remedies to enforce this title. If the City chooses to file both civil and criminal charges for the same day of violation, no civil penalties may be assessed, but all other remedies are available.

11.01.060: NO MANDATORY DUTY – CIVIL LIABILITY:

It is the intent of the City Council that in establishing performance standards or establishing an obligation to act by a City officer or employee, these standards shall not be construed as creating a mandatory duty if the officer or employee fails to perform his or her directed duty or duties.

11.01.070: DEFINITIONS:

The following words and phrases, whenever used in this title, shall be constructed as defined in this section, unless a different meaning is specifically defined elsewhere in this title and specifically stated to apply:

ABATE or ABATEMENT: any action the City may take on public or private property and any adjacent property as may be necessary to remove or alleviate a violation, including, but not limited to, demolition, removal, repair, boarding, and securing or replacement of property.

ADMINISTRATIVE ENFORCEMENT ORDER: an order issued by the administrative law judge. The order may include an order to abate the violation, pay civil penalties and administrative costs, or take any other action as authorized or required by this title and applicable state codes.

ADMINISTRATIVE LAW JUDGE: an attorney retained by contract to conduct administrative appeal hearings and render decisions pursuant to the administrative appeal procedures set forth in this title.

APPLICABLE STATE CODES: state laws that govern a specific activity, operation, or situation, the violation of which the City is authorized to enforce.

CITY CODE or CODE: the Murray City Municipal Code and all applicable statutes, rules, codes and regulations adopted and incorporated therein by reference through a duly adopted ordinance or resolution of the City Council.

CITY ENGINEER: the director of the City Engineering Services Division.

CODE ENFORCEMENT LIEN: a lien recorded to collect outstanding civil penalties, administrative fees, and costs.

CODE ENFORCEMENT OFFICER: an employee of the Community and Economic Development Department who is employed by the City to conduct inspections and to

take such actions as may be required by the provisions of this title for the purpose of enforcing certain prescribed provisions of the city code, and all applicable statutes, rules, codes and regulations.

CODE ENFORCEMENT PERFORMANCE BOND: a bond posted by a responsible person to ensure compliance with the city code, applicable state codes, a judicial action, or an administrative code enforcement order.

CODE ENFORCEMENTMANAGER: the manager of the Code Enforcement Division in the Community and Economic Development Department.

ENFORCEMENT OFFICIAL: any person authorized by ordinance, state law, or the Mayor to enforce violations of the city code or applicable state codes including, but not limited to, code enforcement officers, police officers, building inspection officials, public works personnel, fire marshal, and fire officers.

FINANCIAL INSTITUTION: any person that holds a recorded mortgage or deed of trust on a property.

GOOD CAUSE: having a legally sufficient and justifiable reason for an action or inaction, often (but not always) related to circumstances beyond a person's control or a compelling situation. It provides the justification needed to grant a request, excuse a failure to act, or provide a valid defense for a behavior. Examples of good cause include, without limiting, an incapacitating illness; death; lack of proper notice; unavailability due to unavoidable, unpreventable, or extenuating emergency or circumstance; if a required act causes an imminent and irreparable injury; and acts of nature adverse to performing required acts.

IMMINENT LIFE SAFETY HAZARD: any condition that creates a present, extreme, and immediate danger to life, property, health, or public safety.

LEGAL INTEREST: any interest that is represented by a document, such as a deed of trust, quitclaim deed, mortgage, judgment lien, tax or assessment lien, mechanic's lien, or other similar instrument that is recorded with the county recorder.

NOTICE OF COMPLIANCE: a document issued by the City, representing that a property complies with the requirements outlined in the notice of violation.

NOTICE OF SATISFACTION: a document or form approved by the administrative law judge or designee, which indicates that the property has been brought into compliance with the requirements outlined in the notice of violation; that all outstanding civil penalties and costs have been either paid in full, or that the City has negotiated an agreed amount, or that a subsequent administrative or judicial decision has resolved the outstanding debt.

NOTICE OF EMERGENCY ABATEMENT: a written notice that informs a responsible person of emergency abatement actions taken by the City, the costs of those actions, and orders payment for those costs.

NOTICE OF ITEMIZED BILL FOR COSTS: a written notice that informs a responsible person of code violations, actions taken by the City to obtain compliance, itemizes the City's costs and orders payment of those costs.

NOTICE OF VIOLATION: a written notice prepared by an enforcement official that informs a responsible person of a code violation or violations and orders them to take certain steps to correct the violation or violations.

NUISANCE: any condition caused, maintained, or permitted to exist that constitutes a threat to another person's, or to the public's, health, safety, and welfare, or that significantly obstructs, injures, or interferes with the reasonable or free use of property in a neighborhood or community or by any number of persons. A public nuisance also has the same meaning as set forth in the Utah Code and city code.

PERSON: any natural person, firm, joint venture, joint stock company, partnership, association, club, company, corporation, business trust, organization, or the manager, lessee, agent, officer, or employee of any of them, or any other entity that is recognized by law as the subject of rights or duties.

PROPERTY OWNER: the record owner of real property based on the county recorder's/assessor's records.

RESPONSIBLE PERSON: a person who is responsible for causing or maintaining a violation of the city code or applicable state codes, including but not limited to the property owner, agent, tenant, person with a legal interest in the real property, and or person in possession of the real property, and shall be liable for any violation maintained on the property. In all cases, the property owner shall be considered a responsible person. Responsible person includes a business entity.

VEHICLE: a device in, on, or by which a person or property is or may be transported or drawn on any public roadway.

WRITTEN: includes handwritten, typewritten, photocopied, computer printed, sent by facsimile, emailed, texted, or sent in another electronic or digital format.

11.01.080: SERVICE OF PROCESS:

Whenever service is required to be given under this title for enforcement purposes, the document shall be served by any of the following methods, unless different provisions are otherwise specifically stated to apply:

- A. Personal service pursuant to Utah Rules of Civil Procedure Rule 4(d)(1) or rule 4(d)(5), except that if the person refuses to accept the document(s), service is sufficient if the person serving them states the name of the process and offers to deliver them;
- B. Regular mail, postage prepaid, to the last known address of the owner(s) or other responsible person(s). Service by regular mail shall be deemed served on the third day after the date of mailing;
- C. Posting the notice conspicuously on or in front of the property. If not inhabited, the notice must also be served by regular mail. The form of the posted notice shall be approved by the code enforcement manager;
- D. Publication in a newspaper of general circulation where the identity or whereabouts of the person to be served are unknown and cannot be ascertained through reasonable diligence, where service is impracticable under the circumstances, or where there exists good cause to believe that the person to be served is avoiding service of process; or

E. Where the underlying violation involves a vehicle, by affixing of the document(s) to the vehicle alleged to have been employed in such violation.

If service complies with the requirements of this section, it shall be deemed a valid service even if a party claims not to have received the service and it shall not affect the validity of any proceedings taken under this title.

The failure to serve all responsible person(s) shall not affect the validity of any proceedings against any other responsible person that was successfully served.

11.01.090: CONSTRUCTIVE NOTICE OF RECORDED DOCUMENTS:

Whenever a document is recorded with the county recorder as authorized or required by this title or applicable state codes, recordation shall provide constructive notice of the information contained in the recorded documents.

CHAPTER 11.02

GENERAL AUTHORITY AND OFFENSES

11.02.010: General Enforcement Authority

11.02.020: Adoption Of Policy And Procedures

11.02.030: Authority To Inspect

11.02.040: Authority To Issue Notices and Citations

11.02.050: False Information Or Refusal Prohibited

11.02.060: Failure To Obey A Subpoena

11.02.010: GENERAL ENFORCEMENT AUTHORITY:

A. The code enforcement ~~Supervisor~~ manager shall have the authority to administer and enforce the city code and is authorized to adopt procedures, policies, rules or guidelines; conduct inspections; and prepare the forms necessary to carry out the purposes of this title. The code enforcement ~~Supervisor~~ manager may seek assistance from city departments, other public agencies or private contractors to resolve code violations.

B. Whenever an enforcement official finds that a violation of the city code or applicable state codes has occurred or continues to exist, an administrative enforcement procedure may be used as outlined in this title. Any enforcement official has the authority and power necessary to gain compliance with the provisions of the city code and applicable state codes. These powers include the power to issue notices of violation or citations, inspect public and private property, abate nuisances and violations on public and private property, and use whatever judicial and administrative remedies are available under the city code or applicable state codes.

11.02.020: ADOPTION OF POLICY AND PROCEDURES:

- A. The Mayor shall establish policies and procedures for the holding of administrative enforcement hearings, the appointment of administrative law judges, and the use of the administrative procedures herein by enforcement officials.
- B. The administrative law judge is authorized to develop policies and procedures, consistent with this title, relating to the hearing procedures, scope of hearings, and subpoena powers. However, any such policies and procedures shall not be inconsistent with this ordinance or state or federal law.

11.02.030: AUTHORITY TO INSPECT; RIGHT OF ENTRY:

A. Subject to state and federal law, any enforcement official is authorized to enter upon any property or premises to ascertain whether the provisions of the city code or applicable state codes are being obeyed and to make any examinations and surveys as may be necessary in the performance of the enforcement duties. This may include the taking of photographs, samples, or other physical evidence. All inspections, entries, examinations, and surveys shall be done in a reasonable manner based upon cause. If the responsible person refuses to allow the enforcement official to enter the property, the enforcement official shall obtain a search warrant.

B. When necessary to make an inspection to enforce any of the provisions of this title, or when an enforcement official has reasonable cause to believe that there exists upon any property or on or in any facility located thereon any condition which violates the city code or applicable state codes, upon presentation of property credentials, the enforcement official may, with the consent of the property owner or other responsible person, or pursuant to a lawfully issued warrant, enter such property or facility during

normal business hours in the case of a business or commercial use, or in the case of a residential property or facility, during daylight hours, to inspect the same or to perform any duty authorized by this title; provided that

1. if such property or facility is occupied, the enforcement official shall first present credentials and demand entry; and
2. if such property or facility is unoccupied, the enforcement official shall first make a reasonable effort to locate the owner or other persons having charge or control of the property or facilities and demand entry.
3. If entry is denied, the enforcement official shall have recourse to every remedy provided by law to obtain entry. If the owner or occupant denies entry, the enforcement official is authorized to obtain an administrative search warrant or other warrant provided by law to obtain entry. Owners, occupants or any other persons having the charge, care or control of property or facilities shall, after proper request is made as provided herein, promptly admit the enforcement official for the purpose of inspection pursuant to this chapter.

C. Emergency Entry. In the event of an emergency presenting a threat to public health or safety or the environment, and requiring immediate action by the enforcement official, the enforcement official may enter onto any property without obtaining consent or warrant but shall advise the owner or responsible person of such entry as soon as practicable thereafter.

11.02.040: AUTHORITY TO ISSUE NOTICES OF VIOLATIONS AND CITATIONS:

Subject to other applicable law, each enforcement official is authorized to issue a notice of violation or citation whenever there is reasonable cause to believe that the person has committed a violation of the city code or applicable state codes.

11.02.050: FALSE INFORMATION OR REFUSAL PROHIBITED:

It shall be unlawful for any person to willfully make a false statement or refuse to give one's name or address with intent to deceive or interfere with an enforcement official when in the performance of the enforcement official's duties under the provisions of this title. A violation of this section shall be a class B misdemeanor.

11.02.060: FAILUTE TO OBEY A SUBPOENA:

It shall be unlawful for any person to willfully refuse or fail to obey a subpoena issued for an administrative enforcement hearing. A violation of this section shall be a class B misdemeanor.

CHAPTER 11.03: ADMINISTRATIVE ABATEMENT PROCEDURES

SECTION:

11.03.010: Administrative Abatement

11.03.020: Notice Of Violation

11.03.030: Failure To Bring Property Into Compliance

11.03.040: Requesting Compliance Inspections

11.03.050: Authority To Abate

11.03.060: Procedures For Abatement

11.03.070: Procedures For Recordation

11.03.080: Notice Of Compliance

11.03.090: Withholding Licenses And Permits

11.03.100: Fines

11.03.010: ADMINISTRATIVE ABATEMENT

Any condition caused, maintained, or permitted to exist in violation of any provisions of the city code or applicable state codes that constitutes a violation may be abated by the City pursuant to the procedures set forth in this chapter. Every violation of any provision of the city code or applicable state code is a separate and distinct offense. Each day's continuance of the violation is a separate and distinct offense.

11.03.020: NOTICE OF VIOLATION:

A. Whenever an enforcement official determines that a violation of the city code or applicable state codes has occurred or continues to exist, the enforcement official may choose to proceed under the notice of violation and administrative abatement procedures. If this procedure is used, a notice of violation shall be issued to a responsible person. The notice of violation shall include the following information:

1. Name of property owner;
2. Street address of violation;
3. Date violation observed;
4. All code sections violated and description of condition of the property that violates the applicable codes;
5. A statement explaining the type of remedial action required to permanently correct outstanding violations, which may include corrections, repairs, demolition, removal, or other appropriate action;
6. A specific date by which the violations listed in the notice of violation must be corrected, which date shall be not less than (7) days from the date of service;
7. The amount of the civil penalty for each violation, and a statement that civil penalties will begin to accrue daily upon expiration of the date to correct violations until the property is brought into compliance, up to the maximum allowed by state law;
8. An explanation that only one notice of violation is required for any twelve-month period beginning with the initial notice of violation, and that civil penalties begin immediately upon any subsequent violations of the notice. The responsible person may request a hearing on the renewed violations by following the same procedure as provided for in the original notice;
9. An explanation of the consequences should the responsible person fail to comply with the terms and deadlines as prescribed in the notice of violation, which may include, but is not limited to, criminal prosecution; civil penalties; revocation of permits; recordation of the notice of violation; withholding of future City licenses and permits; abatement of the violation; costs; administrative fees, including without limiting, reinspection fees; and any other legal remedies; and
10. Procedures to request a hearing as provided in Section 11.06.030, and consequences for failure to request a hearing.

- B. The notice of violation shall be served by one of the methods of service listed in Section 11.01.080.
- C. More than one notice of violation may be issued against the same responsible person, if it encompasses different dates, or different violations.
- D. Failure to include all items listed in subsection A herein shall not affect the validity of the notice of violation. Any defect in the notice of violation may be amended fifteen (15) calendar days prior to any administrative hearing.
- E. A notice of violation may be in letter form or any other form which adequately conveys the information set forth in subsections 11.02.020(A)(1)-(10).
- F. Nothing in this section shall prevent the city from issuing warnings or courtesy notices prior to issuing a notice of violation.

11.02.030: FAILURE TO BRING PROPERTY INTO COMPLIANCE:

- A. If a responsible person fails to bring a violation into compliance the date specified by the enforcement official on the notice of violation, civil penalties shall be owed to the City per violation per day, and every subsequent day of violation, according to the city consolidated fee schedule, up to maximum amounts allowed by state law, pursuant to section 11.03.100.
- B. Payment of any civil penalty shall not excuse a failure to correct a violation or any recurrence of the violation, nor shall it bar further enforcement action by the City as necessary.
- C. Failure to comply with a notice of violation is a class B misdemeanor.

11.03.040: REQUESTING COMPLIANCE INSPECTIONS:

It shall be the duty of the responsible person served with a notice of violation to request an inspection by an enforcement official when his or her property has been brought into compliance. It is *prima facie* evidence that the violation remains on the property if no inspection is requested. Civil penalties accumulate daily until the property has been inspected and a notice of compliance is issued. Reinspection fees shall be assessed if more than one inspection is necessary.

11.03.050: AUTHORITY TO ABATE:

The enforcement official is hereby authorized, upon a showing of probable cause, to enter upon any property or premises to abate a violation of the city code and applicable state codes as set forth in Section 11.01.150. The enforcement official shall assess all costs for abatement to the responsible person and may use any remedy available under the law to collect such costs.

11.03.060: PROCEDURES FOR ABATEMENT:

- A. Violations may be abated by City personnel or by a private contractor acting under the direction of the City.
- B. City personnel or a private contractor may enter upon private property in a reasonable manner to abate a violation as specified in the notice of violation or administrative enforcement order.
- C. If a responsible person abates the violation before the City abates the violation pursuant to a notice of violation or administrative enforcement order, the enforcement official shall nevertheless assess all costs actually incurred by the City against the responsible person.
- D. When abatement is completed, the enforcement official shall prepare a notice of itemized bill for costs.
- E. The enforcement official shall serve the notice of itemized bill for costs by registered mail to the last known address of the responsible person. The notice shall demand full payment within twenty days to the Murray City Treasurer.

F. The responsible person shall have a right to an administrative enforcement hearing to contest the notice of itemized bill for costs. A request for such hearing shall be in writing and shall be filed within ten days from the date of service of the notice of itemized bill for cost. Failure to request an administrative enforcement hearing as provided shall constitute a waiver to such hearing and a waiver of the right to appeal.

11.03.070: PROCEDURES FOR RECORDATION:

For violations of titles 15 (Building and Construction), 16 (Subdivisions), and 17 (Zoning) of the city code and any other applicable code, when a notice of violation has been served on a responsible person, and the violation remains uncorrected after the date to correct set forth in the notice of violation, and a request for an administrative enforcement hearing has not been timely requested, the enforcement official shall record the notice of violation with the county recorder's office.

11.03.080: NOTICE OF COMPLIANCE:

A. When a violation is corrected, a responsible person shall request an inspection from the enforcement official.

B. When the enforcement official receives such request, the enforcement official shall reinspect the property within three (3) business days to determine whether the violation has been corrected, and whether all necessary permits have been issued and final inspections have been performed as required by applicable codes.

C. Within ten days of an inspection in which the officer finds compliance, the enforcement official shall serve a notice of compliance on the responsible person and property owner in the manner provided in Section 11.01.080 if the enforcement official determines that:

1. All violations listed in the recorded notice of violation or administrative enforcement order have been corrected;
2. All necessary permits have been issued and finalized;
3. All assessed fines have been paid; and

4. All assessed administrative fees and costs have been paid.
- D. The enforcement official shall record the notice of compliance with the county recorder's office if the notice of violation was recorded. Recordation of the notice of compliance shall have the effect of canceling the recorded notice of violation.

11.03.090: WITHHOLDING LICENSES AND PERMITS:

Unless prohibited by other applicable law, the City may withhold business licenses; or permits for any alteration, repair, or construction pertaining to any existing or new structures or signs on the property, or any permits pertaining to the use and development of the real property or the structure until a violation is resolved. The City may withhold permits until a notice of compliance has been issued by the enforcement official. The City may not withhold permits that are necessary to obtain a notice of compliance or that are necessary to correct serious health and safety violations for failure to obtain a notice of compliance.

11.03.100: CIVIL FINES:

A. Assessment.

1. Any person violating any provision of the city code or applicable state law may be subject to the assessment of civil fines for each violation, except civil fines shall not be assessed when a criminal case has been filed for the same violation.
2. Interest at the default rate provided in the Utah Code shall be assessed on all unpaid civil fines and costs, compounded monthly, until the fines and costs have been paid in full.
3. Civil fines for violations of any provision of the city code or applicable state code shall be assessed pursuant to the City's consolidated fee schedule.
4. If a civil fine amount for a given violation is not expressly authorized or required by the city consolidated fee schedule or a more specific city code provision, the maximum fine and the default amount shall be \$125.00 for the first violation and

\$250.00 for a second or subsequent violation of the same nature or a continuing violation past a deadline set by a notice of violation, not including fees, costs, and assessments.

5. Civil fines will be assessed beginning on the day immediately following the compliance date listed on the notice of violation.

6. Civil fines accrue on a daily basis until such time as the responsible person demonstrates that each violation has been corrected to the satisfaction of the City. As noted in Section 11.03.050, city code, it is the responsibility of the responsible person to request an inspection to verify compliance.

7. The City may waive the fine if corrective action is completed by the date specified in the notice of violation or in a stipulated agreement. The City shall have the discretion to impose fines in an amount lower than those provided for in subsections A(3) and (4), in this section 11.03.100.

B. The failure of any person to pay civil fines assessed within the specified time may result in the City pursuing any and all legal remedies to collect the civil fines.

C. Payment of fines shall not excuse the failure to correct the violation, nor shall it bar further enforcement action by the City.

CHAPTER 11.04

EMERGENCY ABATEMENT

11.04.010: EMERGENCY ABATEMENT:

A. Whenever the code enforcement manager in consultation with the fire marshall, building official, city engineer, or community development director determines that an imminent life-safety hazard exists or any safety hazard that exists that requires immediate correction or elimination, the code enforcement manager may exercise any or all of the following powers without prior notice to the responsible person:

1. Order the immediate vacatin of any tenants and prohibit occupancy until all repairs and any other necessary remedial actions are completed;
2. Post the premises as unsafe, substandard, or dangerous;
3. Board, fence, or secure the building or site;
4. Raze and/or grade that portion of the building or site to prevent further collapse, and remove any hazard to the general public;
5. Make any minimal emergency repairs as necessary to eliminate any imminent life-safety hazard; or
6. Take any other action appropriate to eliminate the imminent life-safety hazard, including demolition.

B. Subject to state and federal law, an enforcement officer may, based on probable cause, enter or otherwise gain necessary access to property without a search warrant or court order to accomplish the above-listed acts to abate the imminent life-safety hazard.

11.04.020: PROCEDURES:

- A. The enforcement official shall pursue only the minimum level of correction or abatement necessary to eliminate the immediacy of a hazard.
- B. Costs. The responsible person shall be liable for all costs associated with the abatement of the imminent life-safety hazard. Costs may be recovered pursuant to this title.
- C. Notice of Emergency Abatement. Costs associated with the abatement of an imminent life-safety hazard shall be itemized and provided to the responsible person in the form of a notice of emergency abatement.

1. Within ten (10) days of completion of an abatement of an imminent life-safety hazard, the City shall serve the responsible person with a notice of emergency abatement.

2. The notice of emergency abatement shall describe:

a. the name of the property owner,

b. the address of the property,

c. the date the hazard existed,

d. a description of the hazard and any applicable code citations,

e. the date(s) on which the City took abatement action,

f. a statement explaining the work done to abate the hazard,

g. the itemized cost of such work,

h. the procedures to request a hearing as provided in section 11.06.030,
and

i. consequences for failure to request a hearing.

3. The notice of emergency abatement shall be served by one of the methods of service listed in section 11.01.080 of this title.

D. The enforcement official may also pursue any other administrative or judicial remedy to abate any remaining violation consistent with this title.

CHAPTER 11.05 ADMINISTRATIVE CITATIONS

SECTION:

11.05.010: Purpose

11.05.020: Administrative Citations

11.05.030: Contents Of Citation

11.05.040: Fines Assessed

11.05.010: PURPOSE:

The City Council finds that an appropriate method of enforcement for violations of the city code and applicable state codes is by administrative citation. The procedures established in this chapter shall be an alternative method of enforcement and in addition to those procedures set forth in chapter 11.03 of this title.

11.05.020: ADMINISTRATIVE CITATIONS:

- A. Any person violating any provision of the city code or applicable state code may be issued an administrative citation by an enforcement official. An administrative citation represents a determination that a violation of a city ordinance or applicable state law has been committed. The determination is final unless contested as provided in this title.
- B. A civil fine shall be assessed by means of the of the citation and shall be payable directly to the City treasurer's office.

The amount of the fine assessed for an administrative citation shall be found in the City's consolidated fee schedule.

- C. The enforcement official shall attempt to obtain the signature of that person on the administrative citation. If the responsible person refuses or fails to sign the administrative citation, the failure or refusal shall not affect the validity of the citation and subsequent proceedings. If the code enforcement officer is unable to locate the responsible person for the violation, then the administrative citation shall be served in the manner prescribed in Section 11.01.080.
- D. An administrative citation may be in letter form or any other form which adequately conveys the information set forth in section 11.05.030.

11.05.030: CONTENTS OF CITATION:

An administrative citation shall include the following:

- A. The date and location of the violations and the approximate time the violations were observed;
- B. The code sections violated and the subject matter of those sections;
- C. The amount of the fine imposed for the violations;
- D. An explanation as to how the fine shall be paid, the time period by which the fine shall be paid, and the consequences of failure to pay the fine;
- E. Notice of the right and the procedures to request a hearing;
- F. The signature of the enforcement official and the signature of the responsible person, if he or she can be located, as outlined in this title; and
- G. Any other information deemed helpful or necessary by the enforcement official.

11.05.040: FINES ASSESSED:

- A. Fines shall be due and payable immediately upon service of an administrative citation.
- B. The fine for each violation listed on the administrative citation shall be as assessed pursuant to the City's consolidated fee schedule.
- C. The maximum civil fine for any violation not listed in the consolidated fee schedule or a more specific city code provision, shall be one hundred dollars (\$100.00) for the first violation, two hundred dollars (\$200.00) for the second violation of the same code section within twelve (12) months, five hundred dollars (\$500.00) for a third violation of the same code section within twelve (12) months, and one thousand dollars (\$1,000.00) for each subsequent violation of the same code section within twelve (12) months. A fourth violation of the same code section and each subsequent violation thereof, within twelve (12) months is hereby designated to be a class B misdemeanor.

D. Late fee assessment.

1. Civil fines shall be double if paid after ten days but within twenty days of service.

2. Civil fines shall be triple if paid after twenty days but within thirty days of service.

E. Fines shall be paid to the Murray City treasurer.

F. Payment of any fine shall not excuse a failure to correct a violation or any reoccurrence of the violation, nor shall it bar further enforcement action by the City.

G. Non-Payment Of Fine. Non-payment of the fine assessed in a citation by the time period specified in the notice may result in additional notices, a small claims court action, referral of the matter to a collection agency, or any other remedy in law or equity. The City has the authority to collect costs associated with such actions, including administrative fees and service costs.

H. Interest on unpaid fines and costs shall be assessed at the default rate provided in the Utah Code, compounded monthly, until the fines and costs have been paid in full.

CHAPTER 11.06

ADMINISTRATIVE ENFORCEMENT HEARING PROCEDURES

11.06.010: Declaration Of Purpose

11.06.020: Authority And Scope Of Hearings

11.06.030: Request For Administrative Enforcement Hearing

11.06.040: Default Hearings And Orders

11.06.050: Notification Of Administrative Enforcement Hearing

11.06.060: Appointment And Qualifications of Administrative Law Judge

11.06.070: Powers Of The Administrative Law Judge

11.06.080: Procedures At Administrative Enforcement Hearing

11.06.090: Failure To Attend Administrative Enforcement Hearing

11.06.100: Administrative Enforcement Order

11.06.110: Failure To Comply With Administrative Enforcement Order

11.06.120: Appeal Of Administrative Enforcement Order

11.06.010: DECLARATION OF PURPOSE:

The City Council finds that there is a need to establish uniform procedures for administrative code enforcement hearings. It is the purpose and intent of the City Council to afford due process of law to any person who is directly affected by an administrative action. Due process of law includes notice, an opportunity to participate in the administrative hearing, and an explanation of the reasons justifying the administrative action. These procedures are also intended to establish a forum to efficiently, expeditiously, and fairly resolve issues raised in any administrative code enforcement action.

11.06.020: AUTHORITY AND SCOPE OF HEARINGS:

Enforcement of city code and applicable state code violations may be conducted through the ACE Program. The administrative law judge is authorized to develop policies and procedures, consistent with this title, relating to the hearing procedures, scope of hearings, and subpoena powers. However, any such policies and procedures shall not be inconsistent with this ordinance or state or federal law.

11.06.030: REQUEST FOR ADMINISTRATIVE ENFORCEMENT HEARING

A. A person served with one of the following documents or notices has the right to request a hearing to challenge the identified violations if the request is filed within fourteen calendar days from the date of service of one of the following notices:

1. Notice of violation;
2. Administrative citation;
3. Notice of itemized statement for costs;
4. Notice of emergency abatement

B. The request for hearing shall be made in writing to the administrative law judge or designee, and served on the person specified on the notice of violation, citation, notice of itemized statement for costs, or notice of emergency abatement. The request shall contain

1. The case number,
2. The address of the violation,
3. The mailing address of the responsible person filing the request,
4. The residential address of the responsible person filing the request, and
5. The signature of the responsible person filing the request.

C. The administrative law judge shall schedule a hearing for the next regularly scheduled hearing date within sixty (60) calendar days of the written hearing request, subject to the administrative law judge's calendar, and specify a date, time, and place for the hearing.

D. Notice of the hearing shall be served by any of the methods of service set forth in section 11.01.080.

E. Failure to request a hearing as provided shall constitute a waiver of the right to a hearing and a waiver of the right to challenge the action.

F. If a responsible person fails to request a hearing after being issued a notice of violation, administrative citation, notice of itemized statement for costs, or notice of emergency abatement as provided herein, the corrective action detailed on the notice of violation, administrative citation, notice of itemized statement for costs, or notice of emergency abatement shall be considered the administrative enforcement order pursuant to this title for the default hearing provisions in 11.06.040.

11.06.040: DEFAULT HEARINGS AND ORDERS:

A. A default hearing may be requested by the City in any case that has outstanding or unpaid civil penalties, fines, fees or costs due to the City before collection, if a hearing on that case has not already been held.

B. At the default hearing, the responsible person shall have the opportunity to present evidence as to why the administrative law judge should not issue an order of default. The administrative law judge lacks jurisdiction to hear or address any other matters at a default hearing and shall not accept any evidence not relevant to showing that good cause exists as to why the administrative law judge should not issue an order of default. A case in default shall be considered a judgment on the merits unless otherwise specified by the administrative law judge.

C. Notice of a default hearing must be served according to section 11.01.080.

D. If the responsible person fails to establish good cause, the administrative law judge shall review the notice of violation, administrative citation, notice of itemized statement for costs, or notice of emergency abatement and any other evidence presented by the City. If the evidence shows that the violation existed or occurred, the administrative law judge shall enter an order consistent with the provisions of section 11.06.100. Fines and costs shall accrue until the City provides a notice of compliance detailed in section 11.07.060.

E. A case in default shall be considered a judgment on the merits unless otherwise specified by the administrative law judge.

11.06.050: NOTIFICATION OF ADMINISTRATIVE ENFORCEMENT HEARING:

A. Written notice of the day, time, and place of a hearing shall be served on the responsible person and the enforcement official by the administrative law judge, or designee, as soon as practicable prior to the date of the hearing, but in no event less than seven (7) calendar days before the date of the hearing.

B. The format and contents of the hearing notice shall be in accordance with rules and policies promulgated in advance by the administrative law judge, which may include an explanation of the hearing process, the type of evidence that will be permitted, the

length of the hearing, the issues to be addressed, and how witnesses may be examined.

11.06.060: APPOINTMENT AND QUALIFICATIONS OF ADMINISTRATIVE LAW JUDGE:

- A. The Mayor, with the advice and consent of the City Council shall, from time to time, appoint one or more persons to serve as administrative law judges to preside at administrative enforcement hearings under this chapter.
- B. Administrative law judges shall be persons licensed to practice law in the state of Utah as either active or retired licensees in good standing. All administrative law judges shall take and subscribe the constitutional oath of office. The City shall compensate such administrative law judges.
- C. An administrative law judge shall have no personal, financial, or other conflict of interest in the matter for which the hearing is being held.

11.06.070: POWERS OF THE ADMINISTRATIVE LAW JUDGE:

- A. The administrative law judge has the authority to hold hearings, determine if violations of city ordinances or applicable state laws exist, order compliance with city ordinances and applicable state laws, and enforce compliance as provided in this title on any matter subject to the provisions of the title.
- B. The administrative law judge may continue a hearing based on good cause shown by a party to the hearing. The administrative law judge must enter on the record the good cause on which a continuance is granted.
- C. The administrative law judge, at the request of any party to the hearing, may sign subpoenas for witnesses, documents, and other evidence where the attendance of the witness for the admission of evidence is deemed necessary to decide the issues at the hearing. All costs related to the subpoena, including witness fees, shall be borne by the party requesting the subpoena. The administrative law judge may develop policies and

procedures relating to the issuance of subpoenas in administrative code enforcement hearings, including the form of the subpoena and related costs.

D. The administrative law judge has continuing jurisdiction over the subject matter of an administrative code enforcement hearing for the purposes of granting a continuance; ordering compliance by issuing an administrative code enforcement order using any remedies available under the law; ensuring compliance of that order, which includes the right to authorize the City to enter and abate a violation; modifying an administrative code enforcement order; or, where extraordinary circumstances exist, granting a new hearing.

E. The administrative law judge has the authority to require a responsible person to post a code enforcement performance bond to ensure compliance with an administrative code enforcement order.

11.06.080: PROCEDURES AT ADMINISTRATIVE ENFORCEMENT HEARING:

A. Administrative enforcement hearings are intended to be informal in nature. Formal rules of evidence and discovery shall not apply; however, an informal exchange of discovery may be required. Any such request shall be in writing. Failure to request discovery shall not be a basis for a continuance. Complainant information shall not be disclosed or released unless the complainant is a witness at the hearing. The procedure and format of the administrative enforcement hearing shall follow duly adopted policies and procedures.

B. The City shall bear the burden of proof to establish the existence of a violation of the City Code or applicable state codes.

C. Such proof shall be established by a preponderance of the evidence.

D. Each party shall have the opportunity to cross-examine witnesses and present evidence in support of his case. A written declaration signed under penalty of perjury may be accepted in lieu of a personal appearance. Testimony may be given by telephone or other electronic means.

E. All administrative enforcement hearings shall be open to the public and shall be recorded as determined by the City. At the discretion of the administrative law judge, administrative enforcement hearings may be held at the location of the violation.

F. Representation.

1. The responsible person may be represented by an attorney. If an attorney will be representing a responsible person at a hearing, notice of the attorney's name, address, and telephone number shall be given to the City at least seven (7) calendar days prior to the hearing. If such notice is not given, the hearing may be continued at the City's request, and all costs of the continuance shall be assessed to the responsible person.

2. The attorney representing the City may appear in any proceedings under this title but need not appear, notwithstanding any statute or rule of court to the contrary.

G. The burden to prove any raised defenses shall be upon the party raising any such defense.

11.06.090 FAILURE TO ATTEND ADMINISTRATIVE ENFORCEMENT HEARING:

A responsible person who fails to appear at an administrative enforcement hearing shall be deemed to have waived the right to such hearing, the adjudication of issues related to the hearing, and the right to appeal; provided, that proper notice of the hearing has been given as provided in section 11.01.120.

11.06.100: ADMINISTRATIVE ENFORCEMENT ORDER:

A. A responsible person and the City may enter into a stipulated agreement, which shall be signed by both parties. Such agreement shall be entered as an administrative enforcement order. Entry of such agreement shall constitute a waiver of the right to an administrative enforcement hearing and the right to appeal. If the responsible person and the City do not enter into a stipulated agreement, the following subsections, B-L, of this section apply.

B. After all evidence and testimony are presented, the administrative law judge shall issue a written administrative enforcement order within thirty days that affirms or rejects the notice of violation or citation.

C. An administrative law judge may issue an administrative enforcement order that requires a responsible person to cease and desist from violating the city code or applicable state code and to take any necessary corrective action.

D. An administrative law judge may order the City to enter the property and abate all violations, including the removal of animals that are in violation of applicable code requirements.

E. As part of an administrative enforcement order, an administrative law judge may establish specific deadlines for the payment of fees and costs and condition the total or partial assessment of civil fees on the responsible person's ability to take necessary corrective actions by the specified deadlines.

G. An administrative law judge may issue an administrative enforcement order imposing fines in accordance with section 11.03.100. Such fines shall continue to accrue until the responsible person complies with the administrative law judge's decision and corrects the violation.

H. An administrative law judge may schedule subsequent review hearings as may be necessary or as requested by the City to ensure compliance with an administrative enforcement order.

I. An administrative law judge may order a responsible person to post a cash performance bond to ensure compliance with an administrative enforcement order, but only if agreed to by the enforcement official handling the matter for the City.

J. An administrative enforcement order shall become final on the date of signing by the administrative law judge.

K. A copy of the administrative enforcement order shall be served on all parties by any one of the methods listed in Section 11.01.080. When required by this title, the code enforcement manager shall record the administrative enforcement order with the county recorder's office.

L. After an administrative law judge has issued an administrative enforcement order, the code enforcement manager shall monitor the matter for compliance with the administrative enforcement order.

11.06.110: FAILURE TO COMPLY WITH ORDER:

It shall be unlawful for any responsible person to fail to comply with the terms and deadlines set forth in an administrative enforcement order. A violation of this section shall be a class B misdemeanor.

11.06.120 APPEAL:

- A. Any responsible person adversely affected by an administrative enforcement order made in the exercise of the provisions of this title may file a petition for review in the third district court of Salt Lake County.
- B. The petition shall be barred unless it is filed within thirty days after the administrative enforcement order is final.
- C. In the petition, the plaintiff may only allege that the administrative enforcement order was arbitrary or capricious.
- D. The court shall:
 - 1. Presume that the administrative enforcement order is valid;
 - 2. Review the record to determine whether the order was arbitrary, capricious, or illegal; and
 - 3. Affirm the administrative enforcement order if it is supported by evidence.
- E. If appealed, the record of the proceedings including minutes, findings, orders and, if available, a true and correct recording of the proceeding shall be transmitted to the reviewing court within thirty days of the notice of appeal.
- F. If there is a record, court review shall be limited to the record of the proceeding. The court may not accept or consider any evidence outside such record unless that evidence was offered to the administrative law judge and the court determines that it was improperly excluded by the administrative law judge. The court may call witnesses and take evidence if there is no record.

G. The filing of a petition does not stay execution of an administrative enforcement order. The administrative enforcement order shall stand unless and until the district court stays the administrative enforcement order pending review.

CHAPTER 11.07

RECORDED NOTICE OF VIOLATION

SECTION:

11.07.010: Declaration Of Purpose

11.07.020: Authority

11.07.030: Procedures For Recordation

11.07.040: Service Of Notice Of Recordation

11.07.050: Failure To Request Hearing

11.07.060: Notice Of Compliance – Procedures

11.07.070: Withholding Issuance Of City Licenses and Permits

11.07.080: Cancellation Of Recorded Notice of Violation

11.07.090: Modification Of Civil Penalties

11.07.100: Failure To Pay Penalties

11.07.010: DECLARATION OF PURPOSE:

The City Council finds that the recordation of notices of violation can be an effective method of enforcement for violations of the city code. The procedures established in this chapter shall be in addition to criminal, civil, or any other remedy established by law that may be pursued to address the violation of the city code or applicable state codes.

11.07.020: AUTHORITY:

Whenever the enforcement official determines that a property or violation has not been brought into compliance as required in this title, the enforcement official has the authority to record the notice of violation or administrative code enforcement order with the county recorder's office.

11.07.030: PROCEDURES FOR RECORDATION:

- A. Once the enforcement official has issued a notice of violation to a responsible person, and the property remains in violation after the deadline established in the notice of violation, and no request for an administrative hearing has been filed, the enforcement official may record a notice of violation with the county recorder's office.
- B. If an administrative hearing is held, and an order is issued in the City's favor, the enforcement official may record the administrative code enforcement order with the county recorder's office. The recordation shall include the name of the property owner, the parcel number, the legal description of the parcel, and a copy of the notice of violation or order.
- C. The recordation does not encumber the property but merely places future interested parties on notice of any continuing violation found upon the property.

11.07.040: SERVICE OF NOTICE OF RECORDATION:

A notice of the recordation shall be served on the responsible person and the property owner pursuant to any of the methods of service set forth in Section 11.01.080.

11.07.050: FAILURE TO REQUEST HEARING:

The failure of any person to file a request for an administrative code enforcement hearing when served with a notice of violation, administrative citation, notice of itemized statement for costs, or notice of emergency abatement shall constitute a waiver of the right to an administrative hearing and shall not affect the validity of the recorded notice of violation, administrative citation, notice of itemized statement for costs, or notice of emergency abatement.

11.07.060: NOTICE OF COMPLIANCE – PROCEDURES:

- A. When a violation has been corrected, the responsible person or property owner may request an inspection of the property from the enforcement official who issued the notice of violation.

B. Upon receipt of a request for inspection, the enforcement official shall reinspect the property as soon as practicable to determine whether the violations listed in the notice of violation or the order have been corrected, and whether all necessary permits have been issued and final inspections have been performed.

C. The enforcement official shall serve a notice of compliance to the responsible person or property owner in the manner provided in section 11.01.080, if the enforcement official determines that:

1. All violations listed in the recorded notice of violation or order have been corrected;

2. All necessary permits have been issued and finalized;

3. All civil penalties assessed against the property have been paid or satisfied; and

4. The party requesting the notice of satisfaction has paid all administrative fees and costs.

D. If the enforcement official denies a request to issue a notice of compliance, upon request the enforcement official shall serve the responsible person with a written explanation setting forth the reasons for the denial. The written explanation shall be served by any of the methods of service listed in section 11.01.080 of this title.

E. No delay or omission on the part of the City to exercise any right or power accruing upon any violation shall impair any such right or power or shall be construed to be a waiver of any such violation or acquiescence therein and such right and power may be exercised as often as may be deemed expedient. The City's issuing of a notice of compliance in any instance shall not constitute continuing consent to subsequent instances and in all cases a notice of compliance may be granted or withheld at the sole discretion of the City. No prior notice of compliance shall affect any subsequent violation or shall impair any of the City's rights or remedies on said subsequent violation. Every substantive right and every remedy conferred upon the City may be enforced and exercised as often as may be deemed expedient.

11.07.070: WITHHOLDING ISSUANCE OF CITY LICENSES AND PERMITS:

Unless prohibited by other applicable law, the City may withhold business licenses; or permits for any alteration, repair, or construction pertaining to any existing or new structures or signs on the property, or any permits pertaining to the use and development of the real property or the structure until a violation is resolved. The City may withhold permits until a notice of compliance has been issued by the enforcement official. The City may not withhold permits that are necessary to obtain a notice of compliance or that are necessary to correct serious health and safety violations for failure to obtain a notice of compliance.

11.07.080: CANCELLATION OF RECORDED NOTICE OF VIOLATION:

If a notice of violation or other record of violation has been recorded on a property, after a notice of compliance has been issued, the enforcement official shall record the notice of compliance with the county recorder's office. Recordation of the notice of compliance shall have the effect of canceling the previously recorded notice of violation or other record of violation.

11.07.090: MODIFICATION OF CIVIL PENALTIES:

Upon completion of the notice of violation or administrative code enforcement order, the administrative law judge may modify the civil penalties on a finding of good cause.

11.07.100: FAILURE TO PAY PENALTIES:

The failure of any person to pay civil penalties assessed within the specified time may result in the City pursuing any legal remedy to collect the civil penalties as provided in the law.

CHAPTER 11.08 RECOVERY OF COSTS

SECTION:

11.08.010: Declaration Of Purpose

11.08.020: Authority To Assess Costs

11.08.030: Notification Of Assessment of Reinspection Fees

11.08.040: Failure To Timely Pay Costs

11.08.050: Administrative Fees

11.08.060: Civil Violations – Injunctions

11.08.070: Performance Security

11.08.010 DECLARATION OF PURPOSE:

The City Council finds that there is a need to recover costs incurred by enforcement officials and other City personnel who spend considerable time inspecting and reinspecting properties throughout the City to ensure compliance with the city code or applicable state codes.

The City Council further finds that the assessment of costs is an appropriate method to recover expenses incurred for actual costs of abating violations, reinspection fees, filing fees, attorney fees, administrative law judge fees, title search, and any additional actual costs incurred by the City for each individual case. The assessment and collection of costs shall not preclude the imposition of any administrative or judicial administrative penalties or fines for violations of the city code or applicable state codes.

11.08.020: AUTHORITY TO ASSESS COSTS:

A. Whenever actual costs are incurred by the City on a property to abate a violation or obtain compliance with provisions of the city code or applicable state codes, the enforcement official may assess costs against the responsible person. Such costs shall be itemized and provided to the responsible person in the form of a notice of itemized statement of costs.

B. The notice of itemized statement of costs shall describe the name of the property owner, the address of the property, the date the violation was observed, the code sections violated and description of condition of the property that violates the applicable codes the date(s) on which the City took action to obtain compliance, a statement explaining the work done to obtain compliance, the itemized cost of such work, the procedures to request a hearing as provided in section 11.06.030, and consequences for failure to request a hearing.

C. The notice of itemized statement of costs shall be served by one of the methods of service listed in section 11.01.080.

D. Once a notice of violation has been issued, the property may be inspected one time at no additional cost. Any additional inspections shall be subject to reinspection fees pursuant to the City fee schedule.

11.08.030: NOTIFICATION OF ASSESSMENT OF REINSPECTION FEE:

Notification of reinspection fees shall be provided on the notice of violation served on the responsible person. Reinspection fees assessed or collected pursuant to this chapter shall not be included in any other costs assessed. The failure of any responsible person to receive notice of the reinspection fees shall not affect the validity of any other fees imposed under this chapter.

11.08.040: FAILURE TO TIMELY PAY COSTS:

The failure of any person to pay assessed costs by the deadline specified in an invoice shall result in a late fee pursuant to City policy.

11.08.050: ADMINISTRATIVE FEES:

The enforcement official is authorized to assess administrative fees for costs incurred in the administration of this program, such as investigation of violations, preparation for hearings, hearings, and the collection process. The fee assessed shall be the amount set in the City's consolidated fee schedule.

11.08.060: CIVIL VIOLATIONS – INJUNCTIONS:

In addition to any other remedy provided under the city code or applicable state codes, including criminal prosecution or administrative remedies, any provision of the city code or applicable state code may be enforced by injunction issued by a court of appropriate jurisdiction upon a suit brought by the City.

11.08.070: PERFORMANCE BONDS OR OTHER SECURITY:

As part of any notice, order, or action, the administrative law judge has the authority to require responsible persons to post a performance bond or other performance security to ensure compliance with the city code, applicable state codes, or any judicial action.

If a responsible person fails to comply with the notice, order, or action, the bond or other performance security will be forfeited to the City. The bond or other performance security will not be used to offset the other outstanding costs and fees associated with the case.

CHAPTER 11.09

ADMINISTRATIVE ENFORCEMENT TAX LIENS

SECTION:

11.09.010: Declaration Of Purpose

11.09.020: Procedure For Tax Liens Without A Judgment

11.09.030: Procedure For Tax Liens With A Judgment

11.09.040: Cancellation Of Code Enforcement Tax Lien

11.09.010: DECLARATION OF PURPOSE:

The City Council finds that recordation of code enforcement tax liens will assist in the collection of civil penalties, administrative costs, and administrative fees assessed by the administrative code enforcement hearing program or judicial orders. The City Council further finds that collection of civil penalties, costs, and fees assessed for code enforcement violations is important in deterring future violations and maintaining the integrity of the City's code enforcement system. The procedures established in this chapter shall be used to complement existing administrative or judicial remedies that may be pursued to address violations of the city code or applicable state codes.

11.09.020: PROCEDURE FOR TAX LIENS WITHOUT A JUDGMENT:

A. The enforcement official shall prepare two copies of the itemized statement of costs incurred in the removal of the violations within 10 days after completion of the work of removing the violations.

B. The enforcement official shall send, by registered mail to the property owner's last known address, a copy of the itemized statement of costs informing him or her that a code enforcement tax lien is being recorded for the amount of actual costs of abatement. Payment shall be due within 20 calendar days from the date of mailing.

The enforcement official shall record a code enforcement tax lien against the property with the Salt Lake County Treasurer's Office.

C. The failure of any person with a financial interest in the property to actually receive the notice of the lien shall not affect the validity of the lien or any proceedings taken to collect the outstanding costs of abatement.

11.09.030: PROCEDURE FOR TAX LIENS WITH A JUDGEMENT:

Once a judgment has been obtained from the appropriate court assessing costs against the responsible person, the enforcement official may record a code enforcement tax lien against any real property owned by the responsible person.

11.09.040: CANCELLATION OF CODE ENFORCEMENT TAX LIEN:

Once payment in full is received for the outstanding civil penalties and costs, or the amount is deemed satisfied pursuant to a subsequent administrative or judicial order, the enforcement official shall either record a notice of satisfaction of judgment, or provide the property owner or financial institution with the notice of satisfaction of judgment so that it can record this notice with the county recorder's office. The notice of satisfaction of judgment shall include the same information as provided for in the original code enforcement tax lien. Such notice of satisfaction of judgment shall cancel the code enforcement tax lien.

CHAPTER 11.10 RECOVERY OF COSTS AND FEES

SECTION:

11.10.010: Recovery Of Costs By Writ Of Execution Or Other Means

11.10.020: Recovery Of Costs By Writ Of Garnishment Or Other Means

11.10.030: Allocation Of Civil Penalties And Funds Collected

11.10.010: RECOVERY OF COSTS BY WRIT OF EXECUTION OR OTHER MEANS:

After obtaining a judgment, the enforcement official may collect the obligation by use of all appropriate legal means. This may include the execution on personal property owned by the responsible person by filing a writ with the applicable court.

11.10.020: RECOVERY OF COSTS BY WRIT OF GARNISHMENT OR OTHER MEANS:

After obtaining a judgment, the enforcement official may collect the obligation from the responsible person by use of all appropriate legal means. This may include the garnishment of paychecks, financial accounts, and other income or financial assets by filing a writ with the applicable court.

11.10.030: ALLOCATION OF CIVIL PENALTIES AND FUNDS COLLECTED:

Civil penalties and funds collected pursuant to this title shall be deposited in the general fund of the City. Civil penalties and funds deposited shall be appropriated and allocated pursuant to the City's budget process.

Section 3. Effective date. This Ordinance shall take effect upon first publication.

PASSED, APPROVED AND ADOPTED by the Murray City Municipal Council on
this ____ day of _____, 2025.

MURRAY CITY MUNICIPAL COUNCIL

Pam Cotter, Chair

ATTEST:

Brooke Smith, City Recorder

MAYOR'S ACTION: Approved

DATED this ____ day of _____, 2025.

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 the ____ day of _____, 2025.

Brooke Smith, City Recorder



MURRAY
CITY COUNCIL

Discussion Item #5



MURRAY

Council Action Request

Finance and Admin

Privacy Program

Committee of the Whole

Meeting Date: November 25, 2025

Department Director Brenda Moore	Purpose of Proposal Introduce the City's data privacy initiative and request support adopting the Joint Resolution to establish a Program Policy.
Phone # 801-264-2513	Action Requested Recommend approval of the Joint Resolution Adopting the Murray City Privacy Program Policy
Presenters Brooke Smith GL Critchfield	Attachments Presentation, Draft Privacy Program, and Resolution
Required Time for Presentation 15 Minutes	Budget Impact N/A
Is This Time Sensitive Yes	Description of this Item Utah passed a law that requires every city, county, and state agency to start a data privacy program by December 31, 2025. This program ensures government agencies handle personal information responsibly, protecting it from misuse, explaining how it's collected, and making data practices more transparent.
Mayor's Approval	The Utah Office of Data Privacy created 21 foundational privacy standards to help cities meet this requirement. One of those standards is to formally adopt a privacy program through a resolution.
Date	By passing a Joint Resolution, Murray City fulfills this standard and officially adopts its Privacy Program Policy.

JOINT RESOLUTION R25-__

A JOINT RESOLUTION OF THE MAYOR AND MUNICIPAL COUNCIL OF MURRAY CITY ADOPTING THE MURRAY CITY PRIVACY PROGRAM POLICY.

WHEREAS, It is the declared policy of the state of Utah that an individual has a fundamental interest in and inherent expectation of privacy regarding the individual's personal data that the individual provides to a governmental entity (Utah Code § 63A-19-102(1)); and

WHEREAS, **personal data** is information that is linked or can be reasonably linked to an identified individual or an identifiable individual. (Utah Code § 63A-19-101(24)); and

WHEREAS, state law requires that a governmental entity process personal data consistent with the state's policy; and

WHEREAS, by adhering to privacy laws and implementing best practices, the City wants to foster a culture of privacy awareness, accountability, and continuous improvement; and

WHEREAS, the City wants to implement and fully develop a **data privacy program** (Utah Code § 63A-19-101 et seq.), which is an organized collection of the City's privacy practices, policies, and procedures that govern the City's processing and protection of personal data; and

WHEREAS, the data privacy program is dedicated to ensuring the protection and proper management of personal data within the City; and

WHEREAS, the City currently has a strong and robust desire and practice of recognizing and protecting personal data with regard to records requests under the Government Records Access and Management Act; and

WHEREAS, a data privacy program will allow the City to expand and formally organize its practices and to improve its protection of personal data throughout city government; and

WHEREAS, developing and maintaining a data privacy program requires an ongoing commitment that includes consistent effort to ensure the City effectively protects the privacy interests and expectations of individuals; and

WHEREAS, protecting the personal data of individuals interacting with City government is essential to maintaining the public's trust.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Murray City Municipal Council, as follows:

Section 1. The Murray City Privacy Program Policy, related to the City's collection, protection, use, retention, sharing, and disposal of personal information, and committing the City to standards of accountability and transparency, as elaborated in Attachment A, is adopted.

Section 2. The Mayor's Office, along with the City Recorder will report back annually to the Council on:

- a. the data privacy program that will establish actionable privacy standards to enable City departments to comply with state law; and
- b. the timeline by which City departments will incorporate the program principles into their operational practices.

PASSED, APPROVED, AND ADOPTED by the Mayor and Municipal Council of Murray City, Utah, this _____ day of _____, 2025.

MAYOR

MURRAY CITY COUNCIL

Brett A. Hales, Mayor

Pam Cotter, Chair

ATTEST

Brooke Smith, City Recorder

Attachment A

Murray City Privacy Program Policy

MURRAY CITY PRIVACY PROGRAM POLICY

1. Purpose

This policy serves to document the City's privacy program, which includes City policies, practices, and procedures for the processing of personal data in accordance with Utah Code §63A-19-401(2)(a), and which aligns with the records management and data governance requirements provided in both GRAMA and DARS.

2. Guiding Principles

This policy consolidates privacy practices, outlines governance roles and responsibilities, and ensures compliance with generally applicable records management, data protection, and data privacy obligations. It is designed to safeguard individual privacy rights, promote transparency, maintain the integrity and security of personal data, and ensure accountability across the City. This policy is meant to guide further alignment of the City with the State Data Privacy Policy as detailed in Utah Code §63A-19-102.

3. Scope

This policy applies to all elected officials and City employees involved in the management, creation, and maintenance of records or who have access to personal data as part of their job duties. This policy also applies to all contractors of the City that process or have access to personal data as a part of the contractor's duties under an agreement with the City pursuant to Utah Code §63A-19-401(4).

4. Definitions

"Classification," "classify," and their derivative forms mean determining whether a record series, record, or information within a record is public, private, controlled, protected, or exempt from disclosure under Utah Code §63G-2-201(3)(b).¹

"Cookie" means "Technology that records a user's information and activity when the user accesses websites. Cookies are used by website owners, third parties, and sometimes threat actors to gather user data."²

¹ [Utah Code § 63G-2-103\(3\)](#)

² Cybersecurity & Infrastructure Security Agency, Project Upskill Glossary. Last visited 1/14/2025 at: <https://www.cisa.gov/resources-tools/resources/project-upskill-glossary>

“DARS” means the Division of Archives and Records Service, the state agency responsible for managing and preserving government records.

“Data breach” means—the unauthorized access, acquisition, disclosure, loss of access, or destruction of personal data held by the City, unless the City concludes, according to standards established by the Cyber Center, that there is a low probability that personal data has been compromised.”³

“Designation,” “designate,” and their derivative forms mean indicating, based on the City’s familiarity with a record series or based on the City’s review of a reasonable sample of a record series, the primary classification that a majority of records in a record series would be given if classified and the classification that other records typically present in the record series would be given if classified.⁴

“Device fingerprinting” means collecting attributes of a user’s device configurations to create a trackable profile for the device.

“GRAMA” means the Government Records Access and Management Act, Utah Code §63G-2-101 et. seq.

“Individual” means a human being.⁵

“Key logger” means “a program designed to record which keys are pressed on a computer keyboard...”⁶

“Personal data” means information that is linked or can be reasonably linked to an identified individual or an identifiable individual.⁷

“Privacy Impact Assessment” means a written structured method for identifying, evaluating, and mitigating privacy risks before processing personal data.

“Processing activity” means any operation or set of operations performed on personal data, including collection, recording, organization, structuring, storage, adaptation, alteration, access, retrieval, consultation, use, disclosure by transmission, transfer, dissemination, alignment, combination, restriction, erasure, or destruction.⁸

³ Utah Code § 63A-19-101(4)

⁴ [Utah Code § 63G-2-103\(7\)](#)

⁵ [Utah Code § 63G-2-103\(13\)](#)

⁶ National Institute of Standards and Technology, Computer Security Resource Center, Glossary. Last visited 1/14/2025, at:

https://csrc.nist.gov/glossary/term/key_logger#:~:text=Definitions%3A,NIST%20SP%20800%2D82r3

⁷ [Utah Code § 63A-19-101\(13\)](#)

⁸ [Utah Code § 63A-19-101\(14\)](#)

"Record" means the same as that term is defined at Utah Code § 63G-2-103(25).⁹

"Record series" means a group of records that may be treated as a unit for purposes of designation, description, management, or disposition.¹⁰

"Records officer" means the individual appointed by the chief administrative officer of the City to work with state archives in the care, maintenance, scheduling, designation, classification, disposal, and preservation of records.¹¹

"Schedule," "scheduling," and their derivative forms mean the process of specifying the length of time each record series should be retained by the City for administrative, legal, fiscal, or historical purposes and when each record series should be transferred to the state archives or destroyed.¹²

5. Governance

5.1 Chief Administrative Officers (CAOs) – Chief Privacy Officer (CPO)

- 5.1.1 The Mayor shall designate one or more individuals to serve as a chief administrative officer whose privacy title shall be the Chief Privacy Officer (CPO) of the City in fulfilling the duties outlined in Utah Code § 63A-12-103.
- 5.1.2 The Mayor may assign responsibility for the duties outlined in Utah Code § 63A-12-103 to one, or among several, CPOs as the Mayor sees fit.
- 5.1.3 The designation of the CPO(s) shall be reported to the Utah Division of Archives and Records Services (Archives) within 30 days of the designation.
- 5.1.4 If responsibility for the duties outlined in Utah Code § 63A-12-103 are divided between more than one CPO, such specification should be reported to Archives along with the designation.
- 5.1.5 The designation of, and responsibilities assigned to, a CPO shall be reviewed and confirmed by the City on an annual basis.

⁹ Only the citation to the definition of "record" is provided here due to the length of the definition.

¹⁰ [Utah Code § 63G-2-103\(26\)](#)

¹¹ [Utah Code § 63G-2-103\(27\)](#)

¹² [Utah Code § 63G-2-103\(28\)](#)

5.2 Appointed Records Officers (AROs)

- 5.2.1 Designated CPO(s) shall appoint one or more individuals to serve as records officers in fulfilling the duties of working with Archives and the Office of Data Privacy in the care, maintenance, scheduling, disposal, classification, designation, access, privacy, and preservation of records.¹³
- 5.2.2 A designated CPO may assign responsibility for the duties of appointed records officers to one, or among several, officers as the CPO deems appropriate.
- 5.2.3 The appointment of records officers shall be reported to Archives within 30 days of the appointment.
- 5.2.4 If responsibility for the duties of appointed records officers are divided between more than one officer, such specification should be reported to Archives along with the appointment.
- 5.2.5 The appointment of, and responsibilities assigned to, a records officer shall be reviewed and confirmed by the City on an annual basis.

6. Records Series

6.1 Records and Records Series

- 6.1.1 Each department shall create and maintain records and records series in accordance with the requirements provided in DARS and GRAMA in addition to correlated guidance issued by Archives.
- 6.1.2 Each department shall appropriately designate and classify records and records series in accordance with the requirements provided in DARS and GRAMA.
- 6.1.3 CPO(s) shall be responsible for submitting a proposed retention schedule for each type of material defined as a record under GRAMA to the state archivist for review and final approval by the Records Management Committee (RMC).

¹³ [Utah Code § 63A-12-103\(2\)](#)

6.1.4 Upon approval by the RMC, City shall maintain and dispose of records in strict accordance with the approved retention schedule. In instances where City has not received an approved retention schedule for a specific type of record, the general retention schedule maintained by the state archivist shall govern the retention and disposition of those records.

6.2 Record Series Privacy Annotation

6.2.1 Each department shall perform a privacy annotation for each record series that contains personal data pursuant to Utah Code § 63A-12-115.

6.2.2 Privacy annotations shall include:

- a. the legal authority under which personal data is processed;
- b. the purposes and uses for the personal data; and
- c. the types of personal data that may be processed within the record series.

6.2.3 Privacy annotations shall be conducted and reported in accordance with additional requirements provided by Archives via administrative rule.

7. Awareness & Training

7.1 Departmental Data Privacy Training

7.1.1 CPO(s) shall ensure that all employees that have access to personal data as part of the employee's work duties complete a data privacy training program within 30 days after beginning employment and at least once in each calendar year.

7.1.2 CPO(s) is responsible for monitoring completion of data privacy training by the City's employees.

7.2 Agency-Specific Training

In addition to the general privacy awareness training, departments may create and require employees to complete department-specific privacy training tailored to the unique privacy needs, practices, and requirements of the department.

7.3 Appointed Records Officer Training and Certification

- 7.3.1 CPO(s) shall ensure that, on an annual basis, all appointed records officers successfully complete online training on the provisions of GRAMA and obtain certification from Archives in accordance with Utah Code § 63A-12-110.
- 7.3.2 CPO(s) shall, on an annual basis, review and confirm the certification status of all appointed records officers.
- 7.3.3 GRAMA Access AROs: AROs who handle GRAMA transparency responsibilities are required to complete the GRAMA transparency training and obtain certification from Archives in accordance with Utah Code § 63A-12-110.
- 7.3.4 Records Management and Privacy AROs: AROs specializing in records management or privacy are required to complete both records management and GRAMA transparency training, as well as obtain the corresponding certifications.

8. Identify

8.1 Inventorying

- 8.1.1 CPO(s) shall maintain a comprehensive inventory of:
 - a. All IT systems that may process state or federal data which the state owns or is responsible for, using the standard process that DTS provides.¹⁴
 - b. All records and record series that contain personal data and the types of personal data included in the records and record series.¹⁵
 - c. All processing activities, the inventory of which shall include:
 - i. Non-compliant processing activities—pursuant to the GDPA—that were implemented prior to May 1, 2024, and a prepared strategy for bringing the non-compliant processing

¹⁴ DTS [Information Security Policy 5000-0002](#), section 2.4.2.1

¹⁵ Utah Code §§ [63A-12-104](#) and [63A-12-115](#)

activity into compliance by no later than January 1, 2027;¹⁶ and

- ii. All processing activities implemented after May 1, 2024, with documentation confirming compliance status.

8.2 Information Technology Privacy Impact Assessment

8.2.1 CPO(s) shall ensure that the division completes a Privacy Impact Assessment (PIA) for all IT systems that may process personal data prior to the initiation of data processing in the IT system as required under DTS Information Security Policy 5000-0002.

- A. The responsible CPO shall use the PIA template that is created and maintained by the CPO and which is approved by the IT Director pursuant to DTS Information Security Policy 5000-0002.
- B. CPO(s) must maintain a copy of each completed assessment for a period of four years to provide audit documentation and ensure accountability in privacy practices.

9. Transparency

9.1 Website Privacy Policy

- 9.1.1 CPO(s) shall create and maintain privacy policies on their websites as outlined in Utah Code § 63D-2-103 and Utah Admin. Code R895-8.
- 9.1.2 CPO(s) shall ensure that personal data related to a user of a City website is not collected unless the City website complies with Utah Code § 63D-2-103(2).
- 9.1.3 CPO(s) shall ensure that all websites of the City contain a privacy policy statement that discloses:
 - a. The identity of the City website operator;
 - b. How the City website operator may be contacted;
 - c. The personal data collected by the City;

¹⁶ [Utah Code § 63A-19-401](#)

- d. The practices related to disclosure of personal data collected by the City and/or the City website operator; and
- e. The procedures, if any, by which a user of a City website may request:
 - i. Access to the user's personal data; and
 - ii. Access to correct the user's personal data.
- f. A general description of the security measures in place to protect a user's personal data from unintended disclosure.

9.2 Privacy Notice

- A. Employees shall only collect personal data from individuals if, on the day the personal data is collected, the [Department] has provided a privacy notice to an individual asked to furnish personal data that complies with Utah Code §§ 63G-2-601(2), 63A-19-402, 63D-2-103(2)-(3), or other governing law, as applicable.
- B. Such a personal data request privacy notice shall generally include¹⁷:
 - a. the record series that the personal data will be included in;
 - b. the reasons the person is asked to furnish the information;
 - c. the intended purposes and uses of the information;
 - d. the consequences for refusing to provide the information; and
 - e. the classes of persons and entities that currently:
 - i. share the information with the [Department]; or
 - ii. receive the information from the [Department] on a regular or contractual basis.

10. Individual Requests

10.1 CPO(s) shall ensure that the City has established appropriate processes and procedures that facilitate compliance with applicable governing law for handling the following privacy requests of individuals:

- 10.1.1 Individual's requests to access their personal data;
 - a. Individual's requests to amend or correct their personal data;

¹⁷ Utah Code §§ 63G-2-601(2) and 63A-19-402.

- b. Individual's requests for an explanation of the purposes and uses of their personal data; and
- c. At-risk governmental employee requests to restrict access to their personal data.

10.1.2 CPO(s) shall ensure that the City has established processes for public access requests to inspect or copy the City's records, which are not requests from an individual to access their personal data.¹⁸

10.1.3 CPO(s) shall ensure that employees of the City follow established business practices with respect to GRAMA.¹⁹

11. Processing

11.1 Minimum Data Necessary

11.1.1 CPO(s) shall ensure that all programs within the City obtain and process only the minimum amount of personal data reasonably necessary to efficiently achieve a specified purpose.²⁰

11.1.2 CPO(s) shall ensure that all programs within the City regularly review their data collection practices to ensure compliance with the data minimization requirement.

11.2 Record and Data Sharing or Selling Policy

11.2.1 City will only share or disclose personal data when there is appropriate legal authority. The sale of personal data is prohibited unless required by law.

11.2.2 Data sharing must comply with GRAMA or other governing law and may include sharing with governmental entities, contractors, private providers, or researchers. Compliance with GRAMA or other governing law is contingent upon the purpose of the sharing, the parties involved, and the nature of the records.

¹⁸ This is likely detailed in a specific Department policy.

¹⁹ Dept. of Government Operations Internal Policy 01. Code of Conduct. Section 3.2 Managing Records and Information.

²⁰ [Utah Code § 63A-19-401\(2\)\(c\)](#).

11.2.3 AROs are required to report annually to the CPO on personal data sharing and selling activities, including types of data shared, the legal basis for sharing, and the entities receiving this data.

11.2.4 All contracts involving personal data must incorporate appropriate privacy protection terms. Written agreements for data sharing are recommended to ensure compliance with applicable laws and regulations.

11.3 Retention and Disposition of Records Containing Personal Data

11.3.1 Employees shall maintain, archive, and dispose of records—which includes all personal data—in accordance with an approved retention schedule.²¹

11.3.2 Employees shall comply with all other applicable laws or regulations related to retention or disposition of specific personal data held by the City or by a particular division or program of the City.

12. Information Security

12.1 Incident Response

12.1.1 City adopts and follows the **DTS Cybersecurity Incident Response Plan** to manage and address all security incidents, including data breaches, and privacy violations.

12.1.2 Employees shall report all suspected security incidents, including non-IT incidents such as unauthorized access to physical records, to the CPO(s). Any additional department-specific response measures for non-IT incidents are the responsibility of the CPO(s) to develop and implement as appropriate.

12.1.3 CPO(s) shall ensure compliance with all other applicable laws or regulations related to incident response and breach notification of specific personal data held by the City.

12.2 Breach Notification

²¹ Utah Code §§ [63G-2-604\(1\)\(b\)](#) and [63A-19-404](#).

12.2.1 The City is required to provide notice to an individual or the legal guardian of an individual, if the individual's personal data is affected by a data breach in accordance with Utah Code § 63A-19-406.²²

12.2.2 The City is required to notify the Cyber Center and the state attorney general's office of a data breach affecting 500 or more individuals in accordance with Utah Code § 63A-19-405. If we experience a data breach affecting fewer than 500 individuals, the City must create and report an internal incident report in accordance with Utah Code § 63A-19-405(5). These requirements are in addition to any other reporting requirement that the City may be subject to.

12.2.3 Departments subject to other breach notification requirements, such as those required for compliance with federal regulations, laws or other governing requirements (e.g., HIPAA or 42 CFR Part 2) are currently required to create and maintain their own department specific breach notification policies and procedures that meet the requirements of the applicable governing laws and regulations.

13. Surveillance

13.1 Covert Surveillance

13.1.1 Employees may not establish, maintain, or use undisclosed or covert surveillance of individuals unless permitted by law.²³

13.1.2 Employees are responsible for engaging with appropriate leadership for review—to include legal counsel where pertinent—of any activity that may be considered a type of surveillance.

13.1.3 CPO(s) shall ensure that surveillance activities are documented and that a PIA for the activity has been completed.

13.2 Cookies, Fingerprinting, Key Loggers, and Tracking Technologies

The City is committed to transparency and privacy protection for individuals that visit a website of the City with regard to the use of any tracking technologies, including but not limited to cookies, device fingerprinting, key loggers, and other similar methods for monitoring or collecting information from website users.

²² [Utah Code § 63A-19-401\(2\)\(b\)](#).

²³ [Utah Code § 63A-19-401\(2\)\(f\)](#).

13.2.1 Cookies

The use of cookies on City websites and digital services must comply with applicable privacy and security policies. Cookies should be limited to essential operational purposes, and any use of tracking or third-party cookies for analytics or similar functions must be disclosed clearly to users, with an option to consent where required by law.

13.2.2 Device Fingerprinting

Device fingerprinting is prohibited unless explicitly authorized by the CPO and where the legal basis or appropriate justification for such processing is documented in a privacy impact assessment. The purpose and extent of fingerprinting must be clearly defined, documented, and disclosed to users in a privacy notice or statement that complies with applicable legal requirements.

13.2.3 Key Loggers

Key loggers are prohibited without specific authorization from the CPO and documented justification in the activity's PIA. Key loggers may only be used when there is a clearly defined operational need that complies with security standards and legal requirements, including appropriate user notice where required.

13.2.4 Other Tracking Technologies

The use of other tracking technologies, such as web beacons, pixel tags, or similar tools, is prohibited unless explicitly authorized by the CPO, and the legal basis for such tracking is documented in a PIA. Disclosure of these technologies must be included in user-facing privacy statements, with user consent obtained when required by law.

13.2.5 User Notification and Consent

The City must ensure users are informed about the use of tracking technologies. A clear website privacy statement must explain the types of data collected, the purpose of the tracking, and how users can manage their preferences or consent. Any updates to tracking practices must be promptly reflected in the privacy statement.

13.2.6 Data Security and Retention

Data collected through authorized tracking technologies must be securely stored, with access limited to authorized personnel. Retention of this data

must align with approved retention schedules, and the data should only be retained as long as necessary for the defined operational purpose.

14. Periodic Review

This policy will be reviewed periodically and updated to ensure ongoing compliance with applicable laws and regulations.

APPROVED, PASSED, and EFFECTIVE this _____ day of _____ 2025.

MAYOR

MURRAY CITY MUNICIPAL COUNCIL

Brett A. Hales

Pam Cotter, Chair

ATTEST:

Brooke Smith, City Recorder

History:

Adoption date: _____ 2025



 Murray City

Privacy Program

Presented to the Murray City
Committee of the Whole

PRESENTED BY

Brooke Smith, City Recorder

The Utah Data Privacy Act

The Utah Data Privacy Act establishes essential guidelines governing the use of personal data by state and local entities. This legislation ensures that all government bodies, including Murray City departments, manage personal data responsibly, promoting transparency and protecting residents' privacy rights.

Privacy for Governmental Entities

The Office of Data Privacy is developing an interoperable framework designed to assist...

 Privacy Utah /



“Governmental entities must establish a privacy program by December 31, 2025”



Utah Code

Utah Code §63A-19-401 mandates that all government entities initiate privacy programs by December 31, 2025, ensuring that personal data is managed responsibly and securely.

State Privacy Policy

An individual has a fundamental interest in and inherent expectation of privacy regarding the individual's personal data that the individual provides to a governmental entity;

Data Management

The City manages diverse personal data, including permits and public safety records, making it crucial to implement a robust privacy program to safeguard this information effectively.

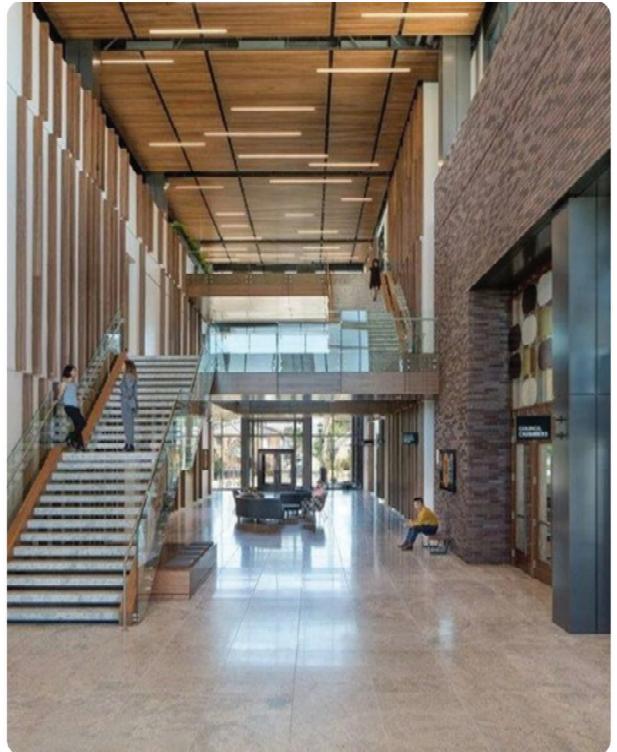
Who is Affected?

All governmental entities in Utah, including **Murray City**, must comply with the Utah Data Privacy Act to protect citizen data and ensure legal compliance.



Why It Matters

Protecting citizen data is essential for ensuring **legal compliance** and maintaining public trust in government operations, creating a better digital environment for all residents, business owners, and visitors in Murray City.



Privacy for Governmental Entities

Next Steps: Ready, Set, Go!

Source: https://privacy.utah.gov/privacy_government/



Ready: Preparation Phase



DESIGNATE CAO

Designate a Chief Administrative Officer (CAO) at the executive level who will be responsible for implementing the governmental entity's privacy program and completing the annual privacy program report.

CERTIFIED TRAINING

Ensure Records officers are completing annual GRAMA training and certification through the Division of Archives and Records (DARS).

APPOINT RECORDS OFFICERS

Designate Records Officers who will be responsible for implementing and maintaining the entity's privacy program and associated practices.

INITIATE PRIVACY AWARENESS TRAINING

Implement comprehensive training programs for staff to promote awareness of privacy requirements, ensuring all employees understand their roles and responsibilities regarding data protection.

Set: Planning and Assessment Phase

COMPLETE PRIVACY PROGRAM REPORT

Outline the governmental entity's specific privacy practices
Formalize the privacy program through an adopted policy, rule, or other documentation that explicitly defines the adopted privacy practices.

CONDUCT MATURITY ASSESSMENT

Use the privacy maturity model to perform an initial self-assessment to measure the current maturity level of the governmental entity's privacy practices.

IDENTIFY AND PRIORITIZE STRATEGIES

Based on the maturity assessment, determine and prioritize strategies that the governmental entity plans to effectuate to increase the maturity of specific privacy practices. This should include setting a target maturity level for one or more practices that the governmental entity aims to achieve if a specific strategy is implemented successfully.

Go: Execution and Monitoring Phase

“Continual improvement is essential to maintaining a privacy program”

IMPLEMENT PRIORITIZED STRATEGIES

Execute the prioritized strategies identified in the previous section to mature the governmental entity's privacy practices.

Following each strategy's implementation, update the maturity assessment to reflect the new status of the governmental entity's privacy practices. Continuously create and prioritize new strategies to further advance privacy practice maturity.

UTILIZE PRIVACY IMPACT ASSESSMENTS (PIA)

Use the Privacy Impact Assessment the Office provides to evaluate new processing activities before implementation to ensure compliance with the GDPA and any other applicable privacy requirements.

Joint Resolution Commitments

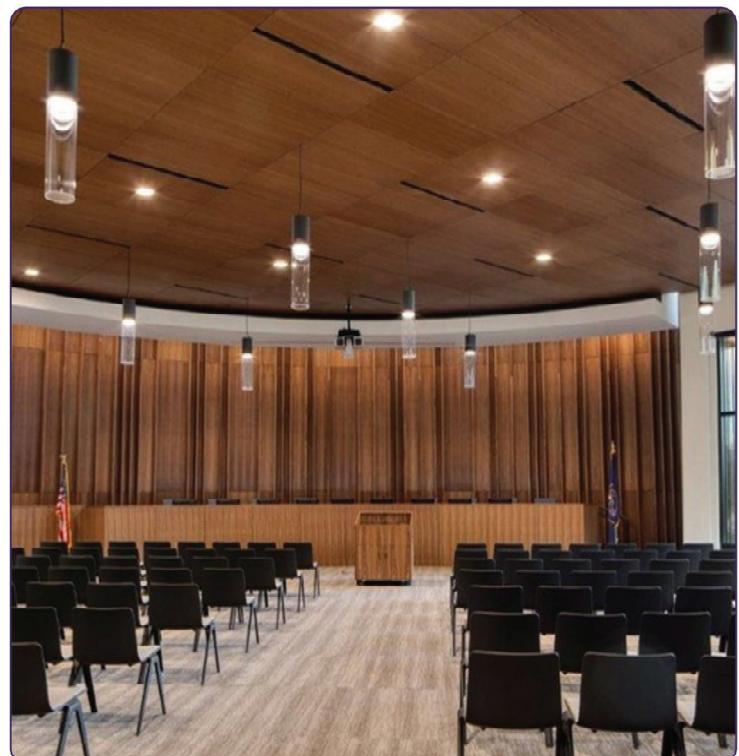
Adoption of Privacy Program Policy

Formal Adoption

The Joint Resolution formally adopts the Murray City Privacy Program Policy, ensuring that personal data is handled in compliance with state laws and best practices.

Commitment to Privacy

The resolution commits to organizing and maturing privacy practices, establishing a framework that protects residents' personal data and enhances the city's transparency and accountability.



Questions?



EMAIL

bsmith@murray.utah.gov



PHONE

801-264-2662



WEBSITE

Murray.utah.gov





MURRAY
CITY COUNCIL

Discussion Item #6



MURRAY

Council Action Request

**Department/Agency
Finance & Administration
Collection Fees**

Committee of the Whole

Meeting Date: November 25, 2025

Department Director Brenda Moore	Purpose of Proposal Add collection fees to the ordinance, so the city gets 100% of amount owed when accounts are sent to collections.
Phone # 801-264-2513	Action Requested Discussion on
Presenters Brenda Moore	Attachments Draft of Ordinance
Required Time for Presentation 10 Minutes	Budget Impact None
Is This Time Sensitive No	Description of this Item Currently when a closed utility account, or a bad check is sent to collections and is collected, the collection company keeps their fee (30%) and the city gets the remainder. This ordinance change allows the collection company to add their fee to the amount owed, so the city will receive the full balance due. There were also some areas of the code where no late fee could be assessed so this was added to make it uniform for all services. (Solid Waste, Parks, and Storm water)
Mayor's Approval	This ordinance also clarifies that the residential fee schedule did not end on June 30, 2021 rather it continues until amended. There is no change to the actual fee.
Date November 10, 2025	

Murray City Corporation

NOTICE IS HEREBY GIVEN that on the 9th day of December, 2025, at the hour of 6:30 p.m. of said day in the Council Chambers of Murray City Center, 10 East 4800 South, Murray, Utah, the Murray City Municipal Council will hold and consider enacting Section 12.28.070 and approving text amendments relating to Sections 7.04.030, 12.30.010, 13.04.040 and 13.48.050 of the Murray City Municipal Code relating to Murray City collection fees.

The purpose of this hearing is to receive public comment concerning the proposed enactment and amendments as described above.

DATED this 10th day of November 2025.



MURRAY CITY CORPORATION

A handwritten signature of Brooke Smith in blue ink.

Brooke Smith
City Recorder

DATE OF PUBLICATION:
PH25-47

Posted to the City's website
Posted to the Utah Public Notice Website
Posted at City Hall (Public location reasonably likely to be seen by residents)

ORDINANCE NO. _____

AN ORDINANCE ENACTING SECTION 12.28.070 OF THE MURRAY CITY MUNICIPAL CODE RELATING TO COLLECTION FEES FOR OUTSTANDING BALANCES OWED TO THE CITY AND AMENDING SECTIONS 7.04.030, 12.30.010, 13.04.040 AND 13.48.050 OF THE MURRAY CITY MUNICIPAL CODE RELATING TO THE SAME.

BE IT ENACTED BY THE MURRAY CITY MUNICIPAL COUNCIL:

Section 1. Purpose. The purpose of this ordinance is to enact Section 12.28.070 allowing collection fees for outstanding balances owed to the City, and to amend Sections 7.04.030, 12.30.010, 13.04.040 and 13.48.050 of the Murray City Municipal Code relating to the same.

Section 2. Enactment of Section 12.28.070 of the Murray City Municipal Code. Section 12.28.070 shall be enacted to read as follows:

12.28.070: GOLF COURSE COLLECTION FEES:

A. In the event credit cards, electronic funds transfer (EFT), or other payments cannot be properly processed, the customer shall be responsible for making valid payment to the City for all use of City services and venues. Starting twenty-five (25) days after request from the City to pay any unpaid balances, a late fee will be charged against the unpaid balance at an interest rate of 18% per annum (1.5% per month) until paid in full.

B. If the City uses a collection agency to collect any unpaid balance owed to the City, the customer shall pay a collection fee equal to the lesser of the City's actual cost for use of the collection agency in collecting the unpaid balance or forty percent (40%) of the customer's unpaid balance. In the event a lawsuit is brought to collect the unpaid balance, the customer shall pay all other costs of collection, court costs and reasonable attorney fees, in addition to the collection fee.

.....
Section 3. Amendment of Sections 7.04.030, 12.30.010, 13.04.040 and 13.48.050 of the Murray City Municipal Code: Sections 7.04.030, 12.30.010, 13.04.040 and 13.48.050 shall be amended to read as follows:

7.04.030: CHARGES FOR SERVICES TO RESIDENCES:

A. A monthly charge for general solid waste management services provided to residences other than residences in the Wasatch Front Waste and Recycling District shall be in accordance with the following rate schedule. The monthly rates shall go into effect on July 1, 2019, and July 1 each year thereafter. Every residence shall at minimum pay the monthly base fee except where power, water, sewer and waste management services to the residence are properly terminated.

	July 1, 2019 To June 30, 2020	July 1, 2020 and continuing thereafter until amended
Base fee (garbage)	\$9.75	\$10.50
Base fee (recycling)	\$9.75	\$10.50
Additional refuse or recycling container fee	\$9.25	\$9.75

B. If a residence wants more than two (2) automated refuse containers or one automated recycling container, the residence must submit a written request to the City's Public Works Director, or designee, stating with specificity the reasons supporting the need. The determination to provide additional automated refuse containers or additional recycling containers to a residence shall be made at the sole discretion of the City's Public Works Director, or designee.

C. The fee for each reservation of the green waste trailer shall be forty dollars (\$40.00).

D. The fee for reservation of each neighborhood roll-off box shall be as determined by the City's Public Works Director provided, however, that in no event shall the fee exceed the City's actual costs to: 1) deliver and pick up the neighborhood roll-off box; and 2) dispose of the contents. (Ord. 19-15: Ord. 18-06: Ord. 16-01)

E. Starting twenty-five (25) days after a balance is due, a late fee will be charged against the unpaid balance at an interest rate of 18% per annum (1.5% per month) until paid in full.

F. If the City uses a collection agency to collect any unpaid balance, the residence shall pay a collection fee equal to the lesser of the City's actual cost for use of the collection agency in collecting the unpaid balance or forty percent (40%) of the residence's unpaid balance. In the event a lawsuit is brought to collect the unpaid balance, the residence shall pay all other costs of collection, court costs and reasonable attorney fees, in addition to the collection fee.

...

12.30.010: FEES:

...

K. Fees for miscellaneous services, including facility rental, locker rental, merchandise sales, classes and programs and special events, shall be established by the Parks and

Recreation Director pursuant to a written schedule, provided, however, that such fees shall not be more than necessary to recoup the City's cost for the services charged.

L. In the event credit cards, electronic funds transfer (EFT) or other payment cannot be properly processed, the owing individual shall be responsible for making valid payment to the City for all use of City services and venues. Starting twenty-five (25) days after request from the City to pay any unpaid balances, all unpaid balances will be charged an interest rate of 18% per annum (1.5% per month) until paid in full.

M. If the City uses a collection agency to collect any unpaid balance owed to the City, the owing individual shall pay a collection fee equal to the lesser of the City's actual cost for use of the collection agency in collecting the unpaid balance or forty percent (40%) of the owing individual's unpaid balance. In the event a lawsuit is brought to collect the unpaid balance, the owing individual shall pay all other costs of collection, court costs and reasonable attorney fees, in addition to the collection fee.

N. From time to time, the City is authorized to offer discounts and promotions as long as the discounts and promotions are first approved in writing by the Parks and Recreation Director, the Mayor and the Director of Finance and Administration; provided, however, that no such discounts or promotions shall be in violation of section 10-8-2 of the Utah Code, and that, at a minimum, all such discounts or promotions shall cover the costs of running the discounts or promotions. (Ord. 19-05: Ord. 18-06: Ord. 17-05)

...

13.04.040: ACCOUNT BILLING:

...

D. Late Payment Charge:

1. After twenty five (25) days from the billing statement date, a late payment charge of 1.5 percent shall be assessed against any unpaid delinquent balance. A customer may be granted a waiver of the late payment charge if:

a. The customer makes a written request with the Director of Finance and Administration or designee within thirty (30) days from assessment of the late payment charge;

b. The customer has incurred no late payment charges on their account in the twelve (12) consecutive months prior to the assessment of the late payment charge the customer wants waived;

c. The Director of Finance and Administration or designee has determined that good cause exists to waive the late payment charge.

2. No other charge, whether described as a finance charge, service charge, discount, or net/gross charge, may be applied to any account for failure to pay an outstanding bill by the statement due date. This section does not apply to reconnection charges, return check service charges, collection costs and fees, costs of court or attorney fees.

...

F. Collection Fee: If a payment is made after a collector or other City employee has been dispatched to disconnect the service of a customer, a collection fee of twenty dollars (\$20.00) shall be added to customer's account. If the City uses a collection agency to collect any unpaid balance, the customer shall pay a collection fee equal to the lesser of the City's actual cost for use of the collection agency in collecting the unpaid balance or forty percent (40%) of the customer's unpaid balance. In the event a lawsuit is brought to collect the unpaid balance, the customer shall pay all other costs of collection, court costs and reasonable attorney fees, in addition to the collection fee.

...

13.48.050: STORMWATER UTILITY FEE:

F. Starting twenty-five (25) days after request from the City to pay any unpaid balances, all unpaid balances will be charged at an interest rate of 18% per annum (1.5% per month) until paid in full.

G. If the City uses a collection agency to collect any unpaid balance owed to the City, the customer shall pay a collection fee equal to the lesser of the City's actual cost for use of the collection agency in collecting the unpaid balance or forty percent (40%) of the customer's unpaid balance. In the event a lawsuit is brought to collect the unpaid balance, the customer shall pay all other costs of collection, court costs and reasonable attorney fees, in addition to the collection fee.

H Policies: The Public Works Director may adopt policies to assist applying, administering, and interpreting this chapter or other provisions related to the stormwater utility.

I Appeals: Any person or entity that believes that this chapter, or any stormwater utility fee or impervious surface measurement, was interpreted or applied erroneously may appeal to the Public Works Director ("Director"). The appeal shall be in writing, shall state any facts supporting the appeal, and shall be made within ten (10) days of the decision, action, or bill being appealed. The Director may elect to hold a hearing on the appeal. The Director shall decide the appeal within ten (10) days of when the appeal is filed. Any person or entity aggrieved by the decision of the Director may appeal to the Mayor within ten (10) days of receiving the decision from the Director. The appeal to the Mayor shall follow the same procedure as the appeal to the Director. The Mayor's decision shall be final and binding on all parties.

...
Section 3. Effective date. This Ordinance shall take effect upon first publication.

PASSED, APPROVED AND ADOPTED by the Murray City Municipal Council on this _____ day of _____ 2025.

MURRAY CITY MUNICIPAL COUNCIL

Pam Cotter, Council Chair

ATTEST:

Brooke Smith, City Recorder

Transmitted to the Office of the Mayor of Murray City on this _____ day of _____ 2025.

MAYOR'S ACTION: Approved

DATED this _____ day of _____ 2025.

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 the _____ day of _____ 2025.

Brooke Smith, City Recorder



MURRAY
CITY COUNCIL

Discussion Item #7



MURRAY

Council Action Request

Department/Agency
Finance & Administration
Investment Policy Update

Committee of the Whole

Meeting Date: November 25, 2025

Department Director Brenda Moore	Purpose of Proposal Update the City investment policy to match the Utah Money Management Act
Phone # 801-264-2513	Action Requested Discussion on 11/25, consideration on 12/9
Presenters Mindy Stacy	Attachments Draft of resolution, revised investment policy, redline of invest
Required Time for Presentation 10 Minutes	Budget Impact None
Is This Time Sensitive No	Description of this Item The Utah Money Management act has been updated to allow investments in Certificates of Deposits (CD) along with other changes on how investment advisors and institutions are selected. We are updating the City Investment policy to mirror the state police. The attorney's office has also modernized the section numbering, and corrected minor grammatical and spacing errors.
Mayor's Approval	Both the final investment policy and the red-lined version are attached.
Date November 10, 2025	

RESOLUTION NO. R25-_____

A RESOLUTION ADOPTING AND APPROVING THE MURRAY CITY INVESTMENT POLICY

WHEREAS, the City Council has adopted the Murray City Investment Policy ("Investment Policy") that establishes parameters for the types of investments the City may utilize for all funds; and

WHEREAS, for purposes of good fiscal management and control it is prudent to review and update the Investment Policy from time to time; and

WHEREAS, the City Treasurer and Director of Finance and Administration have reviewed the Investment Policy and made minor substantive and formatting revisions and recommend the updated Investment Policy be adopted and approved in order to maintain compliance with the Utah Money Management Act; and

WHEREAS, the City Council, upon its review of the updated Investment Policy, wants to pass, approve, and adopt it.

NOW, THEREFORE, BE IT RESOLVED by the Murray City Municipal Council as follows:

1. It hereby approves the Investment Policy, attached hereto; and
2. The City Treasurer is authorized pursuant to Utah Code Subsection 10-6-141(2)(a) to manage cash investment practices in accordance with the Investment Policy's terms.

PASSED, APPROVED AND ADOPTED by the Murray City Municipal Council of Murray City, Utah, this day of 2025.

MURRAY CITY MUNICIPAL COUNCIL

Pam Cotter, Chair

ATTEST:

Brooke Smith, City Recorder

APPROVED by the Murray City Mayor, of Murray City, Utah, this day of
_____ 2025.

MURRAY CITY MAYOR

Brett A. Hales, Mayor

ATTEST:

Brooke Smith, City Recorder

FOR REFERENCE ONLY - NOT PART OF THIS ORDINANCE

10-6-141 City treasurer -- Duties generally.

- (1) The city treasurer is custodian of all money, bonds, or other securities of the city.
- (2) The city treasurer shall:
 - (a) determine the cash requirements of the city and **provide for the investment of all money by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act;**
 - (b) receive all public funds and money payable to the city, within three business days after collection, including all taxes, licenses, fines, and intergovernmental revenue;
 - (c) keep an accurate detailed account of all money received under Subsection (2)(b) in the manner provided in this chapter and as directed by the legislative body of the city by ordinance or resolution; and (d) collect all special taxes and assessments as provided by law and ordinance.

Amended by Chapter 285, 1992 General Session

MURRAY CITY INVESTMENT POLICY

1. POLICY

It shall be the policy of Murray City Corporation to invest in public funds in a manner which will provide for **Safety of Principal/Capital, Liquidity, and Rate of Return**, respectively. It shall also be the policy of the City that all invested funds shall be made in accordance with applicable State and local statutes, specifically the Money Management Act (referred to hereafter as “The Act”) which provisions are hereby incorporated as part of this policy. Effective cash flow management and resulting cash investment practices are recognized as essential to good fiscal management and control.

2. SCOPE

This investment policy shall apply to all financial assets of the City including all component units. These funds and component units are accounted for in the Murray City Comprehensive Annual Financial Report and currently includes:

General Fund	Murray Parkway Fund
Power Fund	Cemetery Perpetual Care
Water Fund	Senior 503 (c) Fund
Waste Water Fund	Storm Water Fund
Capital Improvement Fund	Central Garage Fund
Risk Fund	Redevelopment Agency Fund
Library Fund	Municipal Building Authority Fund
Solid Waste Fund	Telecommunications Fund

Any new funds created will also be subject to this investment policy, to State statute, and rulings of the State Money Management Council.

3. PRUDENCE

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the **“prudent person”** standard and shall be applied in the context of managing an

overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4. OBJECTIVE

The primary objectives, in priority order of Murray City Corporation's investment activities shall be:

A. Safety of Principal.

Safety of principal/capital is the foremost objective of the investment program. Investments of Murray City Corporation shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio. To attain this objective, **diversification** is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

B. Liquidity.

Murray City's investment portfolio will remain sufficiently liquid to enable the City to meet all operation requirements which might be reasonably anticipated. This policy will include a portion of the portfolio to be placed in money market mutual funds or the Utah State Treasurer's Pool which offer same-day liquidity for short term funds.

C. Yield (Return on Investment)

Murray City's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, considering the investment risk constraints and the cash flow characteristics of the portfolio.

5. DELEGATION OF AUTHORITY

Authority to manage the City's investment program is derived from Utah Annotated, 10-6-141 1953, as amended. The City Council and Mayor have assigned the responsibility for conducting investment transactions to the City Treasurer and/or the City Finance and Administration Director, who shall oversee management and establish procedures for the operation of the investment program. In the event of an emergency and the unavailability of the City Treasurer, the Finance and Administration Director is authorized to conduct the City's investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the general policies and procedures as adopted by the City.

6. ETHICS AND CONFLICTS OF INTEREST.

Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism worthy of the public trust. Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper executions of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall avoid any material financial interests in financial institutions that conduct business within this jurisdiction, and they shall further avoid any large personal financial/investment positions that could be related to the performance of Murray City's portfolio. It shall be the responsibility of employees and investment officials to report to the City Finance and Administration Director any conflicts of interest as stated in this section of the investment policy.

7. AUTHORIZED INVESTMENTS

Investments shall be limited to those listed in exhibit A in accordance with those authorized by 51-7-11 of the Act. The City Treasurer shall ensure that all purchases and sales of securities are settled within 15 days of the trade date. In addition, investments are further subject to the following parameters:

- A. Certificates of Deposits: Certificates of Deposits (CD) investment shall be made with institutions having offices within the State of Utah and will be made based on the highest interest rate available at the time the investment is made. Interest on Certificates of Deposit greater than \$250,000 is required to be computed over a 360-day/year basis. Since time deposits are not liquid, no more than 25% of the investment portfolio may be in this investment type.
- B. Negotiable Certificates of Deposit: as allowed under the Act.
- C. Diversification by Issuer: The City will diversify its investments by institution (issuer). Diversification of investments with a single institution must comply with applicable rules of the Act, specifically:
 - (1) No more than 20% of funds may be invested in any one permitted qualified out-of-state issuer of certificates of deposit institution (Rule 10,5).
 - (2) No more than 10% of the total portfolio with a single Commercial Paper or corporate Notes issuer if the portfolio is \$10,000,000 or less (Rule 17, 5).

- (3) No more than \$1,000,000 in a single Commercial Paper or Corporates Notes issuer if the portfolio is greater than \$10,000,000 but less than \$20,000,000 (Rule 17, 5).
- (4) No more than 5% of the total portfolio with a single Commercial Paper or Corporate Notes issuer if the portfolio is \$20,000,000 or more (Rule 17, 5).
- (5) May not exceed the maximum amount of funds allowed to be held by any qualified depository as reported quarterly by the State Council (Rule 11).
- (6) Further, for issuers which are not covered by rules or statute, the City will restrict its investments to no more than 20% with a single issuer with the exception of funds invested with the Utah State Treasurer's Pool (referred to hereafter as "The State Pool"), U.S. Treasury securities, or funds held in trust (i.e. construction, sinking, or reserve bond funds, etc.).

D. Diversification by Investment Type: The City will diversify its investments by investment type. It will be the policy to restrict investments to a maximum of 25% of the portfolio within a single investment type; i.e. no more than 25% in commercial paper, repos, etc. This restriction does not apply to the State Pool; U.S. Treasury Bonds, Notes and Bills; and U.S. Government Agency Obligations. All percentages are calculated as of the date of purchase.

E. Maximum Maturities: To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than three years from the date of purchase or in accordance with state and local statutes. U.S. Treasury Bonds, Notes and Bills; and U.S. Government Agency Obligations and Negotiable Certificates of Deposit under the insured limit, shall have a maximum maturity of five years.

F. Reserve funds and other funds with longer term investment horizons may be invested in securities exceeding two years if maturities of such investments are made to coincide as nearly as practicable with the funds expected use.

8. SAFEKEEPING AND CUSTODY

A. Authorized Dealers, Institutions, and Advisors.

- (1) Certified Dealers and Institutions. Murray City will make investments only with dealers and institutions which are certified each quarter by the State Money Management Council and any other applicable sections or rules as may be found

in the Act. Dealer Certification includes and is not limited to the following criteria as specified by Rule 16 of the Act:

- (a) Proof of status as a primary reporting dealer including recognition by the Federal Reserve Bank.
- (b) Maintain an office and resident principal in Utah if applicant is not a primary reporting dealer.
- (c) Proof of registration with the Utah Securities Division.
- (d) Certificate of Good Standing issued by the Utah Corporation Division of the Department of Commerce.
- (e) Financial statements prepared by a Certified Public Accountant.
- (f) Net Capital of at least five percent (5%) of aggregate debt balances
- (g) Total Capital of (i) at least \$10 million or (i) at least \$25 million if applicant is a wholly owned subsidiary.
- (h) Proof of registration under the Government Securities Act of 1986.
- (i) Copies of all agreement's applicant requires to be signed by public treasurers.
- (j) A notarized statement that the agent is familiar with the Money Management Act.

(2) Certified Investment Advisors. Certified Investment Advisors are firms that act as an agent and invest funds on behalf of the City in an advisory capacity. The City Treasurer may retain the services of outside managers to invest funds for the City. For certified investment advisors under the Utah Money Management Act, the following criteria will be used:

- (a) Be either a SEC Registered Investment Advisor under the Investment Advisors Act of 1940 or a Certified Bank Money Manager.
- (b) Maintain an office and resident principal in Utah.
- (c) A notarized statement that the advisor is familiar with the Money Management Act.

(3) Reviews Required.

- (a) The performance and service levels of money managers shall be reviewed at least annually.
- (b) A current copy of the State Money Management Act and Rules of the State Money Management Council shall be reviewed at least annually.
- (c) Review quarterly, a copy of the approved list of depository institutions that have been Qualified as depositories to receive public funds. Also included will be a listing of allowable Maximum Amount of Public Funds allowed per institution.
- (d) Review quarterly, a copy of the listing of Certified Dealers and their Agents who are certified to receive Public Funds.

(4) Competitive Bidding. The City will require competitive bidding for long-term investment management of advisory services. Competitive bidding for such services may be conducted every 10 years or sooner if the agreed upon services are not being fulfilled.

B. Internal Controls. The City Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the funds of the City are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the City Treasurer shall establish a process for independent review by such means as established by the general financial policies and procedures of the City and the City Finance and Administration Director. This review shall address the following points:

- (1) Control of collusion.
- (2) Separation of transaction authority from accounting and record keeping
- (3) Custodial safekeeping.
- (4) Avoidance of physical delivery of securities.
- (5) Written confirmation of transactions for investment and wire transfers.
- (6) Development of a wire transfer agreement with the lead bank and third-party custodian.

C. Delivery vs. Payment. All security transactions will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds. Securities will be held by a third-party custodian in a separate account in the name of the City and evidenced by safekeeping receipts issued to the City Treasurer. The third-party custodian must not be required to be pledged by the third-party custodian.

9. PERFORMANCE STANDARDS

The investment portfolio will be designed to obtain a market average rate of return during budgetary and economic cycles, considering the City's investment risk constraints and cash flow needs. In keeping with the State of Utah statutes and the City's investment strategy, funds will be placed for investment and not speculation, (i.e. technically referred to as a passive investment strategy). Given this strategy, the basis used by the City Treasurer to determine whether market yields are being achieved shall be the six-month U.S. Treasury Bill and for sweep accounts (overnight repo account) the average Fed Funds rate.

10. MAXIMUM MATURITIES

To the extent possible, Murray City will attempt to match investments with anticipated cash requirements. Unless matched to a specific cash flow, Murray City will not directly invest in securities maturing more than 15 months for fixed rate corporate bonds, three (3) years for variable rate corporate bonds, and 5 years for government agency, negotiable CDs under insurance limits, and treasury bonds from the date of purchase. However, the maximum maturity restrictions shall not apply to collateral used for qualified repurchase agreements in which the City may participate.

11. MASTER REPURCHASE AGREEMENT

After issuing an RFP to all qualified institutions for all banking services and awarding the selection of the institution receiving said bid, a **MASTER REPURCHASE AGREEMENT** will be signed by the City and said institution. The City Treasurer shall have on file a copy of this agreement prior to entering into any repurchase agreements with said firm. Any variances to this document shall be signed by all parties to the agreement. The Public Securities Association Master Repurchase Agreement shall govern all repurchase agreements entered by the City.

12. INVESTMENT POOLS/MUTUAL FUNDS

The City upon thorough investigation of the pool/fund, will require the following from the Utah Public Treasurers' Investment Fund prior to any investing with said pool:

- A. Monthly statement detailing all transactions on each investment account held by the City such as:
 - (1) Date and account number for each account.
 - (2) Reference date for each transaction.
 - (3) All deposits and withdrawals listed by date.
 - (4) Report period covered.
 - (5) Balance for each account.
 - (6) Account Summary: beginning balance, deposits in the period, withdrawals in the period, ending balance, gross earnings, fee (0%), net earnings, average daily balance, gross earnings rate, net earnings rate.

13. REPORTING

The City Treasurer shall provide such reports as may be required by law or ordinance, or as may be required by the Mayor, City Council, or City Finance and Administration Director. In addition, the City Treasurer shall provide such reports as may be reasonably required by departments, boards or commissions for which the City Treasurer is investing funds.

The City Treasurer will also report the status of investments on a semi-annual basis on or before January 31 and July 31 of each year as requested by the State Council as required by 51-7-15 of the Money Management Act.

14. INVESTMENT POLICY ADOPTION

Murray City's Investment Policy shall be adopted by resolution of the City Council and approved by the Mayor. The policy shall be reviewed on an annual basis. Any changes must be approved by the City Treasurer and the City Finance and Administration Director as well as the City Council and Mayor.

Exhibit A

AUTHORIZED INVESTMENTS

The following list contains investments authorized by the 51-7-11 of the Utah State Money Management Act. The Act should be referred to for additional information pertaining to each investment type.

<u>Investment Type</u>	Maximum Maturity	Credit Quality Requirements
U.S. Treasury		
Bills		None
Notes		None
Bonds		None
U.S. Government Agency		
Federal Farm Credit Banks (FFCB)		None
Federal Home Loan Banks (FHLB)		None
Federal National Mortgage Assn. (FNMA)		None
Federal Loan Marketing Assn. (FNMA)		None
Federal Home Loan Mortgage Corp. (FHLMC)		None
Federal Agriculture Mortgage Corp. (FAMC)		None
Tennessee Valley Authority		None
Money Market		
Bankers Acceptances	270 days or less	Fed Reserve eligible
Commercial Paper	270 days or less	A1/P1, 1 st Tier*
Neg. Certificates of Deposit	365 days or less	None
Variable Rate	Repriced quarterly or semi-annually 3 years or less	None
Non-qualifying Repurchase Agreements		None, requires collateral
Non-qualifying Reverse Repurchase Agreements		None, requires collateral

Corporations			Cannot exceed 5% of portfolio
Fixed Rate	15 months or less		A or higher, publicly traded*
Variable Rate (Cannot be mortgage-related products)	Repriced semi-annually 3 years or less		A or higher, publicly traded*
Municipal Obligations			All must be issued by the State or any of its municipalities
General Obligation			
Tax Anticipation			
Assessment Bonds			
Revenue Bonds			
Bank Deposits			
Collateralized Deposits	365 days or less	None	
Time Deposits		360 day/basis if over \$100,000	
Mutual Funds		SEC Rule 2a-7	
Money Market Funds		None	
Utah Public Treasurers' Investment Fund (Pool)		None	
Negotiable Brokered Certificates of Deposit			
Fixed, Callable, Step Up, Floating Rate	5 years or less	Price no more than par, purchased par value not to exceed 97% of FDIC limit	

***Investment must be rated by two national recognized statistical rating organizations, one of which must be Moody's Investor Service or Standard & Poor's.**

GLOSSARY

AGENCIES: Federal agency securities and/or Government-sponsored enterprises.

ASKED: The price at which securities are offered.

BANKERS' ACCEPTANCE (BA): A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

BROKER: A broker brings buyers and sellers together for a commission.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Large-denomination CDs are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): The official annual report for the government entity. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

CUSTODY: A banking service that provides safekeeping for the individual securities in a customer's investment portfolio under a written agreement which also calls for the bank to collect and pay out income, to buy, sell, receive and deliver securities when ordered to do so by the principal.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery

versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DERIVATIVES: (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest-bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, *e.g.*, U.S. Treasury Bills.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

DUE DILIGENCE: Such a measure of prudence, activity, assiduity, as is properly to be expected from, and ordinarily exercised by, a reasonable and prudent person under the particular circumstances; not measured by any absolute standard, but depending on the relative facts of the special case.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, *e.g.*, S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to \$100,000 per deposit.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL HOME LOAN BANKS (FHLB): Government sponsored wholesale banks (currently 12 regional banks) which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate

mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven-member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FmHA mortgages. The term "pass-throughs" is often used to describe Ginnie Maes.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE: The price upon which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

NEGOTIABLE BROKERED CERTIFICATE OF DEPOSIT: A certificate of deposit issued by a financial institution that is guaranteed by the applicable federal deposit insurance limit and that

can be sold in a secondary market but cannot be cashed in before maturity.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

PRUDENT PERSON RULE: An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

QUALIFIED PUBLIC DEPOSITORYIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

REPURCHASE AGREEMENT (RP OR REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security “buyer” in effect lends the “seller” money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money, that is, increasing bank reserves.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank’s vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEC RULE 15C3-1: See Uniform Net Capital Rule.

STRUCTURED NOTES: Notes issued by Government Sponsored Enterprises (FHLB, FNMA, SLMA, etc.) and Corporations which have imbedded options (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

TREASURY BILLS: A non-interest-bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BONDS: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

YIELD: The rate of annual income returns on an investment, expressed as a percentage. (a) INCOME YIELD is obtained by dividing the current dollar income by the current market price for the security. (b) NET YIELD or YIELD TO MATURITY is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

MURRAY CITY INVESTMENT POLICY

H1. POLICY

It shall be the policy of Murray City Corporation to invest in public funds in a manner which will provide for **Safety of Principal/Capital, Liquidity, and Rate of Return**, respectively. It shall also be the policy of the City that all invested funds shall be made in accordance with applicable State and local statutes, specifically the Money Management Act (referred to hereafter as "~~T~~the Act") which provisions are hereby incorporated as part of this policy. Effective cash flow management and resulting cash investment practices are recognized as essential to good fiscal management and control.

H2. SCOPE

This investment policy shall apply to all financial assets of the City including all component units. These funds and component units are accounted for in the Munay City Comprehensive Annual Financial Report and currently includes:

General Fund	Murray Parkway Fund
Power Fund	Cemetery Perpetual Care
Water Fund	Senior 503 (c) Fund
Waste Water Fund	Storm Water Fund
Capital Improvement Fund	Central Garage Fund
Risk Fund	Redevelopment Agency Fund
Library Fund	Municipal Building Authority Fund
Solid Waste Fund	Telecommunications Fund

Any new funds created will also be subject to this investment policy, to State statute, and rulings of the State Money Management Council.

H3. PRUDENCE

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the "**prudent person**" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an

individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

IV4. OBJECTIVE

The primary objectives, in priority order of Murray City Corporation's investment activities shall be:

1A. Safety of Principal.

Safety of principal/capital is the foremost objective of the investment program. Investments of Murray City Corporation shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio. To attain this objective, **diversification** is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

2B. Liquidity.

Murray City's investment portfolio will remain sufficiently liquid to enable the City to meet all operation requirements which might be reasonably anticipated. This policy will include a portion of the portfolio to be placed in money market mutual funds or the Utah State Treasurer's Pool which offer same-day liquidity for short term funds.

3C. Yield (Return on Investment)

Murray City's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, considering the investment risk constraints and the cash flow characteristics of the portfolio.

V5. DELEGATION OF AUTHORITY

Authority to manage the City's investment program is derived from Utah Annotated, 10-6-141 1953, as amended. The City Council and Mayor have assigned the responsibility for conducting investment transactions to the City Treasurer and/or the City Finance and Administration Director, who shall oversee management and establish procedures for the operation of the investment program. In the event of an emergency and the unavailability of the City Treasurer, the Finance and Administration Director is authorized to conduct the City's investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the general policies and procedures as adopted by the City.

VI6. ETHICS AND CONFLICTS OF INTEREST.

Investment officials shall recognize that the investment portfolio is subject to public review and evaluation.

The overall program shall be designed and managed with a degree of professionalism worthy of the public trust. Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper executions of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall avoid any material financial interests in financial institutions that conduct business within this jurisdiction, and they shall further avoid any large personal financial/investment positions that could be related to the performance of Murray City's portfolio. It shall be the responsibility of employees and investment officials to report to the City Finance and Administration Director any conflicts of interest as stated in this section of the investment policy.

VII. AUTHORIZED INVESTMENTS

Investments shall be limited to those listed in exhibit A in accordance with those authorized by 51-7-11 of the Act. The City Treasurer shall ensure that all purchases and sales of securities are settled within 15 days of the trade date. In addition, investments are further subject to the following parameters:

- 1A. Certificates of Deposits: Certificates of Deposits (CD) investment shall be made with institutions having offices within the State of Utah and will be made based on the highest interest rate available at the time the investment is made. Interest on Certificates of Deposit greater than \$250,000 is required to be computed over a 360- day/year basis. Since time deposits are not liquid, no more than 25% of the investment portfolio may be in this investment type.
- 2B. Negotiable Certificates of Deposits: as allowed under the Act.
- 3C. Diversification by Issuer: The City will diversify its investments by institution (issuer). Diversification of investments with a single institution must comply with applicable rules of the Act, specifically:
 - I.(1) No more than 20% of funds may be invested in any one permitted qualified out-of-state issuer of certificates of deposit institution (Rule 10, 5).
 - II.(2) No more than 10% of the total portfolio with a single Commercial Paper or corporate Notes issuer if the portfolio is \$10,000,000 or less (Rule 17, 5).
 - III.(3) No more than \$1,000,000 in a single Commercial Paper or Corporates Notes issuer if the portfolio is greater than \$10,000,000 but less than \$20,000,000 (Rule 17, 5).
 - IV.(4) No more than 5% of the total portfolio with a single Commercial Paper or Corporate Notes issuer if the portfolio is \$20,000,000 or more (Rule 17,

5).

V.(5) May not exceed the maximum amount of funds allowed to be held by any qualified depository as reported quarterly by the State Council (Rule II)

VI.(6) Further, for issuers which are not covered by rules or statute, the City will restrict its investments to no more than 20% with a single issuer with the exception of funds invested with the Utah State Treasurer's Pool (referred to hereafter as "The State Pool"), U.S. Treasury securities, or funds held in trust (i.e. construction, sinking, or reserve bond funds, etc.).

4.D. Diversification by Investment Type: The City will diversify its investments by investment type. It will be the policy to restrict investments to a maximum of 25% of the portfolio within a single investment type; i.e. no more than 25% in commercial paper, repos, etc. This restriction does not apply to the State Pool; U.S. Treasury Bonds, Notes and Bills; and U.S. Government Agency Obligations. All percentages are calculated as of the date of purchase.

5.E. Maximum Maturities: To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than three years from the date of purchase or in accordance with state and local statutes. U.S. Treasury Bonds, Notes and Bills; and U.S. Government Agency Obligations and negotiable Certificates of Deposit under the insured limit, shall have a maximum maturity of five years.

6.F. Reserve funds and other funds with longer term investment horizons may be invested in securities exceeding two years if maturities of such investments are made to coincide as nearly as practicable with the funds expected use.

VIII. SAFEKEEPING AND CUSTODY

1A. Authorized Dealers and Institutions.

CERTIFIED DEALERS

(1) Certified Dealers and Institutions: Murray City will make investments only with dealers and institutions which are certified each quarter by the State Money Management Council and any other applicable sections or rules as may be found in the Act. Dealer Certification includes and is not limited to the following criteria as specified by Rule 16 of the Act:

A. **(a)** Proof of status as a primary reporting dealer including _____

recognition by the Federal Reserve Bank.

B. (b) Maintain an office and resident principal in Utah if applicant _____ is not a primary reporting dealer.

C. (c) Proof of registration with the Utah Securities Division.

D. (d) Certificate of Good Standing issued by the Utah _____ Corporation Division of the Department of Commerce.

E. (e) Financial statements prepared by a Certified Public Accountant.

F. (f) Net Capital of at least five percent (5%) of aggregate debt balances

G. (g) Total Capital of (i) at least \$10 million or (ii) at least \$25 _____ million if applicant is a wholly owned subsidiary.

H. (h) Proof of registration under the Government Securities Act of 1986.

I. (i) Copies of all agreement's applicant requires to be signed by public _____ treasurers.

J. (j) A notarized statement that the agent is familiar with the Money _____ Management Act.

(2) **Certified Investment Advisors: For certified investment advisors under the Utah Money Management Act, the following criteria will be used:** Certified Investment Advisors are firms that act as an agent and invest funds on behalf of the City in an advisory capacity. The City Treasurer may retain the services of outside managers to invest funds for the City. **Qualified outside advisors must meet the following minimum criteria: For certified investment advisors under the Utah Money Management Act, the following criteria will be used:**

A. (a) Be either an SEC Registered Investment Advisor under the Investment _____ Advisors Act of 1940 or a Certified Bank Money Manager.

B. (b) Maintain an office and resident principal in Utah.

C. (c) A notarized statement that the advisor is familiar with the Money _____ Management Act.

3. (3) Reviews Required:

(a.) ~~All investment managers must direct all investment transactions through dealers certified by the State Money Management Council and selected by the City through the process outlined above.~~ The performance and service levels of money managers shall be reviewed at least annually.

(b.) A current copy, reviewed at least annually, of the State Money Management Act and Rules of the State Money Management Council.

(c.) Review quarterly, a copy of the approved list of depository institutions that have been Qualified as depositories to receive public funds. Also included will be a listing of allowable Maximum Amount of Public Funds allowed per institution.

(d.) Review quarterly, a copy of the listing of Certified Dealers and their Agents who are certified to receive Public Funds.

4. (4) Competitive Bidding: The City will require competitive bidding for long-term investment management of advisory services. Competitive bidding for such services may be conducted every 10 years or sooner if the agreed upon services are not being fulfilled.

2B. INTERNAL CONTROLS Internal Controls

The City Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the funds of the City are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the City Treasurer shall establish a process for independent review by such means as established by the general financial policies and procedures of the City and the City Finance and Administration Director. This review shall address the following points:

- A. (1) Control of collusion.
- B. (2) Separation of transaction authority from accounting and record keeping
- C. (3) Custodial safekeeping.
- D. (4) Avoidance of physical delivery of securities.
- E. (5) Written confirmation of transactions for investment and wire transfers.
- (6) Development of a wire transfer agreement with the lead bank and third-party custodian.

3C. DELIVERY vs. PAYMENT

_____ All security transactions will be executed by delivery vs. payment (DVP) to ensure that _____ securities are deposited in an eligible financial institution prior to the release of funds. _____

_____ Securities will be held by a third-party custodian in a separate account in the name of the _____ City and evidenced by safekeeping receipts issued to the City Treasurer. The third-party _____ custodian must not be required to be pledged by the third-party custodian.

IX9. PERFORMANCE STANDARDS

The investment portfolio will be designed to obtain a market average rate of return during budgetary and economic cycles, considering the City's investment risk constraints and cash flow needs. In keeping with the State of Utah statutes and the City's investment strategy, funds will be placed for investment and not speculation, (i.e. technically referred to as a passive investment strategy). Given this strategy, the basis used by the City Treasurer to determine whether market yields are being achieved shall be the six-month U.S. Treasury Bill and for sweep accounts (overnight repo account) the average Fed Funds rate.

X10. MAXIMUM MATURITIES

To the extent possible, Murray City will attempt to match investments with anticipated cash requirements. Unless matched to a specific cash flow, Murray City will not directly invest in securities maturing more than 15 months for fixed rate corporate bonds, three (3) years for variable rate corporate bonds, and 5 years for government agency, negotiable CDs under insurance limits and treasury bonds from the date of purchase. However, the maximum maturity restrictions shall not apply to collateral used for qualified repurchase agreements in which the City may participate.

X11. MASTER REPURCHASE AGREEMENT

After issuing an RFP to all qualified institutions for all banking services and awarding the selection of the institution receiving said bid, a **MASTER REPURCHASE AGREEMENT** will be signed by the City and said institution. The City Treasurer shall have on file a copy of this agreement prior to entering into any repurchase agreements with said firm. Any variances to this document shall be signed by all parties to the agreement. The Public Securities Association Master Repurchase Agreement shall govern all repurchase agreements entered by the City.

XH12. INVESTMENT POOLS/MUTUAL FUNDS

The City upon thorough investigation of the pool/fund, will require the following from the Utah Public Treasurers' Investment Fund prior to any investing with said pool:

- A. Monthly statement detailing all transactions on each investment account held by the City such as:

- (1-) Date and account number for each account.

- (2.) Reference date for each transaction
- (3.) All deposits and withdrawals listed by date.
- (4.) Report period covered
- (5.) Balance for each account
- (6.) Account Summary: beginning balance, deposits in the period, withdrawals in the period, ending balance, gross earnings, fee (0%), net earnings, average daily balance, gross earnings rate, net earnings rate.
 - 1. Beginning balance, deposits in the period, withdrawals in period, ending balance, gross earnings, fee (0%), net earnings, average daily balance, gross earnings rate, net earnings rate.

XIII13.REPORTING

The City Treasurer shall provide such reports as may be required by law or ordinance, or as may be required by the Mayor, City Council, or City Finance and Administration Director. In addition, the City Treasurer shall provide such reports as may be reasonably required by departments, boards or commissions for which the City Treasurer is investing funds.

The City Treasurer will also report the status of investments on a semi-annual basis on or before January 31 and July 31 of each year as requested by the State Council as required by 51-7-15 of the Money Management Act.

XIV14.INVESTMENT POLICY ADOPTION

Murray City's Investment Policy shall be adopted by resolution of the City Council and approved by the Mayor. The policy shall be reviewed on an annual basis. Any changes must be approved by the individual(s) charged with maintaining compliance with the policy the City Treasurer and the Finance and Administration Director as well as the City Council and Mayor.

Exhibit A

AUTHORIZED INVESTMENTS

The following list contains investments authorized by the 51-7-11 of the Utah State Money Management Act. The Act should be referred to for additional information pertaining to each investment type.

<u>Investment Type</u>	<u>Maximum Maturity</u>	<u>Credit Quality Requirements</u>
U.S. Treasury		
Bills		None
Notes		None
Bonds		None
U.S. Government Agency		
Federal Farm Credit Banks (FFCB)		None
Federal Home Loan Banks (FHLB)		None
Federal National Mortgage Assn. (FNMA)		None
Federal Loan Marketing Assn. (FNMA)		None
Federal Home Loan Mortgage Corp. (FHLMC)		None
Federal Agriculture Mortgage Corp. (FAMC)		None
Tennessee Valley Authority		None
Money Market		
Bankers Acceptances	270 days or less	Fed Reserve eligible
Commercial Paper	270 days or less	A1/P1, 1s ^t Tier*
Neg. Certificates of Deposit	365 days or less	None
Variable Rate	Repriced quarterly or semi-annually	
	3 years or less	Fixed Rate
Non-qualifying Repurchase Agreements		15 months or less
Non-qualifying Reverse Repurchase Agreements		
Corporations		

None

None, requires collateral None, requires collateral

Cannot exceed 5% of portfolio

A or higher, publicly traded*

Variable Rate (Cannot be mortgage-related products)	Repriced semi-annually 3 years or less	A or higher, publicly traded*
Municipal Obligations		
General Obligation		All must be issued by the State or any of its municipalities
Tax Anticipation		
Assessment Bonds		
Revenue Bonds		
Bank Deposits		
Collateralized Deposits	365 days or less	None
Time Deposits		360 day/basis if over \$100,000
Mutual Funds		SEC Rule 2a-7
Money Market Funds		None
Utah Public Treasurers' Investment Fund (Pool)		None
Negotiable Brokered Certificates of Deposit		
Fixed, Callable, Step Up, Floating Rate	5 years or less	Price no more than par, purchased par value not to exceed 97% of FDIC limit

***Investment must be rated by two national recognized statistical rating organizations, one of which must be Moody's Investor Service or Standard & Poor's.**

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AGENCIES: Federal agency securities and/or Government-sponsored enterprises.

ASKED: The price at which securities are offered.

BANKERS' ACCEPTANCE (BA): A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

BROKER: A broker brings buyers and sellers together for a commission.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public momes.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): The official annual report for the government entity. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

CUSTODY: A banking service that provides safekeeping for the individual securities in a customer's investment portfolio under a written agreement which also calls for the bank to collect and pay out income, to buy, sell, receive and deliver securities when ordered to do so by the principal.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DERIVATIVES: (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest-bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, *e.g.*, U.S. Treasury Bills.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

DUE DILIGENCE: Such a measure of prudence, activity, assiduity, as is properly to be expected from, and ordinarily exercised by, a reasonable and prudent person under the particular circumstances; not measured by any absolute standard, but depending on the relative facts of the special case.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, *e.g.*, S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to \$100,000 per deposit.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL HOME LOAN BANKS (FHLB): Government sponsored wholesale banks (currently 12 regional banks) which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA was chartered

under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the

corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven-member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FmHA mortgages. The term "pass-throughs" is often used to describe Ginnie Maes.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE: The price upon which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase-reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-b01Tower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

NEGOTIABLE BROKERED CERTIFICATE OF DEPOSIT: A certificate of deposit issued by a financial institution that is guaranteed by the applicable federal deposit insurance limit and that can be sold in a secondary market but cannot be cashed in before maturity.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

PRUDENT PERSON RULE: An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

QUALIFIED PUBLIC DEPOSITORYIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

REPURCHASE AGREEMENT (RP OR REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money, that is, increasing bank reserves.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEC RULE 15C3-1: See Uniform Net Capital Rule.

STRUCTURED NOTES: Notes issued by Government Sponsored Enterprises (FHLB, FNMA, SLMA, etc.) and Corporations which have imbedded options (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

TREASURY BILLS: A non-interest-bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BONDS: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

YIELD: The rate of annual income returns on an investment, expressed as a percentage. (a) INCOME YIELD is obtained by dividing the current dollar income by the current market price for the security. (b) NET YIELD or YIELD TO MATURITY is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.



MURRAY
CITY COUNCIL

Adjournment