



NORTH OGDEN CITY

— **SETTLED 1851** —

Financial Statements

With Auditor's Report

June 30, 2021

NORTH OGDEN CITY

BASIC FINANCIAL STATEMENTS

For The Year Ended June 30, 2021

Together with Independent Auditor's Report

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GILBERT & STEWART

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL CORPORATION
ESTABLISHED 1974

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of City Council
North Ogden, Utah

Report on the Basic Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of North Ogden City, Utah (the City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the North Ogden City, as of June 30, 2021 and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General Fund and the Major Special Revenue Funds, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the required supplementary information regarding pensions, as noted in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. Supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The budgetary comparison, as listed as supplemental information in the table of contents is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, budgetary comparison is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Gilbert & Stewart

GILBERT & STEWART, CPA, PC
Provo, Utah
December 11, 2021

**NORTH OGDEN CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For The Year Ended June 30, 2021**

MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis of North Ogden City's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2021. This report is in conjunction with the City's financial statements.

The purpose of the City is to provide general services to its residents which includes general government, public safety, public health, highways and public improvements, and parks and recreation.

Financial Highlights

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows as of the close of the most recent year. Of this amount, the unrestricted net position in the governmental funds and in the business-type funds may be used to meet the governments ongoing obligations to citizens and creditors.

Total Assets and Deferred Outflows	\$ 116,578,037
Total Liabilities and Deferred Inflows	\$ 9,374,017
Net Position	\$ 107,204,020

Governmental Activities Unrestricted Net Position	\$ 8,308,667
Business-type Activities Unrestricted Net Position	\$ 6,881,763

- The government's total net position changed as indicated below.

Increase (Decrease) in Total Net Position	\$ 15,824,737
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- At the close of the current year, the governmental funds reported ending fund balances as noted below. The Unassigned Fund Balance is available for spending at the city's discretion.

Governmental Funds		Percentage
Nonspendable	\$ 62,920	0.47%
Restricted Fund Balance	3,816,152	28.80%
Assigned Fund Balance	7,459,553	56.29%
Unassigned Fund Balance	1,913,290	14.44%
Total Governmental Funds, Fund Balance	<u>\$ 13,251,915</u>	

- At the end of the current year, unassigned fund balance for the General Fund was as follows:

General Fund Unassigned Fund Balance	\$ 1,913,290
(As a percent of total General Fund Expenditures)	26.78%

- The City's total debt changed as indicated below. The large decrease was due to the city retiring the debt related to the Aquatic Center

Increase (Decrease) in total debt	\$ (1,312,709)
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Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

NORTH OGDEN CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2021

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private sector business.

The Statement of Net Position presents information on all of the City's assets, deferred outflows, liabilities, deferred inflows and net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the City include general government, public safety, streets and road, parks and recreation, and economic development. In addition, the internal service funds are included in the governmental activities. The business-type activities of City are the water, sewer, storm water, and solid waste.

Refer to the table of contents for the location of the government-wide financial statements.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statement, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balance of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains four governmental funds: 1) General Fund, which is always a major fund; 2) RDA/CDA Special Revenue Fund ; 3) Aquatic Center Special Revenue Fund; 4) Capital Projects Fund.

The City adopts an annual appropriated budget for all its governmental funds. A budgetary comparison statement has been provided to demonstrate legal compliance with the adopted budget for the General Fund and major Special Revenue Funds.

Refer to the table of contents for the location of the basic governmental fund financial statements.

NORTH OGDEN CITY
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2021

Proprietary Funds

The City maintains four proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses Enterprise funds to account for its 1) water operations; 2) sewer operations; 3) storm water operations and 4) the solid waste operations. In addition, the City reports the internal service motor pool funds as Proprietary Funds. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. All of these funds are considered major funds of the City.

Refer to the table of contents for the location of the basic proprietary fund financial statements.

Notes To The Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes are part of the basic financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities at the close of the most recent fiscal year as indicated below.

Total Assets and Deferred Outflows	\$ 116,578,037
Total Liabilities and Deferred Inflows	\$ 9,374,017
Net Position	\$ 107,204,020

By far the largest portion of the City’s net position reflects its investment in capital assets (e.g. land, buildings, machinery, equipment and infrastructure), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**NORTH OGDEN CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2021**

North Ogden City's Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 17,784,749	\$ 12,722,619	\$ 11,041,057	\$ 9,416,587	\$ 28,825,806	\$ 22,139,206
Capital assets	43,207,338	37,912,930	43,747,959	39,338,345	86,955,297	77,251,275
Total assets	<u>\$ 60,992,087</u>	<u>\$ 50,635,549</u>	<u>\$ 54,789,016</u>	<u>\$ 48,754,932</u>	<u>\$ 115,781,103</u>	<u>\$ 99,390,481</u>
Deferred outflows of resources	\$ 686,645	\$ 633,567	\$ 110,289	\$ 121,942	\$ 796,934	\$ 755,509
Long-term liabilities	\$ 774,834	\$ 2,327,102	\$ 56,390	\$ 812,645	\$ 831,224	\$ 3,139,747
Other liabilities	2,536,557	1,739,128	1,463,523	111,338	4,000,080	1,850,466
Total liabilities	<u>\$ 3,311,391</u>	<u>\$ 4,066,230</u>	<u>\$ 1,519,913</u>	<u>\$ 923,983</u>	<u>\$ 4,831,304</u>	<u>\$ 4,990,213</u>
Deferred inflows of resources	\$ 3,112,823	\$ 2,180,553	\$ 1,429,890	\$ 1,595,941	\$ 4,542,713	\$ 3,776,494
Net investment in capital assets	\$ 43,129,699	\$ 36,522,582	\$ 42,507,429	\$ 37,842,768	\$ 85,637,128	\$ 74,365,350
Restricted	3,816,152	4,293,994	2,560,310	1,889,209	6,376,462	6,183,203
Unrestricted	8,308,667	4,205,757	6,881,763	6,624,973	15,190,430	10,830,730
Total net position	<u>\$ 55,254,518</u>	<u>\$ 45,022,333</u>	<u>\$ 51,949,502</u>	<u>\$ 46,356,950</u>	<u>\$ 107,204,020</u>	<u>\$ 91,379,283</u>

NORTH OGDEN CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2021

Governmental Activities

Governmental activities changed the City's net position as noted below.

Prior year Governmental Activities Net Position	\$ 45,022,333
Current year Governmental Activities Net Position	\$ 55,254,518

Key Elements of this change are as follows:

North Ogden City's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program Revenues:						
Charges for services	\$ 2,110,926	\$ 1,508,120	\$ 7,078,488	\$ 6,664,522	\$ 9,189,414	\$ 8,172,642
Operating grants and contributions	2,463,569	1,524,610	-	-	2,463,569	1,524,610
Capital grants and contributions	10,330,754	3,047,772	4,868,926	2,309,350	15,199,680	5,357,122
General Revenues:						
Property taxes	2,654,227	2,129,777	-	-	2,654,227	2,129,777
Sales taxes	4,161,967	3,487,685	-	-	4,161,967	3,487,685
Other taxes	1,062,157	1,027,007	-	-	1,062,157	1,027,007
Other	68,823	250,652	46,846	337,328	115,669	587,980
Total revenues	<u>22,852,423</u>	<u>12,975,623</u>	<u>11,994,260</u>	<u>9,311,200</u>	<u>34,846,683</u>	<u>22,286,823</u>
Expenses:						
General government	2,165,534	1,357,746	-	-	2,165,534	1,357,746
Public safety	3,412,969	3,625,566	-	-	3,412,969	3,625,566
Streets and roads	5,166,324	1,717,806	-	-	5,166,324	1,717,806
Parks and recreation	1,834,654	2,043,838	-	-	1,834,654	2,043,838
Economic development	15,145	16,624	-	-	15,145	16,624
Interest on long-term debt	25,612	34,496	-	-	25,612	34,496
Water	-	-	2,038,903	2,398,954	2,038,903	2,398,954
Sewer	-	-	2,027,856	2,037,634	2,027,856	2,037,634
Storm water	-	-	971,214	950,661	971,214	950,661
Solid waste	-	-	1,363,735	1,256,339	1,363,735	1,256,339
Total expenses	<u>12,620,238</u>	<u>8,796,076</u>	<u>6,401,708</u>	<u>6,643,588</u>	<u>19,021,946</u>	<u>15,439,664</u>
Increase (decrease) in net position before transfers	10,232,185	4,179,547	5,592,552	2,667,612	15,824,737	6,847,159
Transfers	-	6,750	-	-	-	6,750
Increase (decrease) in net position	10,232,185	4,186,297	5,592,552	2,667,612	15,824,737	6,853,909
Net position - beginning, as restated	45,022,333	40,836,036	46,356,950	43,689,338	91,379,283	84,525,374
Net position - ending	<u>\$ 55,254,518</u>	<u>\$ 45,022,333</u>	<u>\$ 51,949,502</u>	<u>\$ 46,356,950</u>	<u>\$ 107,204,020</u>	<u>\$ 91,379,283</u>

**NORTH OGDEN CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2021**

For the most part, increases in expenses closely paralleled inflation and growth in the demand for services except for the expenses related to road improvements and the CARE Act federal grant.

Business-type Activities

Business-type activities changed the City's net position as noted below.

Prior year Business-type Activities Net Position	\$ 46,356,950
Current year Business-type Activities Net Position	\$ 51,949,502

Key elements of the changes are shown on the previous page.

Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

At the end of the year, the City's governmental funds reported the following information. Unassigned fund balance is available for spending at the City's discretion. The Restricted and Nonspendable Fund Balances are not available for new spending because they have already been restricted or spent as noted below. The Assigned Fund Balance have been assigned as noted below.

Governmental Funds, Fund Balances		Percentage
Nonspendable	\$ 62,920	0.47%
Restricted Fund Balance	3,816,152	28.80%
Assigned Fund Balance	7,459,553	56.29%
Unassigned Fund Balance	<u>1,913,290</u>	14.44%
Total Governmental Funds, Fund Balance	<u>\$ 13,251,915</u>	
Prior years Total Governmental Funds, Fund Balance	\$ 9,940,750	
		Percent Change
Increase (Decrease) in Total Gov Funds, Fund Balance	\$ 3,311,165	33.31%
Nonspendable		
Prepaid Expenses	\$ 62,920	
Restricted Fund Balances		
Impact Fees	955,852	
Road improvements	2,860,300	
Assigned Fund Balances		
RDA/CDA	\$ 1,151,280	
Aquatic Center	176,208	
Capital projects	6,132,065	

**NORTH OGDEN CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2021**

The General Fund is the chief operating fund. At the end of the current year, Fund Balances are indicated below. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. The in-relation percentages below are the percentage of fund balance compared to the total of the General Fund expenditures.

General Fund, Fund Balances		
Nonspendable	\$ 62,920	0.88%
Restricted Fund Balance	460,365	6.44%
Assigned Fund Balance	-	0.00%
Unassigned Fund Balance	<u>1,913,290</u>	26.78%
Total General Fund, Fund Balance	<u>\$ 2,436,575</u>	34.10%

Proprietary Funds

Proprietary funds provide the same type of information found in the government-wide financial statements but in more detail.

Unrestricted net position of the proprietary funds at the end of the year was shown below. Other factors concerning the finances of these funds has already been addressed in the discussion of business-type activities.

Proprietary Funds, Unrestricted Net Position	\$ 7,122,076
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General Fund Budgetary Highlights

Differences between the original budget and the final amended budget related to expenditures are noted below:

Increase in Non-department expenditures due to spending the federal CARES Act grant	\$ 1,303,340
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A comparison of final budgeted revenues and expenditures to the actual amounts received and spent is below:

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Total Revenues	\$ 9,437,318	\$ 10,256,146	\$ 818,828
Total Expenditures	<u>8,938,657</u>	<u>7,144,574</u>	<u>1,794,083</u>
Net Increase (Decrease)	<u>\$ 498,661</u>	<u>\$ 3,111,572</u>	<u>\$ 2,612,911</u>

Capital Asset and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental activities as of June 30, 2021, was as shown below. This investment in capital assets includes land, buildings, improvements other than buildings, equipment and infrastructure, which includes roads, highways and sidewalks. The total net increase in governmental activities' investment in capital assets for the current year is indicated below. Major capital assets events during the current year included the following:

- Completion of park improvements
- Improvements to the 400/450 east road project.
- Contribution of assets (infrastructure) from completed developments

The City's investment in capital assets for its business-type activities as of June 30, 2021, is as shown below.

**NORTH OGDEN CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2021**

This investment includes water shares, buildings, and improvements other than buildings, such as water and sewer systems.

**North Ogden City's Capital Assets
(net of depreciation)**

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Capital assets not being depreciated						
Construction in process	\$ 4,778,872	\$ 958,904	\$ 3,067,432	\$ 1,196,802	\$ 7,846,304	\$ 2,155,706
Land and water stock	8,499,634	8,389,634	241,008	241,008	8,740,642	8,630,642
Capital assets being depreciated						
Buildings	16,902,138	16,756,291	418,425	418,425	17,320,563	17,174,716
Infrastructure	16,185,049	13,955,290	58,165,122	54,316,456	74,350,171	68,271,746
Park improvements	3,677,946	3,677,946	-	-	3,677,946	3,677,946
Machinery and equipment	5,928,000	5,985,281	5,026,137	4,967,902	10,954,137	10,953,183
Total	55,971,639	49,723,346	66,918,124	61,140,593	122,889,763	110,863,939
Less accumulated depreciation	(12,764,301)	(11,810,414)	(23,170,165)	(21,802,249)	(35,934,466)	(33,612,663)
Total capital assets	\$ 43,207,338	\$ 37,912,932	\$ 43,747,959	\$ 39,338,344	\$ 86,955,297	\$ 77,251,276

Long-Term Debt

At the end of the current year, the City had total long-term debt outstanding of as noted below.

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenue bonds	\$ -	\$ 1,275,000	\$ -	\$ -	\$ -	\$ 1,275,000
Capital lease	77,639	115,348	-	-	77,639	115,348
Pension liability	561,516	1,425,702	26,681	187,786	588,197	1,613,488
Compensated absences	424,675	348,780	74,273	111,338	498,948	460,118
Total	\$ 1,063,830	\$ 3,164,830	\$ 100,954	\$ 299,124	\$ 1,164,784	\$ 3,463,954

Additional information on the City's long-term debt can be found in the notes of the financial statements.

Economic Factors

The city continues to approach budgeting revenues and expenditures conservatively and considers regional and national economic forecasts as a component in the budgeting process, along with long-term capital plans. During fiscal year 2021, sales tax revenues remained strong during the continuing COVID-19 pandemic with an increase of 19% over last year. Building permit revenue increased 97% compared to last year and the city is expecting moderate growth for fiscal year 2022. On August 4, 2020, the city held a truth-in-taxation hearing and Council approved a property tax revenue increase of 17.73%. The city had not increased property rates in over 17 years. Other rates and fees remained constant for fiscal year 2021.

Request for Information

This financial report is designed to provide a general overview of City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the North Ogden City Finance Director, 505 East 2600 North, North Ogden Utah 84414.

BASIC FINANCIAL STATEMENTS

NORTH OGDEN CITY
STATEMENT OF NET POSITION
June 30, 2021

	Governmental Activities	Business-Type Activities	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:			
Current assets:			
Cash and cash equivalents	\$ 8,052,591	\$ 7,525,809	\$ 15,578,400
Accounts receivable, net	2,105,756	621,787	2,727,543
Intergovernmental receivables	3,420,071	51,904	3,471,975
Inventory	46,222	197,639	243,861
Prepaid expenses	62,920	3,601	66,521
Total current assets	<u>13,687,560</u>	<u>8,400,740</u>	<u>22,088,300</u>
Non-current assets:			
Restricted cash and cash equivalents	3,557,492	2,880,630	6,438,122
Restricted receivables	299,384	-	299,384
Internal Balances	240,313	(240,313)	-
Capital assets:			
Not being depreciated	13,278,506	3,308,440	16,586,946
Net of accumulated depreciation	<u>29,928,832</u>	<u>40,439,519</u>	<u>70,368,351</u>
Total non-current assets	<u>47,304,527</u>	<u>46,388,276</u>	<u>93,692,803</u>
Total assets	<u>60,992,087</u>	<u>54,789,016</u>	<u>115,781,103</u>
Deferred outflows of resources - pensions	<u>686,645</u>	<u>110,289</u>	<u>796,934</u>
Total assets and deferred outflows of resources	<u>\$61,678,732</u>	<u>\$54,899,305</u>	<u>\$ 116,578,037</u>

The accompanying notes are an integral part of the financial statements.

NORTH OGDEN CITY
STATEMENT OF NET POSITION (Continued)
June 30, 2021

	Governmental Activities	Business-Type Activities	Total
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:			
Current liabilities:			
Accounts payable	\$ 1,504,792	\$ 1,340,918	\$ 2,845,710
Accrued liabilities	46,835	70,491	117,326
Accrued interest payable	1,009	-	1,009
Unearned rental income	38,484	-	38,484
Performance bonds and deposits	656,441	7,550	663,991
Compensated absences, current portion	250,551	44,564	295,115
Capital Lease, current portion	38,445	-	38,445
Total current liabilities	<u>2,536,557</u>	<u>1,463,523</u>	<u>4,000,080</u>
Non-current liabilities:			
Compensated absences, non-current portion	174,124	29,709	203,833
Capital Lease, non-current portion	39,194	-	39,194
Net pension liability	561,516	26,681	588,197
Total non-current liabilities	<u>774,834</u>	<u>56,390</u>	<u>831,224</u>
Total liabilities	<u>3,311,391</u>	<u>1,519,913</u>	<u>4,831,304</u>
Deferred inflows:			
Deferred inflows of resources - property taxes	1,891,185	-	1,891,185
Deferred inflows of resources - pensions	1,221,638	189,360	1,410,998
Deferred inflows of resources - system agreements	-	1,240,530	1,240,530
Total deferred inflows of resources	<u>3,112,823</u>	<u>1,429,890</u>	<u>4,542,713</u>
Total liabilities and deferred inflows of resources	<u>6,424,214</u>	<u>2,949,803</u>	<u>9,374,017</u>
NET POSITION:			
Net investment in capital assets	43,129,699	42,507,429	85,637,128
Restricted for:			
Impact fees	955,852	2,560,310	3,516,162
Road improvements	2,860,300	-	2,860,300
Unrestricted	8,308,667	6,881,763	15,190,430
Total net position	<u>55,254,518</u>	<u>51,949,502</u>	<u>107,204,020</u>
Total Liabilities, deferred inflows of resources, and net position	<u>\$61,678,732</u>	<u>\$54,899,305</u>	<u>\$ 116,578,037</u>

The accompanying notes are an integral part of the financial statements.

NORTH OGDEN CITY
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2021

	Program Revenues			Net (Expense) Revenue & Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<u>FUNCTIONS/PROGRAMS:</u>							
Primary government:							
Governmental activities:							
General government	\$ 2,165,534	\$ 203,521	\$ -	\$ -	\$ (1,962,013)	\$ -	\$ (1,962,013)
Public safety	3,412,969	1,148,725	1,563,321	-	(700,923)	-	(700,923)
Streets and roads	5,166,324	146,300	897,748	9,512,273	5,389,997	-	5,389,997
Parks and recreation	1,834,654	612,380	2,500	818,481	(401,293)	-	(401,293)
Economic development	15,145	-	-	-	(15,145)	-	(15,145)
Interest on long-term debt	25,612	-	-	-	(25,612)	-	(25,612)
Total governmental activities:	<u>12,620,238</u>	<u>2,110,926</u>	<u>2,463,569</u>	<u>10,330,754</u>	<u>2,285,011</u>	<u>-</u>	<u>2,285,011</u>
Business-type activities:							
Water	2,038,903	2,442,841	-	2,055,100	-	2,459,038	2,459,038
Sewer	2,027,856	2,272,148	-	963,315	-	1,207,607	1,207,607
Storm water	971,214	1,124,971	-	1,850,511	-	2,004,268	2,004,268
Solid waste	1,363,735	1,238,528	-	-	-	(125,207)	(125,207)
Total business-type activities	<u>6,401,708</u>	<u>7,078,488</u>	<u>-</u>	<u>4,868,926</u>	<u>-</u>	<u>5,545,706</u>	<u>5,545,706</u>
Total primary government	<u>\$19,021,946</u>	<u>\$ 9,189,414</u>	<u>\$ 2,463,569</u>	<u>\$15,199,680</u>	<u>2,285,011</u>	<u>5,545,706</u>	<u>7,830,717</u>
General Revenues:							
Property taxes					2,654,227	-	2,654,227
Sales tax					4,161,967	-	4,161,967
Other taxes					1,062,157	-	1,062,157
Unrestricted investment earnings					47,162	39,436	86,598
Gain on sales of capital assets					-	7,410	7,410
Miscellaneous					21,661	-	21,661
Total general revenues					<u>7,947,174</u>	<u>46,846</u>	<u>7,994,020</u>
Transfers in (out)					-	-	-
Change in net position					10,232,185	5,592,552	15,824,737
Net position - beginning					44,983,939	46,275,848	91,259,787
Prior period adjustment					38,394	81,102	119,496
Net position - ending					<u>\$55,254,518</u>	<u>\$51,949,502</u>	<u>\$ 107,204,020</u>

The accompanying notes are an integral part of the financial statements.

**NORTH OGDEN CITY
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2021**

	General Fund	RDA/CDA Funds	Aquatic Center	Capital Projects Fund	Total Governmental Funds
ASSETS:					
Cash and cash equivalents	\$ 2,003,242	\$ 1,148,055	\$ 144,935	\$ 4,611,809	\$ 7,908,041
Receivables:					
Property taxes	1,795,970	106,758	-	-	1,902,728
Due from other governments	918,646	-	-	2,595,206	3,513,852
Other receivables	-	-	109,247	-	109,247
Prepaid expenses	62,920	-	-	-	62,920
Restricted assets					
Restricted cash and cash equivalents	279,869	-	-	3,277,623	3,557,492
Restricted receivables	205,603	-	-	93,781	299,384
TOTAL ASSETS	<u>\$ 5,266,250</u>	<u>\$ 1,254,813</u>	<u>\$ 254,182</u>	<u>\$ 10,578,419</u>	<u>\$ 17,353,664</u>
LIABILITIES:					
Accounts payable	\$ 362,844	\$ 8,318	\$ 69,491	\$ 1,034,872	\$ 1,475,525
Accrued liabilities	-	-	-	40,114	40,114
Customer/Developer deposits	643,260	-	-	13,181	656,441
Unearned revenue	27,601	-	8,483	2,400	38,484
TOTAL LIABILITIES	<u>1,033,705</u>	<u>8,318</u>	<u>77,974</u>	<u>1,090,567</u>	<u>2,210,564</u>
DEFERRED INFLOWS OF RESOURCES:					
Deferred inflows of resources - property tax	1,795,970	95,215	-	-	1,891,185
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>1,795,970</u>	<u>95,215</u>	<u>-</u>	<u>-</u>	<u>1,891,185</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>2,829,675</u>	<u>103,533</u>	<u>77,974</u>	<u>1,090,567</u>	<u>4,101,749</u>
FUND BALANCES:					
Nonspendable:					
Prepaid assets	62,920	-	-	-	62,920
Restricted for:					
Road improvements	460,365	-	-	2,399,935	2,860,300
Impact fees	-	-	-	955,852	955,852
Assigned for:					
RDA/CDA	-	1,151,280	-	-	1,151,280
Aquatic Center	-	-	176,208	-	176,208
Capital projects	-	-	-	6,132,065	6,132,065
Unassigned	1,913,290	-	-	-	1,913,290
TOTAL FUND BALANCES	<u>2,436,575</u>	<u>1,151,280</u>	<u>176,208</u>	<u>9,487,852</u>	<u>13,251,915</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 5,266,250</u>	<u>\$ 1,254,813</u>	<u>\$ 254,182</u>	<u>\$ 10,578,419</u>	<u>\$ 17,353,664</u>

The accompanying notes are an integral part of the financial statements.

NORTH OGDEN CITY
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2021

Total Fund Balance for Governmental Funds	\$13,251,915
<p>Total net assets reported for governmental activities in the statement is different because:</p>	
<p>Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds:</p>	
Capital assets, at cost	51,573,690
Less accumulated depreciation	(10,311,763)
Deferred outflows of resources - pensions, a consumption of net position that applies to future periods, is not shown in the funds statements.	659,788
Deferred inflows of resources - pensions, acquisition of net position that applies to future periods, is not reported in the fund statements.	(1,175,526)
<p>Long-term liabilities, for funds other than enterprise funds, are recorded in the government-wide statements but not in the fund statements.</p>	
Compensated absences	(417,585)
Net pension liability	(555,019)
<p>Internal service funds are used by management to charge the cost of vehicle replacement to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities of the statement of net position.</p>	
Internal service fund	2,229,018
Total Net Position of Governmental Activities	\$55,254,518

The accompanying notes are an integral part of the financial statements.

NORTH OGDEN CITY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
For the Year Ended June 30, 2021

	General Fund	RDA/CDA Funds	Aquatic Center	Capital Projects Funds	Total Governmental Funds
REVENUES:					
Taxes	\$ 6,666,395	\$ 95,220	\$ -	\$ 328,060	\$ 7,089,675
Licenses and permits	811,862	-	-	-	811,862
Intergovernmental revenues	2,165,225	788,676	-	2,693,862	5,647,763
Charges for services	427,787	-	587,965	134,223	1,149,975
Fines and forfeitures	144,339	-	-	-	144,339
Other	5,360	-	-	-	5,360
Impact fees	-	-	-	1,633,801	1,633,801
Interest	17,882	8,645	-	20,228	46,755
Miscellaneous revenue	14,459	1,075	215	10	15,759
Total revenues	10,253,309	893,616	588,180	4,810,184	16,545,289
EXPENDITURES:					
Current:					
General government	2,009,141	-	-	198,873	2,208,014
Public safety	3,279,255	-	-	-	3,279,255
Streets and roads	728,186	-	-	64,580	792,766
Parks and recreation	1,127,992	-	493,215	8,203	1,629,410
Economic development	-	15,145	-	-	15,145
Debt service:					
Principal	-	-	1,275,000	-	1,275,000
Interest	-	-	29,237	-	29,237
Capital Outlay					
General government	-	-	-	22,676	22,676
Streets and roads	-	-	-	3,958,229	3,958,229
Parks and recreation	-	-	-	27,230	27,230
Total expenditures	7,144,574	15,145	1,797,452	4,279,791	13,236,962
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,108,735	878,471	(1,209,272)	530,393	3,308,327
Other Financing Sources and (Uses):					
Contributions	2,837	-	-	-	2,837
Transfers in	73,845	-	1,377,615	4,410,104	5,861,564
Transfers (out)	(3,039,072)	(1,366,262)	-	(1,456,230)	(5,861,564)
Total other financing sources and (uses)	(2,962,390)	(1,366,262)	1,377,615	2,953,874	2,837
Net Change in Fund Balances	146,345	(487,791)	168,343	3,484,267	3,311,164
Fund balance - beginning of year	2,290,230	1,639,071	7,865	6,003,585	9,940,751
Fund balance - end of year	\$ 2,436,575	\$ 1,151,280	\$ 176,208	\$ 9,487,852	\$ 13,251,915

The accompanying notes are an integral part of the financial statements.

NORTH OGDEN CITY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2021

Net Change in Fund Balances - Total Governmental Funds **\$ 3,311,164**

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with a material cost are capitalized and the cost is allocated over their estimated useful and reported as depreciation expense.

Capital outlays purchased	3,983,951
Capital contributed	2,339,759
Depreciation expense	(844,184)

The Statement of Activities show pension benefits and pension expenses from the adoption of GASB 68 that are not shown in the fund statements.	299,802
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Payment of debt principal and accrued interest are expenditures in the governmental funds, governmental funds, but reduce the long-term liabilities in the statement of net position

Long-term debt principal repayments	1,275,000
Accrued interest	4,903

Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds.

Change in compensated absence liability	(76,316)
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An internal service fund is used by management to charge the cost of fleet management to individual funds. The net expense of the internal service is reported within the governmental activities.

Change in internal service fund - including prior period adjustment	(61,894)
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Change in Net Position of Governmental Activities **\$10,232,185**

The accompanying notes are an integral part of the financial statements.

NORTH OGDEN CITY
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
June 30, 2021

	Water Fund	Sewer Fund	Storm Water Fund	Solid Waste Fund	Total Enterprise Funds	Governmental Internal Service Fund
ASSETS:						
Current assets:						
Cash and cash equivalents	\$ 4,029,647	\$ 1,292,609	\$ 1,779,479	\$ 424,074	\$ 7,525,809	\$ 144,550
Accounts receivable, net	225,393	186,353	116,228	93,522	621,496	-
Grant receivables	-	-	51,904	-	51,904	-
Other amounts receivables	-	-	291	-	291	-
Inventories	197,639	-	-	-	197,639	46,222
Prepaid items	3,601	-	-	-	3,601	-
Total current assets	4,456,280	1,478,962	1,947,902	517,596	8,400,740	190,772
Non-current assets:						
Restricted cash and cash equivalents	-	945,727	1,934,903	-	2,880,630	-
Capital assets:						
Land, rights, and water stock	142,025	-	98,983	-	241,008	-
Buildings and structures	345,949	-	-	72,476	418,425	337,565
Systems	30,783,849	12,398,255	14,983,018	-	58,165,122	-
Vehicles and equipment	1,950,349	613,968	1,236,120	1,225,700	5,026,137	4,060,384
Construction in progress	1,510,580	689,439	867,413	-	3,067,432	-
Less accumulated depreciation	(12,839,457)	(4,064,646)	(5,163,347)	(1,102,715)	(23,170,165)	(2,452,538)
Total non-current assets	21,893,295	10,582,743	13,957,090	195,461	46,628,589	1,945,411
Total assets	26,349,575	12,061,705	15,904,992	713,057	55,029,329	2,136,183
DEFERRED OUTFLOWS OF RESOURCES:						
Deferred outflows of resources - pensions	57,175	18,412	20,766	13,936	110,289	26,857
Total assets and deferred outflows of resources	\$26,406,750	\$12,080,117	\$15,925,758	\$ 726,993	\$ 55,139,618	\$ 2,163,040

The accompanying notes are an integral part of the financial statements.

NORTH OGDEN CITY
STATEMENT OF NET POSITION – PROPRIETARY FUNDS (Continued)
June 30, 2021

	Water Fund	Sewer Fund	Storm Water Fund	Solid Waste Fund	Total Enterprise Funds	Governmental Internal Service Fund
LIABILITIES:						
Current liabilities:						
Accounts payable	\$ 366,879	\$ 433,568	\$ 347,670	\$ 192,801	\$ 1,340,918	\$ 29,265
Accrued liabilities	48,525	5,960	16,006	-	70,491	6,721
Customer security deposits	7,550	-	-	-	7,550	-
Accrued interest	-	-	-	-	-	1,009
Compensated absences, current portion	18,790	9,214	9,140	7,420	44,564	4,254
Lease obligation payable	-	-	-	-	-	38,445
Total current liabilities	<u>441,744</u>	<u>448,742</u>	<u>372,816</u>	<u>200,221</u>	<u>1,463,523</u>	<u>79,694</u>
Non-current liabilities:						
Compensated absences, long-term	12,526	6,143	6,093	4,947	29,709	2,836
Lease obligation payable	-	-	-	-	-	39,194
Net pension liability	13,832	4,454	5,024	3,371	26,681	6,497
Total non-current liabilities	<u>26,358</u>	<u>10,597</u>	<u>11,117</u>	<u>8,318</u>	<u>56,390</u>	<u>48,527</u>
Total liabilities	<u>468,102</u>	<u>459,339</u>	<u>383,933</u>	<u>208,539</u>	<u>1,519,913</u>	<u>128,221</u>
DEFERRED INFLOWS OF RESOURCES:						
Deferred inflows of resources - pensions	98,166	31,613	35,654	23,927	189,360	46,112
System agreements	1,240,530	-	-	-	1,240,530	-
Total liabilities and deferred inflows of resources	<u>1,806,798</u>	<u>490,952</u>	<u>419,587</u>	<u>232,466</u>	<u>2,949,803</u>	<u>174,333</u>
NET POSITION:						
Net investment in capital assets	20,652,765	9,637,016	12,022,187	195,461	42,507,429	1,867,772
Restricted for:						
Impact fees	-	625,407	1,934,903	-	2,560,310	-
Unrestricted	3,947,187	1,326,742	1,549,081	299,066	7,122,076	120,935
Total net position	<u>24,599,952</u>	<u>11,589,165</u>	<u>15,506,171</u>	<u>494,527</u>	<u>52,189,815</u>	<u>1,988,707</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$26,406,750</u>	<u>\$12,080,117</u>	<u>\$15,925,758</u>	<u>\$ 726,993</u>	<u>\$ 51,949,502</u>	<u>\$ 2,163,040</u>
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service fund and the enterprise funds over time					(240,313)	
Net Position of business-type activities					<u>\$ 51,949,502</u>	

The accompanying notes are an integral part of the financial statements.

NORTH OGDEN CITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION PROPRIETARY FUNDS
For The Year Ended June 30, 2021

	Water Fund	Sewer Fund	Storm Water Fund	Solid Waste Fund	Total Enterprise Funds	Governmental Internal Service Fund
Operating income:						
Charges for services	\$ 2,190,778	\$ 2,253,332	\$ 1,124,971	\$ 1,145,310	\$ 6,714,391	\$ 475,641
Connection fees	179,904	18,816	-	-	198,720	-
Special fees	-	-	-	78,200	78,200	-
Sale of materials and supplies	-	-	-	-	-	2,994
Miscellaneous	72,159	-	-	15,018	87,177	2,907
Total operating income	2,442,841	2,272,148	1,124,971	1,238,528	7,078,488	481,542
Operating expenses:						
Salaries and benefits	494,684	188,225	178,869	100,607	962,385	235,366
Sewer fees	-	1,232,508	-	-	1,232,508	-
Materials and Supplies	444,093	85,148	186,048	162,591	877,880	126,066
Internal service lease	34,927	30,132	39,300	30,132	134,491	-
Contract services	-	-	-	912,767	912,767	-
Administrative service fees	277,498	227,217	263,077	121,246	889,038	-
Depreciation expense	781,598	259,361	297,053	31,127	1,369,139	197,321
Total operating expenses	2,032,800	2,022,591	964,347	1,358,470	6,378,208	558,753
Net operating income (loss)	410,041	249,557	160,624	(119,942)	700,280	(77,211)

The accompanying notes are an integral part of the financial statements.

NORTH OGDEN CITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION PROPRIETARY FUNDS (Continued)
For The Year Ended June 30, 2021

	Water Fund	Sewer Fund	Storm Water Fund	Solid Waste Fund	Total Enterprise Funds	Governmental Internal Service Fund
Non-operating income (expense):						
Sale of fixed assets	1,436	2,153	4,087	(266)	7,410	(5,995)
Interest income	16,745	7,840	13,689	1,162	39,436	407
Interest on long-term debt	-	-	-	-	-	(1,278)
Total non-operating income (expense)	18,181	9,993	17,776	896	46,846	(6,866)
Income (loss) before contributions and transfers:	428,222	259,550	178,400	(119,046)	747,126	(84,077)
Capital contributions	829,884	761,350	1,382,204	-	2,973,438	-
Impact fees	1,225,216	201,965	468,307	-	1,895,488	-
Transfers in	-	-	-	-	-	39,383
Transfers out	-	-	-	-	-	(39,383)
Change in net position	2,483,322	1,222,865	2,028,911	(119,046)	5,616,052	(84,077)
Net position - beginning	22,035,528	10,366,300	13,477,260	613,573		2,034,390
Prior period adjustment	81,102	-	-	-		38,394
Net position - ending	\$24,599,952	\$11,589,165	\$15,506,171	\$ 494,527		\$ 1,988,707
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service fund and the enterprise funds over time					(23,500)	
Net change position of business-type activities					\$ 5,592,552	

The accompanying notes are an integral part of the financial statements.

NORTH OGDEN CITY
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For The Year Ended June 30, 2021

	Water Fund	Sewer Fund	Storm Water Fund	Solid Waste Fund	Total Enterprise Funds	Governmental Internal Service Fund
Cash flows from operating activities:						
Cash received from customers - service	\$ 2,345,306	\$ 2,304,543	\$ 1,558,579	\$ 1,255,843	\$ 7,464,271	\$ 5,901
Cash received from interfund services provided	-	-	-	-	-	475,641
Cash paid to suppliers	(583,040)	(1,424,182)	(108,847)	(1,090,405)	(3,206,474)	(102,107)
Cash paid to employees	(490,783)	(206,541)	(207,241)	(116,622)	(1,021,187)	(174,918)
Cash paid for interfund services	(34,927)	(30,132)	(39,300)	(30,132)	(134,491)	-
Cash received/paid for impacts fees collected for another government	-	(76,640)	-	-	(76,640)	-
Net cash provided (used) in operating activities	1,236,556	567,048	1,203,191	18,684	3,025,479	204,517
Cash flows from capital and related financing activities:						
Cash from impact fees	1,225,216	201,965	468,307	-	1,895,488	-
Cash from sale of fixed assets	267,082	117,965	127,865	71,265	584,177	521,815
Cash from collection of contract sale of easement	64,912	-	-	-	64,912	-
Cash payments for capital assets	(2,247,380)	(553,753)	(507,858)	(73,091)	(3,382,082)	(610,892)
Cash payments for long-term debt principal	-	-	-	-	-	(37,709)
Cash payments for long-term debt interest	-	-	-	-	-	(307)
Cash payments on system reimbursements	(255,047)	-	-	-	(255,047)	-
Cash flows provided (used) in capital and related financing activities	(945,217)	(233,823)	88,314	(1,826)	(1,092,552)	(127,093)
Cash flows from investing activities:						
Cash received from interest earned	18,024	7,840	13,689	1,162	40,715	408
Net cash provided (used) in investing activities	18,024	7,840	13,689	1,162	40,715	408
Net increase (decrease) in cash	309,363	341,065	1,305,194	18,020	1,973,642	77,832
Cash balance, beginning	3,720,284	1,897,271	2,409,188	406,054	8,432,797	66,718
Cash balance, ending	\$ 4,029,647	\$ 2,238,336	\$ 3,714,382	\$ 424,074	\$10,406,439	\$ 144,550
Cash reported on the statement of net position:						
Cash and cash equivalents	\$ 4,029,647	\$ 1,292,609	\$ 1,779,479	\$ 424,074	\$ 7,525,809	\$ 144,550
Non-current restricted cash	-	945,727	1,934,903	-	2,880,630	-
Total cash and cash equivalents	\$ 4,029,647	\$ 2,238,336	\$ 3,714,382	\$ 424,074	\$10,406,439	\$ 144,550

The accompanying notes are an integral part of the financial statements.

NORTH OGDEN CITY
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS (Continued)
For The Year Ended June 30, 2021

	Water Fund	Sewer Fund	Storm Water Fund	Solid Waste Fund	Total Enterprise Funds	Governmental Internal Service Fund
Reconciliation of Operating Income to Net Cash Provided (Used) in Operating Activities:						
Net operating income (expense)	\$ 410,041	\$ 249,557	\$ 160,624	\$ (119,942)	\$ 700,280	\$ (77,211)
Adjustments to reconcile operating income or (loss) to net cash provided (used) in operating activities:						
Depreciation and amortization	781,598	259,361	297,053	31,127	1,369,139	197,321
Pension expense adjustment	(25,623)	(11,634)	(19,737)	(3,462)	(60,456)	58,430
Changes in assets and liabilities:						
(Increase) decrease in receivables- net	(91,023)	32,159	417,602	17,315	376,053	-
(Increase) decrease in inventory	(116,537)	-	-	-	(116,537)	(3,945)
(Increase) decrease in prepaid items	(36)	-	-	-	(36)	4,234
Increase (decrease) in accounts payables	255,124	120,691	340,278	106,199	822,292	23,670
Increase (decrease) in accrued liabilities	38,720	(76,404)	-	-	(37,684)	2,439
Increase (decrease) in customer deposits	(6,512)	-	16,006	-	9,494	-
Increase (decrease) in compensated absences	(9,196)	(6,682)	(8,635)	(12,553)	(37,066)	(421)
Net cash provided (used) in operating activities	<u>\$ 1,236,556</u>	<u>\$ 567,048</u>	<u>\$ 1,203,191</u>	<u>\$ 18,684</u>	<u>\$ 3,025,479</u>	<u>\$ 204,517</u>
Noncash financing and investing activities:						
Developer contributions	\$ 829,884	\$ 761,350	\$ 1,382,204	\$ -	\$ 2,973,438	\$ -

The accompanying notes are an integral part of the financial statements.

NORTH OGDEN CITY NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of North Ogden City (the City) is presented to assist in understanding the City's financial statements. The financial statements and notes are the representation of the City's management, which is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles, as applicable to governmental organizations. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing accounting and financial reporting principles.

A. Reporting entity

North Ogden City was incorporated in 1934. The City (a municipal corporation) operates under a traditional council/mayor form of government and provides the following services as authorized by its charter: public safety, public utilities, highways and streets, sanitation, social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

North Ogden Redevelopment Agency - The North Ogden Redevelopment Agency (RDA) is governed by the Mayor and City Council. Although it is legally separate from the City, the RDA is reported as if it were part of the primary government because its sole purpose is to redevelop areas within the City thereby generating additional property tax and sales tax. The RDA does not prepare separately issued financial statements. Financial information for the RDA may be obtained at the City Administrative Offices.

North Ogden City Downtown Community Development Project Area. The North Ogden city Redevelopment Agency Board of Directors has established the North Ogden City Downtown Project Area, also called the Community Development Area, or CDA. A plan for this area was approved. In order to promote economic development within the Project Area and to increase the property tax base within the Project Area through the development of commercial, retail, and residential spaces within the Project Area. The CDA does not prepare separately issues financial statements and is combined with the RDA in the statements of the City. Financial information for the CDA may be obtained at the City Administrative office.

B. Government-wide and fund financial statements

Government-wide Financial Statements

The government-wide financial statements, consisting of the statement of net position and the statement of activities report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The *statement of net position* reports the financial position of the governmental and business-type activities of the City and its discretely presented component units (if any) at year-end.

The *statement of activities* reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Indirect expenses are not allocated. All expenses are included in the applicable function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

benefit from goods, services, or privilege provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statement.

C. Measurement focus, basis of accounting and financial statement presentation

The financial statements of the City are prepared in accordance with generally accepted accounting principles (GAAP).

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting, generally including the reclassification of internal activity (between or within funds). However, internal eliminations do not include utility services provided to City departments or payments to the general fund by other funds for providing administrative and billing services for such funds. Reimbursements are reported as reductions to expenses. Proprietary and any fiduciary fund financial statements are also reported using this same focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied while grants are recognized when the grantor eligibility requirements are met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, intergovernmental revenues, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments, if any, receivable within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating income and expense reported in proprietary fund financial statements include those revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services, including administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund balance flow assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

D. Fund types and major funds

Governmental funds

The City reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *special revenue funds* account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. The City has two Special Revenue Funds. The combined RDA/CDA fund is used to provide information on the operation of the Redevelopment Agency and Community Development Project Area. The Fund receives revenues from a tax increment for property in the areas covered. The Aquatic Center is also operated as a Special Revenue Fund to show activity of the Center and also the debt service of the sales tax refunding bond used to construct the pool. Revenue is received from pool admissions and rents. The Center also receives a transfer from the RDA/CDA for debt service and a transfer from the General Fund as a subsidy to operations.

The *capital projects funds* account for financial resources used for the acquisition or construction of the capital facilities of the City (other than those of the enterprise funds).

Proprietary funds

The City reports the following major proprietary funds:

Enterprise funds - Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The City operates its water, sewer, storm drainage, and solid waste fund as enterprise funds. Each is considered a major proprietary fund.

Internal service funds - The internal service funds are used to provide financing of goods and services provided by one department or agency to other departments or agencies of the government, or other governments on a cost-reimbursements basis. The City maintained internal service funds for motor vehicle fleet operations. Internal service funds are reported as a single column on the enterprise fund statements and are combined with governmental activities on the government-wide statements.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance

Deposit and Investments

Cash includes cash on hand, demand deposits with banks, and deposits in cash management pools that have the general characteristics of demand deposit accounts. City policy allows for the investment of funds in time certificates of deposit with federally insured depositories, investment in the Utah Public Treasurer's Investment Fund (the PTIF) and other investments allowed by the State of Utah's Money Management Act.

The Utah Public Treasurer's Investment Fund operates in accordance with State laws and regulations. The reported value of the Fund is amortized cost which is approximately equal to fair value.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the City considers short-term, highly liquid investments with a maturity of three months or less from the purchase date to be cash equivalents.

Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "interactivity receivable or interactivity payable". Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds, as reported in hand financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available resources.

Accounts receivable for services related to government activities and trade accounts receivable for business-type activities are shown net of allowance for doubtful accounts. The allowance is calculated using a percentage of total accounts receivable in conjunction with an evaluation of items over 180 days.

Accounts receivable other than property taxes and intergovernmental receivables are from customers primarily for utility services. Property tax and intergovernmental receivables are considered collectible. Customer accounts are reported net of an allowance for uncollectible accounts. The allowance amount is estimated using accounts receivable past due more than 90 days.

Property taxes are assessed and collected for the City by Weber County and remitted to the City shortly after collection. Property taxes become a lien on January 1 and are levied on the first Monday in August. Taxes are due and payable on November 1 and are delinquent after November 30. All dates are in the year of levy.

Restricted Assets

Certain assets are classified as restricted because their use is restricted by law or regulations.

Inventories and Prepaid items

Inventories in governmental funds are not reported. These consist of immaterial amounts of expendable supplies for consumption. Such supplies are acquired as needed. Proprietary fund inventories consist of immaterial amounts of expendable supplies for consumption and so no inventory balance is reported.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Prepaid items record payments to vendors that benefit future reporting and are reported on the consumption basis. Both inventories and prepayments are similarly reported in government-wide and fund financial statements.

Capital Assets

Capital assets includes property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or at estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. Infrastructure is depreciated.

The cost of normal maintenance and repairs that does not add to the value of an asset or materially extend the assets' life is not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Upon retirement or disposition of capital assets, the cost and related accumulated depreciation are removed from the respective accounts. Depreciation of capital assets is computed using the straight-line method over their estimated useful lives.

Property, plant, and equipment of the primary government, as well as the component units if any, is depreciated using the straight line method over the following estimated useful lives:

Buidlings	25-50 year
Waterdistribution system	50 years
Sewer collection system	50 years
Equipment and machiery	3-10 years
Infrastructure and other improvements	10-40 years
Wells and related structures	5-10 years
Vehicles	4-10 years

Water Rights and Stock

The City does not place a limitation on the life of the water rights, an intangible capital asset, and does not expect to cease utilizing the water rights in the foreseeable future. The water rights are recorded at historical cost and are considered to have an indefinite useful life.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond discounts or premiums, and the difference between the reacquisition price and the net carrying value of refunded debt are deferred and amortized over the terms of the respective bonds. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are reported as expenses.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures.

Compensated absences

It is the City's policy to allow employees to accumulate earned but unused vacation, compensatory time, and sick leave benefits. Compensated absences are reported in governmental funds only if an employee has resigned or retired and the accrued leave has not been paid out. The accumulated vacation and compensatory time that is not expected to be liquidated with expendable available financial resources are reported as liabilities in the government-wide statement of net position and as expenses in the government-wide statement of activities. Accumulated vacation and compensatory time of proprietary funds is recorded as an expense and a liability of those funds as the benefits accrue to the employees and are thus recorded in both the government-wide financial statements and the individual fund financial statements. Year-end liabilities for compensated absences are accrued at the employees' current hourly rate for the maximum possible separation benefit.

Sick leave amounts are charged to expenditures when incurred. Employees may accumulate sick leave to a total of nine hundred sixty hours. Regular employees accumulated sick leave benefits at the rate of twelve days per year. The City has implemented an unused sick leave incentive to increase productivity and encourage longevity within the City. The incentive allows for converting a portion of unused sick leave to either annual leave or cash. The incentive is elected annually in December and requires employees to meet strict criteria to be eligible. Employees who retire or separate under favorable conditions are paid a portion of unused sick leave based on years of service and accumulated sick leave hours.

The City estimates that 60 percent of Compensated Absences will be used in the next year and are therefore current liabilities.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems Pension Plan (URS) and additions to/deductions from URS's fiduciary net position have been determined on the same basis as they are reported by URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position/Fund Balance

Government-wide Financial Statements

Equity is classified in the government-wide financial statements as net position and is displayed in three components:

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net investment in capital assets - Restricted capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position - Net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

Fund Financial Statements

In the fund financial statements governmental fund equity is classified as fund balance. Fund balance is further classified as Nonspendable, Restricted, Committed, Assigned or Unassigned:

Nonspendable fund balance - Amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact. Fund balance amounts related to inventories, prepaid expenditures, and endowments are classified as nonspendable.

Restricted fund balance - Net fund resources that are subject to external constraints that have been placed on the use of the resources either a) imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of the government or b) imposed by law through constitutional provisions or enabling legislation.

In specific, the following are restricted for the follow purposes:

Impact Fees:

Restricted for Transportation Impact Fees - The City collects transportation impact fees, these fees are only expended on transportation expansion and improvements. Any unexpended funds that have been received at the end of the fiscal year are to be used for subsequent years.

Restricted for Sewer Impact Fees- The City collects sewer impact fees, these fees are to be expended only on the sewer expansion and improvements. Any unexpended funds that have been received at the end of the fiscal year are to be used for the subsequent years.

Restricted for Storm Drain Impact Fees - The City Council passed an ordinance providing for storm drain impact fees on all new construction. These fees collected are to be restricted for future storm drain expansion and improvements

Road Improvements:

Restricted for Utility Sales Tax - The City receives additional sales tax which can only be expended on public transit and highway construction & maintenance. Any unexpended funds that have been received at the end of the fiscal year are restricted and are to be used for subsequent years.

Restricted for Transportation Street Widening-The City received grants to acquire property to be used for street widening along 400 and 450 East in the City. The City is renting property acquired for the project and the net rental income as well as original grants are restricted and will be used in subsequent years for these projects.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted for B&C Roads - The City receives a grant from UDOT which can only be expended on public transit and highway construction & maintenance. Any unexpended funds that have been received at the end of the fiscal year are restricted and are to be used for subsequent years.

Committed fund balance - Amounts that can only be used for specific purposes established by formal action of the City Council, which is the City's highest level of decision making authority. Fund balance commitments can only be removed or changed by the same type of action (for example resolution) of the City Council. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance - Amounts that the City intends to be used for a specific purpose but are neither restricted nor committed. These are established by the City Council or management. This category includes the remaining positive fund balances for governmental funds other than the General Fund.

Unassigned fund balance - This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance amount. However, in other governmental funds that may carry a negative fund balance at year-end, it may be necessary to report this as unassigned.

Proprietary fund equity is classified the same as in the government-wide statements.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes include a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The city reports deferred outflows of resources related to pensions and impact fee payments.

In addition to liabilities, the statement of net position will sometimes include a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. Property taxes to be collected in November were unavailable in the current fiscal year. Accordingly, these property taxes are deferred and will be recognized as an inflow of resources in the period that the amounts become available. The city also reports deferred inflows of resources related to pensions as required by GASB 68. In addition, the City reports a deferred inflow of resources for two system reimbursement agreements for asset acquisition to be funded by future impact fees.

**NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results may differ from those estimates.

Budgetary data

Annual budgets are prepared by the Budget Officer and adopted by ordinance by total for each department, in accordance with State law, by the Mayor and City Council on or before June 22 for the following fiscal year beginning July 1. Estimated revenues and appropriations may be increased or decreased by resolution of the City Council at any time during the year. A public hearing must be held prior to any proposed increase in a fund's appropriations. Budgets include activities in the General Fund. The level of the City's budgetary control (the level at which the City's expenditures cannot legally exceed appropriations) is established at the department level. Each department head is responsible for operating within the budget for their department. All annual budgets lapse at fiscal year-end.

Utah State law prohibits the appropriation of unreserved General Fund balance to an amount less than 5% of the General Fund revenues. The 5% reserve that cannot be budgeted is used to provide working capital until tax revenue is received, to meet emergency expenditures, and to cover unanticipated deficits. Any unreserved General Fund balance greater than 35% of the current year's actual revenues must be appropriated within the following two years.

Once adopted, budget amendments which increase total expenditures must be approved by the City Council following a public hearing. With the consent of the City Manager, department heads may reallocate unexpended appropriated balances from one expenditure account to another within that department during the budget year. Budgets for the General Fund are prepared on the modified accrual basis of accounting. Encumbrances are not used.

NOTE 2 – DEPOSITS AND INVESTMENTS

Cash and investments as of June 30, 2021 consist of the following:

	Carry Value
Demand deposits - checking	\$ 1,677,100
Deposits - PTIF	20,339,422
Total cash	\$ 22,016,522
<i>As reported in the statement of net position:</i>	
Cash and cash equivalents (current)	\$ 15,578,400
Restricted cash and cash equivalents (noncurrent)	6,438,122
Total cash and cash equivalents	\$ 22,016,522

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

The Utah Money Management Act (UMMA) establishes specific requirements regarding deposits of public funds by public treasurers. UMMA requires that city funds be deposited with a qualified depository which includes any depository institution which has been certified by the Utah State Commissioner of Financial Institutions as having met the requirements specified in UMMA Section 51, Chapter 7. UMMA provides the formula for determining the amount of public funds which a qualified depository may hold in order to minimize risk of loss and also defines capital requirements which an Institution must maintain to be eligible to accept public funds. UMMA lists the criteria for investments and specifies the assets which are eligible to be invested in, and for some investments, the amount of time to maturity.

UMMA enables the State Treasurer to operate the Public Treasurer's Investment Pool (PTIF). PTIF is managed by the Utah State Treasurer's investment staff and comes under the regulatory authority of the Utah Money Management Council. This council is comprised of a select group of financial professionals from units of local and state government and financial institutions doing business in the state. PTIF operations and portfolio composition is monitored at least semi-annually by the Utah Money Management Council. PTIF is unrated by any nationally recognized statistical rating organizations. Deposits in PTIF are not insured or otherwise guaranteed by the State of Utah. Participants share proportionally in any realized gains or losses on investments which are recorded on an amortized cost basis. The balance available for withdrawal is based on the accounting records maintained by PTIF. The fair value of the investment pool is approximately equal to the value of the pool shares.

Deposit and Investment Risk

The City maintains no investment policy containing any specific provisions intended to limit the City's exposure to interest rate risk, credit risk, and concentration of credit risk other than that imposed by UMMA. The City's compliance with the provisions of UMMA addresses each of these risks.

Deposits

Custodial credit risk - Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a formal deposit policy for custodial credit risk. As of June 30, 2021, \$1,001,204 of the City's bank balances of \$1,749,362 was uninsured and uncollateralized.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Investments

Fair Value of Investments

For the year ended June 30, 2021, the city had deposits (carrying value which is the amortized cost) of \$20,339,422 with the Utah Public Treasurer’s Investment Fund, with the fair value of these investments being \$20,407,607, using a fair value factor of 1.00335237, which is provided by the Utah State Treasurer’s office.

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1 – Quoted prices for identical investments in active markets
- Level 2 – Observable inputs other than quoted market prices
- Level 3 – Unobservable inputs

At June 30, 2021, the City had the following recurring fair value measurements:

Investments by fair value level	Fair Value	Level 1	Level 2	Level 3
Utah Public Treasurer's Investment Fund	\$ 20,407,607	\$ -	\$ 20,407,607	\$ -
Total investments	<u>\$ 20,407,607</u>	<u>\$ -</u>	<u>\$ 20,407,607</u>	<u>\$ -</u>

Interest rate risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. As of June 30, 2021, the City held the following investments by maturity:

Investment Type	Fair Value	Investment Maturities (in Years)		Weighted Avg Maturity (days)
		Less Than 1	1-5	
Utah Public Treasurer's Investment Fund	\$ 20,407,607	\$ 20,407,607	\$ -	66.70
Total investments	<u>\$ 20,407,607</u>	<u>\$ 20,407,607</u>	<u>\$ -</u>	

Credit risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligations. At June 30, 2021, the City had the following investments by rating:

Investments by fair value level	Fair Value	AAA	AA	A	Unrated
Utah Public Treasurer's Investment Fund	\$ 20,407,607	\$ -	\$ -	\$ -	\$ 20,407,607
Total investments	<u>\$ 20,407,607</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,407,607</u>

Custodial risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The city manages this risk by investing in only those that short to medium length investments and highly rated.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Concentration of credit risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investment in a single issuer. The City's policy for reducing this risk of loss is to comply with the Rules of the Money Management Council. Rule 17 of the Money Management Council limits investments in a single issuer of commercial paper and corporate obligations to 5-10% depending upon the total dollar amount held in the portfolio. At June 30, 2021, all of the City's investments were invested in the PTIF.

NOTE 3 – ACCOUNTS RECEIVABLE

Receivables as of June 30, 2021 for the City’s individual major funds and non-major funds in the aggregate, including the applicable allowances for uncollectable accounts, are as follow:

	General Fund	Special Rev. RDA/CDA	Special Rev. Aquatic Center	Capital Projects	Enterprise Funds	Total
Customers	\$ -	\$ -	\$ -	\$ -	\$ 640,708	\$ 640,708
Property taxes	1,795,970	106,758	-	-	-	1,902,728
Due from other governments	1,124,249	-	-	2,688,987	51,904	3,865,140
Other receivables	-	-	109,247	-	291	109,538
Total receivables, gross	2,920,219	106,758	109,247	2,688,987	692,903	6,518,114
Allowance for uncollectible	-	-	-	-	19,212	19,212
Total receivables, net	\$ 2,920,219	\$ 106,758	\$ 109,247	\$ 2,688,987	\$ 673,691	\$ 6,498,902

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the governmental activities was as follows:

Governmental activities	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 8,389,634	\$ 110,000	\$ -	\$ 8,499,634
Construction in progress	958,904	3,965,815	(145,847)	4,778,872
Total capital assets, not being depreciated	9,348,538	4,075,815	(145,847)	13,278,506
Capital assets, being depreciated:				
Buildings	16,756,291	145,847	-	16,902,138
Infrastructure	13,955,290	2,229,759	-	16,185,049
Park improvements	3,677,946	-	-	3,677,946
Machinery and equipment	5,985,281	629,027	(686,308)	5,928,000
Total capital assets, being depreciated	40,374,808	3,004,633	(686,308)	42,693,133
Less accumulated depreciation for:				
Buildings	5,524,821	322,017	-	5,846,838
Infrastructure	2,285,476	376,979	-	2,662,455
Park improvements	1,009,224	98,458	-	1,107,682
Machinery and equipment	2,990,893	244,051	(87,618)	3,147,326
Total accumulated depreciation	11,810,414	1,041,505	(87,618)	12,764,301
Total capital assets being depreciated, net	28,564,394	1,963,128	(598,690)	29,928,832
Governmental activities, capital assets, net	\$ 37,912,932	\$ 6,038,943	\$ (744,537)	\$ 43,207,338

Capital assets in the statement of net position also include capital assets of the internal service fund of \$1,945,411 (net of accumulated depreciation).

Depreciation expense was charged to functions/programs of the primary government governmental activities was follows:

Governmental activities:	
General government	\$ 62,809
Public safety	158,301
Streets and roads	522,662
Parks and recreation	297,733
Total	\$1,041,505

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 4 – CAPITAL ASSETS (Continued)

Capital asset activity for the business-type activities was as follows:

Business-type activities	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets, not being depreciated:				
Land, rights, and water stock	\$ 241,008	\$ -	\$ -	\$ 241,008
Construction in progress	1,196,802	1,870,630	-	3,067,432
Total capital assets, not being depreciated	1,437,810	1,870,630	-	3,308,440
Capital assets, being depreciated:				
Buildings and structures	418,425	-	-	418,425
Systems	54,316,456	3,848,666	-	58,165,122
Vehicles and equipment	4,967,902	636,225	(577,990)	5,026,137
Total capital assets, being depreciated	59,702,783	4,484,891	(577,990)	63,609,684
Less accumulated depreciation for:				
Buildings and structures	312,636	12,229	-	324,865
Systems	18,845,061	1,158,659	-	20,003,720
Vehicles and equipment	2,644,552	198,251	(1,223)	2,841,580
Total accumulated depreciation	21,802,249	1,369,139	(1,223)	23,170,165
Total capital assets being depreciated, net	37,900,534	3,115,752	(576,767)	40,439,519
Business-type activities, capital assets, net	\$ 39,338,344	\$ 4,986,382	\$ (576,767)	\$ 43,747,959

Depreciation expense was charged to functions/programs of the primary government business-type activities was follows:

Business-type activities:	
Water system	\$ 781,598
Sewer system	259,361
Strom water system	297,053
Solid waste	31,127
Total	\$ 1,369,139

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 4 – LONG-TERM DEBT

Long-term debt activity for the governmental activities was as follows:

	Original Principal	% Rate	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<i>Governmental activities:</i>							
<i>Direct Placements:</i>							
Sales Tax Revenue	\$ 2,550,000	2.32	\$ 1,275,000	\$ -	\$ (1,275,000)	\$ -	\$ -
<i>Direct Borrowing:</i>							
Two snow plow trucks- capital lease			115,348	-	(37,709)	77,639	38,445
<i>Other Long-term liabilities:</i>							
Net pension liability			1,425,702	-	(864,186)	561,516	-
Compensated absences			348,780	350,372	(274,477)	424,675	250,551
Total governmental activity long-term liabilities			\$ 3,164,830	\$ 350,372	\$ (2,451,372)	\$ 1,063,830	\$ 288,996
<i>Business-type activities:</i>							
<i>Other Long-term liabilities:</i>							
Net pension liability			187,786	-	(161,105)	26,681	-
Compensated absences			111,338	37,275	(74,340)	74,273	44,564
Total business-type activity long-term liabilities			\$ 299,124	\$ 37,275	\$ (235,445)	\$ 100,954	\$ 44,564

Sales Tax revenue

On November 9, 2004 the City issued \$4,040,000 in sales tax revenue bonds. The proceeds were used to construct the City's Aquatic Center. These bonds were refinanced in November 2014 with the proceeds of \$2,550,000. The 2014 bonds carry an interest rate of 2.32% and will mature in fiscal year 2025. The bonds are secured by sales tax revenues. The bonds contain a significant default clause wherein if the City does not pay the scheduled principal and interest the bond holders have the remedy to impose interest on the total outstanding principal balance of the bonds at the rate of 18% until the default is cured. During the fiscal year the City retired this bond.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 5 – CAPITAL LEASE

On October 23, 2017, the City entered into a lease purchase contract to acquire two snow plow trucks and related attachments and accessories. These trucks are to be used for snow plowing. A payment of \$39,959 was made at the time of signing with the balance due in six payments of \$39,958 on October of each year with the final payment due in October of 2022. The lease has an interest rate of 1.950%.

Future minimum lease payments together with the present value of the net minimum lease payments under this capital lease obligation at June 30, 2021 is as follows:

	Governmental Activities Motor Pool	
Year End June 30,	Two snow plow trucks	Total
2022	\$ 39,959	\$ 39,959
2023	39,958	39,958
	79,917	79,917
Less amounts representing interest	2,278	2,278
Balance due	77,639	77,639
Less current portion	38,445	38,445
Due in more than one year	\$ 39,194	\$ 39,194

Amortization expense of \$18,968 for this lease have been included in depreciation expense. Cost of \$379,263 is included in capital assets with a corresponding accumulated depreciation of \$69,228.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 6 – TRANSFERS AND INTERFUND PAYABLES/RECEIVABLES

Transfers

The operating transfers among the funds were as follows:

	Transfers In	Transfers Out
<i>Governmental funds:</i>		
General Fund	\$ 73,845	\$ 3,039,072
RDA/CDA	-	1,366,262
Aquatic Center	1,377,615	-
Capital Project Fund	2,953,874	-
	\$4,405,334	\$4,405,334

During the year ended June 30, 2021, the City made the following transfers.

The General Fund transferred \$2,675,000 to the capital projects fund to assist with future construction projects

The General Fund transferred \$278,874 to the Capital Projects Fund to fund street projects.

The General Fund transferred \$85,198 to the Aquatic Center Fund to provide a subsidy for operations.

The RDA/CDA Fund transferred \$1,292,417 to the Aquatic Center for debt service on the bond debt being serviced by the Aquatic Center.

The RDA/CDA fund also transferred \$73,845 to the General Fund to replace the reduction in sales tax related to homeless shelters.

Interfund Receivables and Payables

Activity between funds that represents lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds.” All other outstanding balances between funds are also reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmentwide financial statements as “internal balances.”

At June 30, 2021, there was an interfund receivable and payable of \$410,000 between the RDA and CDA funds.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 7 – RISK MANAGEMENT

North Ogden City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omissions; and natural disaster for which the government carries commercial insurance. Deductibles on claims are paid for out of the department experiencing the damage or loss. Liabilities are reported when it is probable that a loss has occurred and the amount for the loss can be reasonably estimated.

Liabilities include an amount for claims that have been incurred but not reported (IBNRs). At June 30, 2021, there were no outstanding claims or judgements against the City. Settlements did not exceed insurance coverage for each of the past three years.

NOTE 8 – REDEVELOPMENT AGENCY AND COMMUNITY DEVELOPMENT AREA

In accordance with Utah State Code, municipalities that have established Redevelopment Agencies and Community Developments entities are required to disclose certain revenues and expenditures associated with the various project areas. The revenues and expenditures associated with the projects are as follows:

	<u>North Ogden CBD</u>	<u>Downtown Community Development</u>
Revenues:		
Property tax - city portion	\$ 81,404	\$ 13,816
Tax increment - other entities	<u>702,751</u>	<u>85,925</u>
	\$ 784,155	\$ 99,741
Expenditures:		
Project expenditures	\$ 15,145	\$ -
Transfer to General Fund	73,845	-
Transfer to Aquatic Center	<u>1,292,417</u>	<u>-</u>
	\$ 1,381,407	\$ -

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 – PENSION

General Information about the Pension Plan

Plan description:

Eligible plan participants are provided with pensions through the Utah Retirement Systems. The Utah Retirement Systems are comprised of the following Pension Trust funds:

Public Employees Noncontributory Retirement System (Noncontributory System) is a multiple-employer, cost sharing, public employee retirement system;

Public Safety Retirement System (Public Safety System) is a cost-sharing, multiple-employer public retirement system;

Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System) is a multiple-employer cost sharing public employee retirement system;

Tier 2 Public Safety and Firefighter Contributory Retirement System (Tier 2 Public Safety and Firefighters System) is a multiple employer, cost sharing, public employee retirement system.

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems, are members of the Tier 2 Retirement System.

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms.

URS issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 E. 200 S, Salt Lake City, Utah 84102 or visiting the website: www.urs.org/general/publications.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 – PENSION (Continued)

Benefits provided:

URS provides retirement, disability, and death benefits. Retirement benefits are as follows:

System	Final Average Salary	Years of Service Required and/or Age Eligible for Benefit	Benefit Percentage per Year of Service	COLA**
Noncontributory System	Highest 3 Years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Public Safety System	Highest 3 Years	20 years any age 10 years, age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% or 4 % depending upon employer
Tier 2 Public Employees System	Highest 5 Years	35 years any age 20 years, age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 Years	25 years, any age 20 years, age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

* *Actuarial reductions are applied.*

**All post-retirement cost-of-living adjustments are non-compounding and are based on the original benefit except for Judges, which is a compounding benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year, although unused CPI increases not met may be carried forward to subsequent years.

Contributions:

As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the URS Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable) is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of June 30, 2021 are as follows:

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 – PENSION (Continued)

	Employee	Employer	Employer 401(k)
Contributory System			
111 Local Government Div - Tier 1	6.00%	14.46%	N/A
111 Local Government Div - Tier 2	N/A	15.80%	0.89%
Noncontributory System			
15 Local Government Div - Tier 1	N/A	18.47%	N/A
Public Safety System Contributory			
122 Tier 2 DB Hybrid Public Safety	2.27%	26.99%	0.70%
Public Safety System Noncontributory			
75 Other Div A with 4% COLA	N/A	35.71%	N/A
Tier 2 DC Only			
211 Local Government	N/A	6.69%	10.00%
222 Public Safety	N/A	12.99%	14.00%

Tier 2 rates include a statutory required contribution to finance the unfunded actuarial accrued liability of the Tier 1 plans.

For fiscal year ended June 30, 2021, the employer and employee contributions to the Systems were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 287,534	N/A
Public Safety System	236,539	-
Tier 2 Public Employees System	162,726	-
Tier 2 Public Safety and Firefighter	136,022	11,030
Tier 2 DC Only System	21,709	N/A
Total Contributions	<u>\$ 844,530</u>	<u>\$ 11,030</u>

Contributions reported are the URS Board approved required contributions by System. Contributions in the Tier 2 Systems are used to finance the unfunded liabilities in the Tier 1 Systems.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 – PENSION (Continued)

Combined Pension Assets, Liabilities, Expense, and Deferred Outflows and Inflows of Resources Relating to Pensions

At June 30, 2021, we reported a net pension asset of \$0 and a net pension liability of \$588,198.

	<u>(Measurement Date): December 31, 2020</u>				
	Net				
	Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2019	Change (Decrease)
Noncontributory System	\$ -	\$ 102,301	0.1994393%	0.1982006%	0.0012387%
Public Safety System	-	455,776	0.5489677%	0.5146921%	0.0342756%
Tier 2 Public Employees System	-	9,338	0.0649270%	0.0704546%	(0.0055276%)
Tier 2 Public Safety and Firefighter	-	20,783	0.2317115%	0.2578145%	(0.0261030%)
Total	<u>\$ -</u>	<u>\$ 588,198</u>			

The net pension asset and liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2021, we recognized pension expense of \$474,877.

At June 30, 2021, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 240,476	\$ 4,724
Changes in assumptions	16,642	28,912
Net difference between projected and actual earnings on pension plan investments	-	1,376,545
Changes in proportion and differences between contri- butions and proportionate share of contributions	121,367	817
Contributions subsequent to the measurement date	418,449	-
	<u>\$ 796,934</u>	<u>\$ 1,410,998</u>

\$418,449 was reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2020.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 – PENSION (Continued)

<u>Year ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2021	\$ (234,879)
2022	(122,388)
2023	(481,012)
2024	(224,527)
2025	4,312
Thereafter	25,981

Noncontributory System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2021, we recognize pension expense of \$147,947.

At June 30, 2021, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 137,244	\$ -
Changes in assumptions	-	13,382
Net difference between projected and actual earnings on pension plan investments	-	747,007
Changes in proportion and differences between contri- butions and proportionate share of contributions	52,486	-
Contributions subsequent to the measurement date	146,944	-
	<u>\$ 336,674</u>	<u>\$ 760,389</u>

\$146,944 was reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2020.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2021	\$ (127,018)
2022	(60,432)
2023	(2,559,367)
2024	(123,843)
2025	-
Thereafter	-

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 – PENSION (Continued)

Public Safety System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2021, we recognize pension expense of \$172,256.

At June 30, 2021, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 83,890	\$ 441
Changes in assumptions	-	12,963
Net difference between projected and actual earnings on pension plan investments	-	588,960
Changes in proportion and differences between contri- butions and proportionate share of contributions	50,687	-
Contributions subsequent to the measurement date	108,310	-
	<u>\$ 242,887</u>	<u>\$ 602,364</u>

\$108,310 was reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2020.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2021	\$ (100,666)
2022	(57,505)
2023	(211,988)
2024	(97,627)
2025	-
Thereafter	-

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 – PENSION (Continued)

Tier 2 Public Employees System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2021, we recognize pension expense of \$91,352.

At June 30, 2021, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 8,596	\$ 4,276
Changes in assumptions	11,812	340
Net difference between projected and actual earnings on pension plan investments	-	27,296
Changes in proportion and differences between contri- butions and proportionate share of contributions	13,492	-
Contributions subsequent to the measurement date	90,885	-
	<u>\$ 124,785</u>	<u>\$ 31,912</u>

\$90,885 was reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2020.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2021	\$ (4,733)
2022	(2,815)
2023	(6,413)
2024	(1,922)
2025	3,111
Thereafter	14,760

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 – PENSION (Continued)

Tier 2 Public Safety and Firefighter System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2021, we recognize pension expense of \$63,322.

At June 30, 2021, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 10,746	\$ 7
Changes in assumptions	4,830	2,227
Net difference between projected and actual earnings on pension plan investments	-	13,282
Changes in proportion and differences between contributions and proportionate share of contributions	4,702	817
Contributions subsequent to the measurement date	72,310	-
	<u>\$ 92,588</u>	<u>\$ 16,333</u>

\$72,310 was reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2020.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	Net Deferred Outflows (Inflows) of Resources
2021	\$ (2,462)
2022	(1,636)
2023	(3,245)
2024	(1,135)
2025	1,201
Thereafter	11,221

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 – PENSION (Continued)

Actuarial assumptions:

The total pension liability in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 Percent
Salary increases	3.25 – 9.75 percent, average, including inflation
Investment rate of return	6.95 percent, net of pension plan investment expense, including inflation

Mortality rates were adopted from an actuarial experience study dated January 1, 2020. The retired mortality tables are developed using URS retiree experience and are based on gender, occupation and age, as appropriate, with projected improvements using 80% of the ultimate rates from the MP-2019 improvement assumption using a base year of 2020. The mortality assumption for active members is the PUB-2010 Employees Mortality Table for public employees, teachers, and public safety members, respectively.

The actuarial assumptions used in the January 1, 2020, valuation were based on the results of an actuarial experience study for the five year period ending December, 31, 2019.

The long-term expected rate of return on pension plan investments was determined using a building-block method, in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class and is applied consistently to each defined benefit pension plan. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long Term Expected Portfolio Real Rate of Return
Equity securities	37.00%	6.30%	2.33%
Debt securities	20.00%	0.00%	0.00%
Real assets	15.00%	6.19%	0.93%
Private equity	12.00%	9.50%	1.14%
Absolute return	16.00%	2.75%	0.44%
Cash and cash equivalents	0.00%	0.00%	0.00%
Totals	100.00%		4.84%
Inflation			2.50%
Expected arithmetic nominal return			7.34%

The 6.95% assumed investment rate of return is comprised of an inflation rate of 2.50%, a real return of 4.45% that is net of investment expense.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 – PENSION (Continued)

Discount rate:

The discount rate used to measure the total pension liability was 6.95 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate remained unchanged at 6.95 percent.

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate:

The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.95 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.95 percent) or 1-percentage-point higher (7.95 percent) than the current rate:

System	1% Decrease (5.95%)	Discount Rate (6.95%)	1% Increase (7.95%)
Noncontributory System	\$ 1,773,595	\$ 102,301	\$ (1,290,974)
Public Safety System	1,924,216	455,776	(736,595)
Tier 2 Public Employees System	157,136	9,338	(103,723)
Tier 2 Public Safety and Firefighter	97,986	20,783	(40,791)
Total	\$ 3,952,933	\$ 588,198	\$ (2,172,083)

Pension plan fiduciary net position:

Detailed information about the pension plan's fiduciary net position is available in the separately issued URS financial report.

Defined Contribution Savings Plan:

The Defined Contribution Savings Plans are administered by the Utah Retirement Systems Board and are generally supplemental plans to the basic retirement benefits of the Retirement Systems, but may also be used as a primary retirement plan. These plans are voluntary tax-advantaged retirement savings programs authorized under sections 401(k), 457(b) and 408 of the Internal Revenue code. Detailed information regarding plan provisions is available in the separately issued URS financial report.

North Ogden City participates in the following Defined Contribution Savings Plans with the Utah Retirement Systems:

- 401(k) Plan

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 – PENSION (Continued)

Employee and employer contributions to the Utah Retirement Contribution Savings Plans for fiscal year ended June 30, were as follows:

	2021	2020	2019
401(k) Plan			
Employer Contributions	\$ 41,736	\$ 41,813	\$ 37,545
Employee Contributions	6,160	6,015	4,736

NOTE 10 – PRIOR PERIOD ADJUSTMENTS

In past years the City had small immaterial inventories for the Proprietary Funds. During the year the City discovered two of those inventories, water and motor pool funds, had grown to an amount that would be considered material, therefore, prior period adjustments were made to reflect that growth.

The change to the Net Position of the funds are as follows:

	Water Fund	Governmental Internal Service Fund
Statement of Revenues Expenses, and Changes in Net Position - Proprietary Funds		
Net Position, beginning of year	\$ 22,035,528	\$ 2,034,390
Adjustments related to inventory	81,102	38,394
Net Position, beginning of year, restated	\$ 22,116,630	\$ 2,072,784

NOTE 11 – SUBSEQUENT EVENTS

In preparing these financial statements, the City has evaluated events and transactions for potential recognition or disclosure through December 11, 2021, the date the financial statements were available to be used.

REQUIRED SUPPLEMENTARY INFORMATION

NORTH OGDEN CITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedules

The Budgetary Comparison Schedules presented in this section of the report is for General Fund and the RDA/CDA Fund. The basis of budgeting is the same as GAAP.

Budgeting and Budgetary Control

Original budgets represent the revenue estimates and spending authority authorized by the City Council prior to the beginning of the year. Final budgets represent the original budget amounts plus any amendments made to the budget during the year by the Council through formal resolution. Final budgets do not include unexpended balances from the prior year because such balances automatically lapse to unreserved fund balance at the end of each year.

Changes in Assumptions Related to Pensions

There were a number of demographic assumptions (e.g. rates of termination, disability, retirement, as well as an updated mortality and salary increase assumption) updated for use in the January 1, 2020 actuarial valuation. These assumption updates were adopted by the Utah State Retirement Board as a result of an Actuarial Experience Study performed for the Utah Retirement Systems. In aggregate, those assumption changes resulted in a \$201 million increase in the Total Pension Liability, which is about 0.50% of the Total Pension Liability of as December 31, 2019 for all systems combined. The Actuarial Experience Study report as of December 31, 2019 provides detailed information regarding those assumption changes, which may be accessed online at newsroom.urs.org under the “Retirement Office” column using the “Reports and Stats” tab.

NORTH OGDEN CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2021

	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget
REVENUES:				
Taxes	\$ 5,037,581	\$ 5,785,774	\$ 6,666,395	\$ 880,621
Licenses and permits	339,750	364,750	811,862	447,112
Intergovernmental revenues	682,985	1,860,806	2,165,225	304,419
Charges for services	247,450	247,450	420,087	172,637
Fines and forfeitures	211,800	211,800	144,339	(67,461)
Other	55,000	55,000	15,897	(39,103)
Interest	20,000	20,000	17,882	(2,118)
Administrative charges	864,651	889,038	-	(889,038)
Miscellaneous revenue	2,700	2,700	14,459	11,759
Total revenues	7,461,917	9,437,318	10,256,146	818,828
EXPENDITURES:				
General government:				
Legislative	61,695	67,110	11,357	55,753
Judicial	234,776	236,450	190,757	45,693
Finance	355,269	371,539	236,815	134,724
Administration	466,553	476,128	398,762	77,366
Non-departmental	372,029	1,675,369	1,056,170	619,199
General government buildings	173,762	173,762	115,280	58,482
Public Safety:				
Police department	2,580,394	2,819,881	2,738,894	80,987
Planning	175,401	221,489	185,095	36,394
Inspection	232,569	275,062	249,238	25,824
Animal control	103,189	103,982	106,028	(2,046)
Streets and Roads:				
Streets and roads	1,151,261	1,184,752	728,186	456,566
Parks and recreation:				
Administration	326,354	340,190	264,483	75,707
Parks	774,321	791,487	706,777	84,710
Recreation	199,104	201,456	156,732	44,724
Total expenditures	7,206,677	8,938,657	7,144,574	1,794,083
Excess (Deficiency) of Revenues Over (Under) Expenditures	255,240	498,661	3,111,572	(975,255)
Other financing sources and (uses):				
Transfers in	11,000	84,845	73,845	(11,000)
Transfers (out)	(580,396)	(3,305,396)	(3,039,072)	266,324
Total other financing sources and (uses)	(569,396)	(3,220,551)	(2,965,227)	255,324
Net change in fund balances	(314,156)	(2,721,890)	146,345	(719,931)
Fund balances - beginning of year			2,290,230	
Fund balances - end of year			\$ 2,436,575	

NORTH OGDEN CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL
RDA/CDA
For the Year Ended June 30, 2021

	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget
REVENUES:				
Property tax	\$ 620,000	\$ 620,000	\$ 95,220	\$ (524,780)
Property tax increments	-	-	788,676	788,676
Interest Income	5,000	5,000	8,645	
Miscellaneous revenue	-	-	1,075	1,075
Total revenues	625,000	625,000	893,616	264,971
EXPENDITURES:				
Economic development	446,508	438,508	15,145	
Total expenditures	446,508	438,508	15,145	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	178,492	186,492	878,471	264,971
Other financing sources and (uses):				
Transfers in	110,000	110,000	-	(110,000)
Transfers (out)	(288,492)	(1,422,455)	(1,366,262)	56,193
Total other financing sources and (uses)	(178,492)	(1,312,455)	(1,366,262)	(53,807)
Net change in fund balances	-	(1,125,963)	(487,791)	211,164
Fund balances - beginning of year			1,639,071	
Fund balances - end of year			\$ 1,151,280	

NORTH OGDEN CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL
AQUATIC CENTER
For the Year Ended June 30, 2021

	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget
REVENUES:				
Admissions,	\$ 345,000	\$ 345,000	\$ 571,105	\$ (226,105)
Concessions	11,500	11,500	10,412	1,088
Rentals	2,400	2,400	6,448	(4,048)
Miscellaneous	9,000	9,000	215	8,785
Total revenues	367,900	367,900	588,180	(220,280)
EXPENDITURES:				
Salaries and benefits	338,157	341,027	337,191	3,836
Materials, supplies and services	63,200	82,200	49,407	32,793
Maintenance and repairs	33,500	33,500	23,334	10,166
Utilities	65,500	65,500	52,434	13,066
Chemicals	35,000	35,000	30,849	4,151
Debt service:		-		
Principal	256,000	1,275,000	1,275,000	-
Interest	26,610	38,610	29,237	9,373
Total expenditures	817,967	1,870,837	1,797,452	69,549
Excess (Deficiency) of Revenues Over (Under) Expenditures	(450,067)	(1,502,937)	(1,209,272)	(289,829)
Other financing sources and (uses):				
Transfers in	453,006	1,503,006	1,377,615	(125,391)
Total other financing sources and (uses)	453,006	1,503,006	1,377,615	(125,391)
Net change in fund balances	2,939	69	168,343	(415,220)
Fund balances - beginning of year			7,865	
Fund balances - end of year			\$ 176,208	

NORTH OGDEN CITY
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Utah Retirement Systems
June 30, 2021
Measurement Date of December 31,2020
Last 10 Fiscal Years*

Measurement Date December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered payroll	Proportionate share of the net pension liability (asset) as a percentage of its covered- employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
Noncontributory System					
2020	0.1994393%	\$ 102,301	\$ 1,594,522	6.42%	99.2%
2019	0.1982006%	746,992	1,579,410	47.30%	93.7%
2018	0.1781850%	1,312,105	1,412,103	92.92%	87.0%
2017	0.1664153%	729,115	1,323,128	55.11%	91.9%
2016	0.1602462%	1,028,977	1,315,547	78.22%	87.3%
2015	0.1631476%	923,168	1,367,806	67.49%	87.8%
2014	0.1663092%	722,154	1,419,455	50.88%	90.2%
Public Safety System					
2020	0.5489677%	\$ 455,776	\$ 699,986	65.11%	95.5%
2019	0.5146921%	826,399	636,232	129.89%	90.9%
2018	0.5020646%	1,291,604	686,924	188.03%	84.7%
2017	0.4979801%	781,161	731,633	106.77%	90.2%
2016	0.4669401%	947,550	688,814	137.56%	86.5%
2015	0.4473629%	801,339	656,851	122.00%	87.1%
2014	0.4268607%	536,813	622,523	86.23%	90.5%
Tier 2 Public Employees Retirement Systems					
2020	0.0649270%	\$ 9,338	\$ 1,038,164	0.90%	98.3%
2019	0.0704546%	15,846	978,829	1.62%	96.5%
2018	0.0686548%	29,403	800,443	3.67%	90.8%
2017	0.0656528%	5,788	642,222	0.90%	97.4%
2016	0.0632419%	7,055	518,631	1.36%	95.1%
2015	0.0485772%	(106)	313,867	(0.03%)	100.2%
2014	0.0380994%	(1,155)	186,997	(0.62%)	103.5%
Tier 2 Public Safety and Firefighter Retirement System					
2020	0.2317115%	\$ 20,783	\$ 461,529	4.50%	93.1%
2019	0.2578145%	24,251	424,943	5.71%	89.6%
2018	0.2118440%	5,308	283,520	1.87%	95.6%
2017	0.2211418%	(2,559)	233,449	(1.10%)	103.0%
2016	0.2481679%	(2,154)	205,040	(1.05%)	103.6%
2015	0.3053124%	(4,461)	181,652	(2.46%)	110.7%
2014	0.3480897%	(5,149)	143,783	(3.58%)	120.5%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the City will present information for those years for which information is available.

NORTH OGDEN CITY
SCHEDULE OF CONTRIBUTIONS**
Utah Retirement Systems
June 30, 2021

As of fiscal year ended June 30,	Actuarial Determined Contributions	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
Noncontributory System					
2021	\$ 287,534	\$ 287,534	\$ -	\$ 1,630,543	17.63%
2020	281,493	281,493	-	1,618,935	17.39%
2019	262,866	262,866	-	1,511,185	17.39%
2018	230,882	230,882	-	1,333,107	17.32%
2017	235,424	235,424	-	1,330,504	17.69%
2016	233,522	233,522	-	1,330,911	17.55%
2015	245,610	245,610	-	1,391,385	17.65%
2014	235,539	235,539	-	1,414,290	16.65%
Public Safety System					
2021	\$ 236,539	\$ 236,539	\$ -	\$ 662,389	35.71%
2020	238,038	238,038	-	666,586	35.71%
2019	225,924	225,924	-	641,979	35.19%
2018	237,534	237,534	-	728,521	32.60%
2017	226,756	226,756	-	715,974	31.67%
2016	206,900	206,900	-	655,343	31.57%
2015	204,537	204,537	-	644,757	31.72%
2014	184,402	184,402	-	603,659	30.55%
Tier 2 Public Employees System**					
2021	\$ 162,726	\$ 162,726	\$ -	\$ 1,032,006	15.77%
2020	164,079	164,079	-	1,047,757	15.66%
2019	137,724	137,724	-	887,129	15.52%
2018	107,562	107,562	-	711,861	15.11%
2017	88,842	88,842	-	596,662	14.89%
2016	57,781	57,781	-	388,167	14.89%
2015	36,188	36,188	-	242,222	14.94%
2014	27,326	27,326	-	195,322	13.99%
Tier 2 Public Safety and Firefighter System					
2021	\$ 136,022	\$ 136,022	\$ -	\$ 504,307	26.97%
2020	108,792	108,792	-	448,915	24.23%
2019	84,912	84,912	-	350,390	24.23%
2018	60,905	60,905	-	256,659	23.73%
2017	54,393	54,393	-	229,895	23.66%
2016	42,978	42,978	-	181,644	23.66%
2015	38,270	38,270	-	161,406	23.71%
2014	33,152	33,152	-	148,198	22.37%
Tier 2 Public Employees DC Only**					
2021	\$ 21,709	\$ 21,709	\$ -	\$ 324,496	6.69%
2020	18,656	18,656	-	278,860	6.69%
2019	16,429	16,429	-	245,574	6.69%
2018	10,480	10,480	-	156,650	6.69%
2017	8,482	8,482	-	126,787	6.69%
2016	8,242	8,242	-	123,199	6.69%
2015	6,563	6,563	-	97,671	6.72%
2014	2,942	2,942	-	52,727	5.58%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the City will present information for those years for which information is available. Contributions as a percentage of covered payroll may be different than the certified rate due to rounding and other administrative practices.

** Contributions in Tier 2 include an amortization rate to help fund the unfunded liabilities in the Tier 1 systems. Tier 2 systems were created July 1, 2011.

SUPPLEMENTARY INFORMATION

**NORTH OGDEN CITY
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
June 30, 2021**

	Capital Projects Fund	Transportation Utility Fund	Transportation Impact Fee Fund	Transportation Sales Tax Fund	400/450 Improvement Fund	Total Capital Project Funds
ASSETS:						
Cash and cash equivalents	\$ 4,611,809	\$ -	\$ -	\$ -	\$ -	\$ 4,611,809
Receivables:						
Due from other governments	2,595,206	-	-	-	-	2,595,206
Restricted assets						
Restricted cash and cash equivalents	-	786,977	955,852	1,193,620	341,174	3,277,623
Restricted receivables	-	9,343	-	61,960	22,478	93,781
TOTAL ASSETS	\$ 7,207,015	\$ 796,320	\$ 955,852	\$ 1,255,580	\$ 363,652	\$10,578,419
LIABILITIES:						
Accounts payable	\$ 1,034,836	\$ 36	\$ -	\$ -	\$ -	\$ 1,034,872
Accrued liabilities	40,114	-	-	-	-	40,114
Customer/Developer deposits	-	-	-	-	13,181	13,181
Unearned revenue	-	-	-	-	2,400	2,400
TOTAL LIABILITIES	1,074,950	36	-	-	15,581	1,090,567
DEFERRED INFLOWS OF RESOURCES:						
Deferred inflows of resources - property tax	-	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCE	-	-	-	-	-	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	1,074,950	36	-	-	15,581	1,090,567
FUND BALANCES:						
Restricted:						
Road improvements	-	796,284	-	1,255,580	348,071	2,399,935
Impact Fees	-	-	955,852	-	-	955,852
Assigned for:						
Capital projects	6,132,065	-	-	-	-	6,132,065
TOTAL FUND BALANCES	6,132,065	796,284	955,852	1,255,580	348,071	9,487,852
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 7,207,015	\$ 796,320	\$ 955,852	\$ 1,255,580	\$ 363,652	\$10,578,419

NORTH OGDEN CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUNDS
For the Year Ended June 30, 2021

	Capital Projects Fund	Transportation Utility Fund	Transportation Impact Fee Fund	Transportation Sales Tax Fund	400/450 Improvement Fund	Total Capital Project Funds
REVENUES:						
Taxes:	\$ -	\$ -	\$ -	\$ 328,060	\$ -	\$ 328,060
Intergovernmental revenues	2,693,862	-	-	-	-	2,693,862
Charges for services	-	-	-	-	134,223	134,223
Impact fees	818,481	-	815,320	-	-	1,633,801
Interest	5,038	4,376	5,043	4,507	1,264	20,228
Miscellaneous revenue	10	-	-	-	-	10
Total revenues	3,517,391	4,376	820,363	332,567	135,487	4,810,184
EXPENDITURES:						
Current:						
General government	450	198,423	-	-	-	198,873
Streets and roads	30,306	-	-	-	34,274	64,580
Parks and recreation	8,203	-	-	-	-	8,203
Capital Outlay						
General government	22,676	-	-	-	-	22,676
Streets and roads	3,958,229	-	-	-	-	3,958,229
Parks and recreation	27,230	-	-	-	-	27,230
Total expenditures	4,047,094	198,423	-	-	34,274	4,279,791
Excess (Deficiency) of Revenues Over (Under) Expenditures	(529,703)	(194,047)	820,363	332,567	101,213	530,393
Other Financing Sources and (Uses):						
Transfers in	4,410,104	-	-	-	-	4,410,104
Transfers (out)	-	-	(1,456,230)	-	-	(1,456,230)
Total other financing sources and (uses)	4,410,104	-	(1,456,230)	-	-	2,953,874
Net Change in Fund Balances	3,880,401	(194,047)	(635,867)	332,567	101,213	3,484,267
Fund balances - beginning of year	2,251,664	990,331	1,591,719	923,013	246,858	6,003,585
Fund balances - end of year	\$ 6,132,065	\$ 796,284	\$ 955,852	\$ 1,255,580	\$ 348,071	\$ 9,487,852

NORTH OGDEN CITY
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2021

	Motor Pool Fund	Police Motor Pool Fund	Total Internal Service Funds
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 32,174	\$ 112,376	\$ 144,550
Inventories	46,222	-	46,222
Total current assets	78,396	112,376	190,772
Non-current assets:			
Capital assets:			
Buildings and structures	337,565	-	337,565
Vehicles and equipment	3,116,937	943,447	4,060,384
Less accumulated depreciation	(1,793,606)	(658,932)	(2,452,538)
Total non-current assets	1,660,896	284,515	1,945,411
Total assets	1,739,292	396,891	2,136,183
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows of resources - pensions	26,857	-	26,857
Total assets and deferred outflows of resources	\$ 1,766,149	\$ 396,891	\$ 2,163,040
LIABILITIES:			
Current liabilities:			
Accounts payable	\$ 22,190	\$ 7,075	\$ 29,265
Accrued liabilities	6,721	-	6,721
Accrued interest	1,009	-	1,009
Compensated absences, current portion	4,254	-	4,254
Lease obligation payable	38,445	-	38,445
Total current liabilities	72,619	7,075	79,694
Non-current liabilities:			
Compensated absences, long-term	2,836	-	2,836
Lease obligation payable	39,194	-	39,194
Net pension liability	6,497	-	6,497
Total non-current liabilities	48,527	-	48,527
Total liabilities	121,146	7,075	128,221
DEFERRED INFLOWS OF RESOURCES:			
Deferred inflows of resources - pensions	46,112	-	46,112
Total liabilities and deferred inflows of resources	167,258	7,075	174,333
NET POSITION:			
Net investment in capital assets	1,583,257	284,515	1,867,772
Unrestricted	15,634	105,301	120,935
Total net position	1,598,891	389,816	1,988,707
Total liabilities, deferred inflows of resources, and net position	\$ 1,766,149	\$ 396,891	\$ 2,163,040

NORTH OGDEN CITY
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2021

	Motor Pool Fund	Police Motor Pool Fund	Total Internal Service Fund
Operating income:			
Charges for services	\$ 269,532	\$ 206,109	\$ 475,641
Sale of materials and supplies	2,994	-	2,994
Miscellaneous	2,907	-	2,907
Total operating income	275,433	206,109	481,542
Operating expenses:			
Salaries and benefits	235,366	-	235,366
Materials and Supplies	64,957	61,109	126,066
Depreciation expense	106,978	90,343	197,321
Total operating expenses	407,301	151,452	558,753
Net operating income (loss)	(131,868)	54,657	(77,211)
Non-operating income (expense):			
Sale of fixed assets	(22,423)	16,428	(5,995)
Interest income	138	269	407
Interest on long-term debt	(1,278)	-	(1,278)
Total non-operating income (expense)	(23,563)	16,697	(6,866)
Income (loss) before contributions and transfers:	(155,431)	71,354	(84,077)
Transfers in	39,383	-	39,383
Transfers out	-	(39,383)	(39,383)
Change in net position	(116,048)	31,971	(84,077)
Net position - beginning	1,676,545	357,845	2,034,390
Prior period adjustment	38,394	-	38,394
Net position - ending	\$ 1,598,891	\$ 389,816	\$ 1,988,707

NORTH OGDEN CITY
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2021

	Motor Pool	Police Motor Pool Fund	Total Internal Service Funds
Cash flows from operating activities:			
Cash received from customers - service	\$ 5,901	\$ -	\$ 5,901
Cash received from interfund services provided	269,532	206,109	475,641
Cash paid to suppliers	(43,590)	(58,517)	(102,107)
Cash paid to employees	(174,918)	-	(174,918)
Net cash provided (used) in operating activities	56,925	147,592	204,517
Cash flows from noncapital financing activities:			
Interfund balances - transfer in/(out)	39,383	(39,383)	-
Net cash provided (used) in noncapital financing activities	39,383	(39,383)	-
Cash flows from capital and related financing activities:			
Cash from sale of fixed assets	488,715	33,100	521,815
Cash payments for capital assets	(515,066)	(95,826)	(610,892)
Cash payments for long-term debt principal	(37,709)	-	(37,709)
Cash payments for long-term debt interest	(307)	-	(307)
Cash flows provided (used) in capital and related financing activities	(64,367)	(62,726)	(127,093)
Cash flows from investing activities:			
Cash received from interest earned	138	270	408
Net cash provided (used) in investing activities	138	270	408
Net increase (decrease) in cash	32,079	45,753	77,832
Cash balance, beginning	95	66,623	66,718
Cash balance, ending	\$ 32,174	\$ 112,376	\$ 144,550
Cash reported on the statement of net position:			
Cash and cash equivalents	\$ 32,174	\$ 112,376	\$ 144,550
Non-current restricted cash	-	-	-
Total cash and cash equivalents	\$ 32,174	\$ 112,376	\$ 144,550

NORTH OGDEN CITY
COMBINING STATEMENT OF CASH FLOWS (Continued)
For the Year Ended June 30, 2021

	Motor Pool	Police Motor Pool Fund	Total Internal Service Funds
Reconciliation of Operating Income to Net Cash Provided (Used) in Operating Activities:			
Net operating income (expense)	\$ (131,868)	\$ 54,657	\$ (77,211)
Adjustments to reconcile operating income or (loss) to net cash provided (used) in operating activities:			
Depreciation and amortization	106,978	90,343	197,321
Pension expense adjustment	58,430	-	58,430
Changes in assets and liabilities:			
(Increase) decrease in inventory	(3,945)	-	(3,945)
(Increase) decrease in prepaid items	4,234	-	4,234
Increase (decrease) in accounts payables	21,078	2,592	23,670
Increase (decrease) in accrued liabilities	2,439	-	2,439
Increase (decrease) in compensated absences	(421)	-	(421)
Net cash provided (used) in operating activities	\$ 56,925	\$ 147,592	\$ 204,517