



NORTH OGDEN CITY

— SETTLED 1851 —

Financial Statements

With Auditor's Report

June 30, 2023

NORTH OGDEN CITY

BASIC FINANCIAL STATEMENTS

For The Year Ended June 30, 2023

Together with Independent Auditor's Report

**NORTH OGDEN CITY
TABLE OF CONTENTS**

	<u>Page</u>
Independent Auditor’s Report	1
Management’s Discussion and Analysis	4
Basic Financial Statements:	
Statement of Net Position	12
Statement of Activities	14
Balance Sheet – Governmental Funds	15
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	16
Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds	17
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18
Statement of Net Position – Proprietary Funds	19
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds	21
Statement of Cash Flows – Proprietary Funds	22
Notes to Basic Financial Statements	23
Required Supplementary Information:	
Notes to Required Supplementary Information.....	50
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	51
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – RDA\CDA	52
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Aquatic Center	53
Schedule of the Proportionate Share of the Net Pension Liability	54
Schedule of Contributions.....	56
Supplementary Information:	
Combining Balance Sheet – Capital Projects Funds	58
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Capital Projects Funds	59

NORTH OGDEN CITY
TABLE OF CONTENTS (Continued)

Combining Statement of Net Position – Internal Service Funds.....	60
Combining Statement of Revenues, Expenses and Changes in Net Position – Internal Service Funds	61
Combining Statement of Cash Flows – Internal Service Funds.....	62



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

Opinions

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, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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 City, as of June 30, 2023 and the respective changes in financial position and cash flows, where applicable, , thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our objectives to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements.

The budgetary comparison and combining statements, 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 12, 2023, 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 12, 2023

**NORTH OGDEN CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For The Year Ended June 30, 2023**

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, 2023. 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	\$	146,988,791
Total Liabilities and Deferred Inflows	\$	21,247,232
Net Position	\$	125,741,559
Governmental Activities - Unrestricted Net Position	\$	5,431,073
Business-type Activities - Unrestricted Net Position	\$	6,740,093

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

Increase (Decrease) in Total Net Position	\$	11,482,388
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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	\$ 116,099	0.53%
Restricted Fund Balance	12,067,799	54.81%
Committed Fund Balance	176,214	0.80%
Assigned Fund Balance	6,150,133	27.93%
Unassigned Fund Balance	3,505,898	15.92%
Total Governmental Funds, Fund Balance	<u>\$ 22,016,143</u>	

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

General Fund Unassigned Fund Balance	\$	3,505,898
(As a percent of total General Fund Expenditures)		41.13%

- The City's total debt and lease liability changed as indicated below. The decrease was due to payments in the current year exceeding the amount of the new lease agreement entered into.

Increase (Decrease) in total debt and lease liabilities	\$	(247,233)
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NORTH OGDEN CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2023

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.

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.

**NORTH OGDEN CITY
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2023**

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.

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	\$ 146,988,791
Total Liabilities and Deferred Inflows	\$ 21,247,232
Net Position	\$ 125,741,559

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, 2023

North Ogden City's Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 28,537,075	\$ 30,208,054	\$ 13,167,819	\$ 12,436,800	\$ 41,704,894	\$ 42,644,854
Capital assets	55,869,878	46,705,812	48,159,963	44,329,989	104,029,841	91,035,801
Total assets	84,406,953	76,913,866	61,327,782	56,766,789	145,734,735	133,680,655
Deferred outflows of resources	1,065,761	807,918	188,295	126,414	1,254,056	934,332
Long-term liabilities	10,084,513	9,336,099	104,513	40,980	10,189,026	9,377,079
Other liabilities	3,937,969	2,666,396	3,331,832	1,848,178	7,269,801	4,514,574
Total liabilities	14,022,482	12,002,495	3,436,345	1,889,158	17,458,827	13,891,653
Deferred inflows of resources	2,674,805	4,949,784	1,113,600	1,514,379	3,788,405	6,464,163
Net investment in capital assets	51,276,555	45,599,073	47,048,119	43,188,334	98,324,674	88,787,407
Restricted	12,067,799	14,378,276	3,177,920	3,177,920	15,245,719	17,556,196
Unrestricted	5,431,073	792,156	6,740,093	7,123,412	12,171,166	7,915,568
Total net position	\$ 68,775,427	\$ 60,769,505	\$ 56,966,132	\$ 53,489,666	\$ 125,741,559	\$ 114,259,171

Governmental Activities

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

Prior year Governmental Activities Net Position	\$ 60,769,505
Current year Governmental Activities Net Position	\$ 68,775,427

Key elements of this change are as follows:

North Ogden City's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program Revenues:						
Charges for services	\$ 1,651,972	\$ 1,697,579	\$ 7,570,473	\$ 7,254,619	\$ 9,222,445	\$ 8,952,198
Operating grants and contributions	1,215,881	1,071,576	-	-	1,215,881	1,071,576
Capital grants and contributions	5,022,347	3,009,687	3,089,602	1,101,998	8,111,949	4,111,685
General Revenues:						
Property taxes	3,647,395	2,854,125	-	-	3,647,395	2,854,125
Sales taxes	4,929,040	4,687,489	-	-	4,929,040	4,687,489
Other taxes	1,256,376	1,125,785	-	-	1,256,376	1,125,785
Other	1,391,035	271,594	599,070	77,816	1,990,105	349,410
Total revenues	\$ 19,114,046	\$ 14,717,835	\$ 11,259,145	\$ 8,434,433	\$ 30,373,191	\$ 23,152,268

**NORTH OGDEN CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2023**

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Expenses:						
General government	\$ 1,384,485	\$ 1,451,124	\$ -	\$ -	\$ 1,384,485	\$ 1,451,124
Public safety	4,709,368	3,735,675	-	-	4,709,368	3,735,675
Streets and roads	2,410,935	1,795,855	-	-	2,410,935	1,795,855
Parks and recreation	2,022,174	1,998,594	-	-	2,022,174	1,998,594
Economic development	383,319	104,436	-	-	383,319	104,436
Interest on long-term debt	196,186	117,164	-	-	196,186	117,164
Water	-	-	2,900,541	2,513,284	2,900,541	2,513,284
Sewer	-	-	2,397,030	2,129,133	2,397,030	2,129,133
Storm water	-	-	1,076,913	1,009,741	1,076,913	1,009,741
Solid waste	-	-	1,409,852	1,269,950	1,409,852	1,269,950
Total expenses	<u>11,106,467</u>	<u>9,202,848</u>	<u>7,784,336</u>	<u>6,922,108</u>	<u>18,890,803</u>	<u>16,124,956</u>
Increase (decrease) in net position before transfers	8,007,579	5,514,987	3,474,809	1,512,325	11,482,388	7,027,312
Transfers	(1,657)	-	1,657	-	-	-
Increase (decrease) in net position	8,005,922	5,514,987	3,476,466	1,512,325	11,482,388	7,027,312
Net position - beginning	<u>60,769,505</u>	<u>55,254,518</u>	<u>53,489,666</u>	<u>51,977,341</u>	<u>114,259,171</u>	<u>107,231,859</u>
Net position - ending	<u>\$ 68,775,427</u>	<u>\$ 60,769,505</u>	<u>\$ 56,966,132</u>	<u>\$ 53,489,666</u>	<u>\$ 125,741,559</u>	<u>\$ 114,259,171</u>

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.

Business-type Activities

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

Prior year Business-type Activities Net Position	\$ 53,489,666
Current year Business-type Activities Net Position	\$ 56,966,132

Key elements of the changes are shown above and 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 information at the top of the next page. 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.

**NORTH OGDEN CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2023**

Governmental Funds, Fund Balances		Percentage
Nonspendable	\$ 116,099	0.53%
Restricted Fund Balance	12,067,799	54.81%
Committed Fund Balance	176,214	0.80%
Assigned Fund Balance	6,150,133	27.93%
Unassigned Fund Balance	<u>3,505,898</u>	15.92%
Total Governmental Funds, Fund Balance	<u>\$ 22,016,143</u>	
Prior years Total Governmental Funds, Fund Balance	\$ 24,189,491	
		Percent Change
Increase (Decrease) in Total Gov Funds, Fund Balance	\$ (2,173,348)	-8.98%
Nonspendable		
Prepaid Expenses	\$ 116,099	
Restricted Fund Balances		
Road improvements	3,033,944	
Unspent bond proceeds	4,739,258	
Impact fees	1,731,464	
Economic development	2,563,133	
Committed Fund Balances		
Aquatic Center	176,214	
Assigned Fund Balances		
Capital projects/debt service	6,150,133	

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	\$ 116,099	1.36%
Restricted Fund Balance	290,484	3.41%
Unassigned Fund Balance	<u>3,505,898</u>	41.13%
Total General Fund, Fund Balance	<u>\$ 3,912,481</u>	45.90%

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	\$ 6,894,383
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**NORTH OGDEN CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2023**

General Fund Budgetary Highlights

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

Increase in general government expenditures due to an increase in emergency management expenditures	\$ 646,000
Increase in public safety and highways and streets expenditures due to an increase for personnel costs	\$ 303,000

A comparison of final budgeted revenues and expenditures to the actual amounts received and spent is below:

	Final Budget	Actual	Variance
Total Revenues	\$ 11,272,650	\$ 11,195,707	\$ (76,943)
Total Expenditures	9,647,976	8,523,106	1,124,870
Net Increase (Decrease)	\$ 1,624,674	\$ 2,672,601	\$ 1,047,927

Capital Asset and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental activities as of June 30, 2023, is 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 phase 1 of the 400/450 east road project
- Continuing construction of a new public safety building
- Contribution of assets (infrastructure) from completed developments

The City's investment in capital assets for its business-type activities as of June 30, 2023, is shown below. This investment includes water shares, buildings, and improvements other than buildings, such as water and sewer systems.

**NORTH OGDEN CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2023**

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

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Capital assets not being depreciated						
Land and water stock	\$ 11,469,787	\$ 6,205,763	\$ 1,395,180	\$ 3,601,832	\$ 12,864,967	\$ 9,807,595
Construction in progress	7,420,973	10,095,530	354,208	241,008	7,775,181	10,336,538
Capital assets being depreciated						
Buildings	16,916,028	16,916,028	418,425	418,425	17,334,453	17,334,453
Infrastructure	24,747,686	17,394,575	66,849,461	59,435,953	91,597,147	76,830,528
Park improvements	3,902,580	3,781,384	-	-	3,902,580	3,781,384
Machinery and equipment	6,111,743	6,064,790	5,344,152	5,291,640	11,455,895	11,356,430
Leased machinery and equipment	358,898	120,193	-	-	358,898	-
Total	70,927,695	60,578,263	74,361,426	68,988,858	145,289,121	129,446,928
Less accumulated depreciation and amortization	(15,057,817)	(13,872,451)	(26,201,463)	(24,658,869)	(41,259,280)	(38,531,320)
Total capital assets, net	\$ 55,869,878	\$ 46,705,812	\$ 48,159,963	\$ 44,329,989	\$ 104,029,841	\$ 90,915,608

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	
	2023	2022	2023	2022	2023	2022
Revenue bonds	\$ 9,084,000	\$ 9,500,000	\$ -	\$ -	\$ 9,084,000	\$ 9,500,000
Financed purchase	-	39,194	-	-	-	39,194
Lease liability	293,281	85,320	-	-	293,281	85,320
Net pension liability	1,047,459	-	104,513	-	1,151,972	-
Compensated absences	439,665	493,805	85,337	102,451	525,002	596,256
Total	\$ 10,864,405	\$ 10,118,319	\$ 189,850	\$ 102,451	\$ 11,054,255	\$ 10,220,770

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 2023, sales tax revenues remained steady at an increase of 5% over last year. Building permit revenue decreased by 24% compared to the previous year, and the city expects slow growth for fiscal year 2024. On August 9, 2022, the city held a truth-in-taxation hearing, and Council subsequently approved a property tax revenue increase of 24.5%. Other rates and fees remained constant for fiscal year 2023.

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, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:			
Current assets:			
Cash and cash equivalents	\$ 12,353,495	\$ 8,746,409	\$ 21,099,904
Accounts receivable, net	2,674,314	677,977	3,352,291
Intergovernmental receivables	973,795	51,904	1,025,699
Inventory	42,282	86,154	128,436
Prepaid expenses	116,099	7,813	123,912
Total current assets	<u>16,159,985</u>	<u>9,570,257</u>	<u>25,730,242</u>
Non-current assets:			
Restricted cash and cash equivalents	11,720,838	3,751,852	15,472,690
Restricted receivables	501,962	-	501,962
Internal Balances	154,290	(154,290)	-
Capital assets:			
Not being depreciated	18,890,760	1,749,388	20,640,148
Net of accumulated depreciation and amortization	36,979,118	46,410,575	83,389,693
Total non-current assets	<u>68,246,968</u>	<u>51,757,525</u>	<u>120,004,493</u>
Total assets	<u>84,406,953</u>	<u>61,327,782</u>	<u>145,734,735</u>
Deferred outflows of resources:			
Pensions	1,065,761	188,295	1,254,056
Total assets and deferred outflows of resources	<u><u>\$ 85,472,714</u></u>	<u><u>\$ 61,516,077</u></u>	<u><u>\$ 146,988,791</u></u>

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

NORTH OGDEN CITY
STATEMENT OF NET POSITION (Continued)
June 30, 2023

	Governmental Activities	Business-Type Activities	Total
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:			
Current liabilities:			
Accounts payable	\$ 1,643,880	\$ 755,846	\$ 2,399,726
Accrued liabilities	712,333	90,863	803,196
Payable from restricted assets	5,276	51,560	56,836
Accrued interest payable	33,540	-	33,540
Unearned revenue	98,198	2,340,896	2,439,094
Performance bonds and deposits	664,850	7,330	672,180
Compensated absences, current portion	299,031	85,337	384,368
Lease liability, current portion	76,861	-	76,861
Bonds payable, current portion	404,000	-	404,000
Total current liabilities	<u>3,937,969</u>	<u>3,331,832</u>	<u>7,269,801</u>
Non-current liabilities:			
Compensated absences, non-current portion	140,634	-	140,634
Lease liability, non-current portion	216,420	-	216,420
Bonds payable, non-current portion	8,680,000	-	8,680,000
Net pension liability	1,047,459	104,513	1,151,972
Total non-current liabilities	<u>10,084,513</u>	<u>104,513</u>	<u>10,189,026</u>
Total liabilities	<u>14,022,482</u>	<u>3,436,345</u>	<u>17,458,827</u>
Deferred inflows of resources:			
Deferred property tax revenue	2,650,315	-	2,650,315
Pensions	24,490	1,756	26,246
System agreements	-	1,111,844	1,111,844
Total deferred inflows of resources	<u>2,674,805</u>	<u>1,113,600</u>	<u>3,788,405</u>
NET POSITION:			
Net investment in capital assets	51,276,555	47,048,119	98,324,674
Restricted for:			
Road improvements	3,033,944	3,177,920	6,211,864
Unspent bond proceeds	4,739,258	-	4,739,258
Impact fees	1,731,464	-	1,731,464
Economic development	2,563,133	-	2,563,133
Unrestricted	5,431,073	6,740,093	12,171,166
Total net position	<u>68,775,427</u>	<u>56,966,132</u>	<u>125,741,559</u>
Total Liabilities, deferred inflows of resources, and net position	<u>\$ 85,472,714</u>	<u>\$ 61,516,077</u>	<u>\$ 146,988,791</u>

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

NORTH OGDEN CITY
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023

	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	\$ 1,384,485	\$ 305,588	\$ 14,062	\$ -	\$ (1,064,835)	\$ -	\$ (1,064,835)
Public safety	4,709,368	502,264	125,170	-	(4,081,934)	-	(4,081,934)
Streets and roads	2,410,935	251,456	1,018,840	4,455,751	3,315,112	-	3,315,112
Parks and recreation	2,022,174	592,664	57,707	566,596	(805,207)	-	(805,207)
Economic development	383,319	-	102	-	(383,217)	-	(383,217)
Interest on long-term debt	196,186	-	-	-	(196,186)	-	(196,186)
Total governmental activities:	11,106,467	1,651,972	1,215,881	5,022,347	(3,216,267)	-	(3,216,267)
Business-type activities:							
Water	2,900,541	2,504,641	-	1,168,606	-	772,706	772,706
Sewer	2,397,030	2,584,438	-	888,768	-	1,076,176	1,076,176
Storm water	1,076,913	1,104,571	-	1,032,228	-	1,059,886	1,059,886
Solid waste	1,409,852	1,376,823	-	-	-	(33,029)	(33,029)
Total business-type activities	7,784,336	7,570,473	-	3,089,602	-	2,875,739	2,875,739
Total primary government	\$ 18,890,803	\$ 9,222,445	\$ 1,215,881	\$ 8,111,949	(3,216,267)	2,875,739	(340,528)
General Revenues:							
Property taxes					3,647,395	-	3,647,395
Sales tax					4,929,040	-	4,929,040
Other taxes					1,256,376	-	1,256,376
Unrestricted investment earnings					963,871	373,950	1,337,821
Gain on sale of capital assets					366,758	130,123	496,881
Miscellaneous					60,406	94,997	155,403
Transfers					(1,657)	1,657	-
Total general revenues and transfers					11,222,189	600,727	11,822,916
Change in net position					8,005,922	3,476,466	11,482,388
Net position - beginning					60,769,505	53,489,666	114,259,171
Net position - ending					\$ 68,775,427	\$ 56,966,132	\$ 125,741,559

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

**NORTH OGDEN CITY
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2023**

	General Fund	Special Revenue			Capital Projects Funds	Total Governmental Funds
		RDA/CDA Funds	Aquatic Center	Debt Service Fund		
ASSETS:						
Cash and cash equivalents	\$ 3,699,991	\$ -	\$ 249,843	\$ 1	\$ 7,877,197	\$ 11,827,032
Receivables:						
Property taxes	2,535,667	-	-	-	-	2,535,667
Due from other governments	973,795	-	-	-	-	973,795
Other	-	-	61,690	-	29,890	91,580
Prepaid expenses	116,099	-	-	-	-	116,099
Restricted assets:						
Restricted cash and cash equivalents	54,825	2,559,890	-	-	9,106,123	11,720,838
Restricted receivables	240,273	153,496	-	-	108,193	501,962
TOTAL ASSETS	\$ 7,620,650	\$ 2,713,386	\$ 311,533	\$ 1	\$17,121,403	\$27,766,973
LIABILITIES:						
Accounts payable	\$ 184,106	\$ -	\$ 58,172	\$ -	\$ 1,391,090	\$ 1,633,368
Accrued liabilities	319,986	-	39,161	-	339,676	698,823
Payable from restricted assets	4,614	528	-	-	134	5,276
Customer and developer deposits	647,003	-	-	-	17,847	664,850
Unearned revenue	51,870	-	37,986	-	8,342	98,198
TOTAL LIABILITIES	1,207,579	528	135,319	-	1,757,089	3,100,515
DEFERRED INFLOWS OF RESOURCES:						
Deferred property tax revenue	2,500,590	149,725	-	-	-	2,650,315
FUND BALANCES:						
Nonspendable:						
Prepaid assets	116,099	-	-	-	-	116,099
Restricted for:						
Road improvements	290,484	-	-	-	2,743,460	3,033,944
Unspent bond proceeds	-	-	-	-	4,739,258	4,739,258
Impact fees	-	-	-	-	1,731,464	1,731,464
Economic development	-	2,563,133	-	-	-	2,563,133
Committed for:						
Aquatic center	-	-	176,214	-	-	176,214
Assigned for:						
Capital projects/debt service	-	-	-	1	6,150,132	6,150,133
Unassigned	3,505,898	-	-	-	-	3,505,898
TOTAL FUND BALANCES	3,912,481	2,563,133	176,214	1	15,364,314	22,016,143
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 7,620,650	\$ 2,713,386	\$ 311,533	\$ 1	\$17,121,403	\$27,766,973

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, 2023

Total Fund Balance for Governmental Funds	\$22,016,143
Total net assets reported for governmental activities in the statement is different because:	
Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds:	
Capital assets, at cost	65,973,216
Less accumulated depreciation and amortization	(12,268,917)
Deferred outflows of resources - pensions, a consumption of net position that applies to future periods, is not shown in the funds statements.	1,018,642
Deferred inflows of resources - pensions, acquisition of net position that applies to future periods, is not reported in the fund statements.	(24,050)
Long-term liabilities, for funds other than enterprise funds, are recorded in the government-wide statements but not in the fund statements:	
Revenue bonds payable	(9,084,000)
Interest accrued but not yet paid on long-term debt	(33,540)
Compensated absences	(426,162)
Net pension liability	(1,021,306)
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 funds are included in the governmental activities of the statement of net position.	<u>2,625,401</u>
Total Net Position of Governmental Activities	<u>\$68,775,427</u>

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, 2023

	General Fund	Special Revenue		Debt Service Fund	Capital Projects Funds	Total Governmental Funds
		RDA/CDA Funds	Aquatic Center			
REVENUES:						
Taxes	\$ 8,370,188	\$ 139,457	\$ -	\$ -	\$ 394,683	\$ 8,904,328
Licenses and permits	403,914	-	-	-	-	403,914
Intergovernmental revenues	1,171,143	928,483	-	-	725,376	2,825,002
Charges for services	387,830	-	490,685	-	168,215	1,046,730
Fines and forfeitures	195,908	-	-	-	-	195,908
Other	64,988	-	102	-	-	65,090
Impact fees	-	-	-	-	544,461	544,461
Interest	536,191	72,380	-	-	343,461	952,032
Donations	24,281	-	-	-	-	24,281
Miscellaneous revenue	41,264	-	12,499	-	80	53,843
Total revenues	11,195,707	1,140,320	503,286	-	2,176,276	15,015,589
EXPENDITURES:						
Current:						
General government	1,369,696	-	-	-	10,026	1,379,722
Public safety	4,875,437	-	-	-	-	4,875,437
Streets and roads	1,041,116	-	-	-	838,021	1,879,137
Parks and recreation	1,236,857	-	588,115	-	-	1,824,972
Economic development	-	383,319	-	-	-	383,319
Debt service:						
Principal	-	-	-	416,000	-	416,000
Interest	-	-	-	187,833	-	187,833
Capital Outlay:						
Public safety	-	-	-	-	6,430,363	6,430,363
Streets and roads	-	-	-	-	262,071	262,071
Parks and recreation	-	-	-	-	188,378	188,378
Total expenditures	8,523,106	383,319	588,115	603,833	7,728,859	17,827,232
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,672,601	757,001	(84,829)	(603,833)	(5,552,583)	(2,811,643)
Other Financing Sources and (Uses):						
Sale of general capital assets	-	-	-	-	638,295	638,295
Transfers in	18,000	-	84,830	603,834	1,140,000	1,846,664
Transfers out	(1,743,834)	(102,830)	-	-	-	(1,846,664)
Total other financing sources and (uses)	(1,725,834)	(102,830)	84,830	603,834	1,778,295	638,295
Net Change in Fund Balances	946,767	654,171	1	1	(3,774,288)	(2,173,348)
Fund balance - beginning of year	2,965,714	1,908,962	176,213	-	19,138,602	24,189,491
Fund balance - end of year	\$ 3,912,481	\$ 2,563,133	\$ 176,214	\$ 1	\$15,364,314	\$22,016,143

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, 2023

Net Change in Fund Balances - Total Governmental Funds **\$ (2,173,348)**

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	6,773,997
Capital contributed	3,713,297
Depreciation expense	(1,037,143)

Governmental funds have proceeds from the sale of assets as revenue. However, the statement of activities reports the gain or loss on the sale of assets.	(423,520)
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The Statement of Activities show pension benefits and pension expenses from the adoption of GASB 68 that are not shown in the fund statements.	314,803
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Payment of debt principal and accrued interest are expenditures in the governmental funds, but reduce the long-term liabilities in the statement of net position

Long-term debt principal repayments	416,000
Change in accrued interest	(4,469)

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	57,295
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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	369,010
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Change in Net Position of Governmental Activities	\$ 8,005,922
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The accompanying notes are an integral part of the financial statements.

NORTH OGDEN CITY
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
June 30, 2023

	Business-type Activities - Enterprise Funds				Total Enterprise Funds	Governmental
			Storm Water	Solid Waste		Internal
	Water Fund	Sewer Fund	Fund	Fund		Service Funds
ASSETS:						
Current assets:						
Cash and cash equivalents	\$ 5,237,196	\$ 1,433,516	\$ 1,741,383	\$ 334,314	\$ 8,746,409	\$ 526,463
Accounts receivable, net	218,071	233,278	98,577	128,051	677,977	47,067
Grant receivables	-	-	51,904	-	51,904	-
Inventories	86,154	-	-	-	86,154	42,282
Prepaid items	4,813	-	3,000	-	7,813	-
Total current assets	5,546,234	1,666,794	1,894,864	462,365	9,570,257	615,812
Non-current assets:						
Restricted cash and cash equivalents	625,474	812,474	2,313,904	-	3,751,852	-
Capital assets:						
Land, rights, and water stock	142,025	-	212,183	-	354,208	-
Construction in progress	659,080	-	736,100	-	1,395,180	-
Buildings and structures	345,949	-	-	72,476	418,425	337,565
Systems	35,651,302	14,716,688	16,481,471	-	66,849,461	-
Vehicles and equipment	1,986,477	617,678	1,550,988	1,189,009	5,344,152	4,258,016
Leased vehicles and equipment	-	-	-	-	-	358,898
Less accumulated depreciation and amortization	(14,495,220)	(4,668,462)	(5,884,149)	(1,153,632)	(26,201,463)	(2,788,901)
Total non-current assets	24,915,087	11,478,378	15,410,497	107,853	51,911,815	2,165,578
Total assets	30,461,321	13,145,172	17,305,361	570,218	61,482,072	2,781,390
DEFERRED OUTFLOWS OF RESOURCES:						
Pensions	110,451	26,680	42,247	8,917	188,295	47,119
Total assets and deferred outflows of resources	\$30,571,772	\$13,171,852	\$17,347,608	\$ 579,135	\$61,670,367	\$ 2,828,509

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

NORTH OGDEN CITY
STATEMENT OF NET POSITION – PROPRIETARY FUNDS (Continued)
June 30, 2023

	Business-type Activities - Enterprise Funds				Total Enterprise Funds	Governmental
	Water Fund	Sewer Fund	Storm Water Fund	Solid Waste Fund		Internal Service Funds
LIABILITIES:						
Current liabilities:						
Accounts payable	\$ 631,259	\$ 4,790	\$ 7,169	\$ 112,628	\$ 755,846	\$ 10,508
Accrued liabilities	73,573	6,224	8,200	2,866	90,863	13,510
Payable from restricted assets	-	51,560	-	-	51,560	-
Unearned revenue	2,340,896	-	-	-	2,340,896	-
Customer security deposits	7,330	-	-	-	7,330	-
Compensated absences, current portion	32,490	23,931	18,730	10,186	85,337	13,503
Lease liability, current portion	-	-	-	-	-	76,861
Total current liabilities	3,085,548	86,505	34,099	125,680	3,331,832	114,382
Non-current liabilities:						
Lease liability, long-term	-	-	-	-	-	216,420
Net pension liability	61,306	14,809	23,449	4,949	104,513	26,153
Total non-current liabilities	61,306	14,809	23,449	4,949	104,513	242,573
Total liabilities	3,146,854	101,314	57,548	130,629	3,436,345	356,955
DEFERRED INFLOWS OF RESOURCES:						
Pensions	1,030	249	394	83	1,756	440
System agreements	1,111,844	-	-	-	1,111,844	-
Total deferred inflows of resources	1,112,874	249	394	83	1,113,600	440
NET POSITION:						
Net investment in capital assets	23,177,769	10,665,904	13,096,593	107,853	47,048,119	1,949,158
Restricted for:						
Impact fees	349,389	702,175	2,126,356	-	3,177,920	-
Unrestricted	2,784,886	1,702,210	2,066,717	340,570	6,894,383	521,956
Total net position	26,312,044	13,070,289	17,289,666	448,423	57,120,422	2,471,114
Total liabilities, deferred inflows of resources, and net position	\$30,571,772	\$13,171,852	\$17,347,608	\$ 579,135		\$ 2,828,509
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					(154,290)	
Net Position of business-type activities					\$ 56,966,132	

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, 2023

	Business-type Activities - Enterprise Funds				Total Enterprise Funds	Governmental Activities
	Water Fund	Sewer Fund	Storm Water Fund	Solid Waste Fund		Internal Service Funds
Operating income:						
Charges for services	\$ 2,394,363	\$ 2,580,126	\$ 1,094,037	\$ 1,338,622	\$ 7,407,148	\$ 1,033,854
Connection fees	52,278	4,312	-	-	56,590	-
Special fees	-	-	-	26,912	26,912	-
Sale of materials and supplies	-	-	-	-	-	2,615
Miscellaneous	58,000	-	10,534	11,289	79,823	3,948
Total operating income	2,504,641	2,584,438	1,104,571	1,376,823	7,570,473	1,040,417
Operating expenses:						
Salaries and benefits	641,609	192,927	249,845	50,081	1,134,462	291,174
Sewer fees	-	1,396,641	-	-	1,396,641	-
Materials and Supplies	823,918	123,510	112,457	93,552	1,153,437	170,228
Internal service lease	34,985	15,614	22,306	6,885	79,790	-
Contract services	2,250	18,211	3,078	1,065,706	1,089,245	-
Administrative service fees	427,299	317,148	306,747	167,836	1,219,030	-
Depreciation and amortization expense	891,533	340,142	392,712	28,950	1,653,337	331,684
Total operating expenses	2,821,594	2,404,193	1,087,145	1,413,010	7,725,942	793,086
Net operating income (loss)	(316,953)	180,245	17,426	(36,187)	(155,469)	247,331
Non-operating income (expense):						
Grant revenue	94,997	-	-	-	94,997	-
Sale of fixed assets	58,792	15,572	36,472	19,287	130,123	151,983
Interest income	173,689	74,529	117,570	8,162	373,950	11,840
Interest on long-term debt	-	-	-	-	-	(3,884)
Grant expense	(94,997)	-	-	-	(94,997)	-
Total non-operating income (expense)	232,481	90,101	154,042	27,449	504,073	159,939
Income (loss) before contributions and transfers:	(84,472)	270,346	171,468	(8,738)	348,604	407,270
Capital contributions	833,899	833,485	907,353	-	2,574,737	-
Impact fees	334,707	55,283	124,875	-	514,865	-
Transfers in	76,807	23,854	-	-	100,661	-
Transfers out	(46,065)	(29,085)	(23,854)	-	(99,004)	(1,657)
Change in net position	1,114,876	1,153,883	1,179,842	(8,738)	3,439,863	405,613
Net position - beginning	25,197,168	11,916,406	16,109,824	457,161		2,065,501
Net position - ending	\$26,312,044	\$13,070,289	\$17,289,666	\$ 448,423		\$ 2,471,114
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds					36,603	
Change in net position of business-type activities					\$ 3,476,466	

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, 2023

	Business-type Activities - Enterprise Funds				Total Enterprise Funds	Governmental Activities
	Water Fund	Sewer Fund	Storm Water Fund	Solid Waste Fund		Internal Service Funds
Cash flows from operating activities:						
Cash received from customers - service	\$ 2,506,964	\$ 2,571,620	\$ 1,102,641	\$ 1,362,395	\$ 7,543,620	\$ 6,563
Cash received from interfund services provided	-	-	-	-	-	1,033,287
Cash paid to suppliers	(713,317)	(1,898,674)	(432,897)	(1,278,815)	(4,323,703)	(176,206)
Cash paid to employees	(663,784)	(201,006)	(257,509)	(57,936)	(1,180,235)	(296,033)
Cash paid for interfund services	(34,985)	(15,614)	(22,306)	(6,885)	(79,790)	-
Net cash provided (used) in operating activities	1,094,878	456,326	389,929	18,759	1,959,892	567,611
Cash flows from capital and related financing activities:						
Cash from impact fees	334,707	55,283	124,875	-	514,865	-
Cash from sale of fixed assets	144,199	53,500	107,000	43,600	348,299	293,950
Cash from grants	1,122,949	-	-	-	1,122,949	-
Cash payments for capital assets	(2,298,762)	(514,968)	(311,363)	-	(3,125,093)	(420,540)
Cash payments for long-term debt principal	-	-	-	-	-	(39,194)
Cash payments for long-term debt interest	-	-	-	-	-	(4,893)
Cash payments for leases	-	-	-	-	-	(30,744)
Cash payments on system reimbursements	(29,811)	-	-	-	(29,811)	-
Cash flows provided (used) in capital and related financing activities	(726,718)	(406,185)	(79,488)	43,600	(1,168,791)	(201,421)
Cash flows from investing activities:						
Cash received from interest earned	173,689	74,529	117,570	8,162	373,950	11,840
Net cash provided (used) in investing activities	173,689	74,529	117,570	8,162	373,950	11,840
Net increase (decrease) in cash	541,849	124,670	428,011	70,521	1,165,051	378,030
Cash balance, beginning	5,320,821	2,121,320	3,627,276	263,793	11,333,210	148,433
Cash balance, ending	\$ 5,862,670	\$ 2,245,990	\$ 4,055,287	\$ 334,314	\$ 12,498,261	\$ 526,463
Cash reported on the statement of net position:						
Cash and cash equivalents	\$ 5,237,196	\$ 1,433,516	\$ 1,741,383	\$ 334,314	\$ 8,746,409	\$ 526,463
Non-current restricted cash	625,474	812,474	2,313,904	-	3,751,852	-
Total cash and cash equivalents	\$ 5,862,670	\$ 2,245,990	\$ 4,055,287	\$ 334,314	\$ 12,498,261	\$ 526,463
Reconciliation of Operating Income to Net Cash Provided (Used) in Operating Activities:						
Net operating income (expense)	\$ (316,953)	\$ 180,245	\$ 17,426	\$ (36,187)	\$ (155,469)	\$ 247,331
Adjustments to reconcile operating income or (loss) to net cash provided (used) in operating activities:						
Depreciation and amortization	891,533	340,142	392,712	28,950	1,653,337	331,684
Pension expense adjustment	(33,724)	(7,773)	(12,365)	(3,885)	(57,747)	(14,104)
Changes in assets and liabilities:						
(Increase) decrease in receivables- net	1,643	(11,483)	5,677	(17,086)	(21,249)	(567)
(Increase) decrease in inventory	225,434	-	-	-	225,434	2,665
(Increase) decrease in prepaid items	(1,139)	-	(3,000)	-	(4,139)	-
Increase (decrease) in accounts payables	315,855	(43,164)	(7,615)	48,279	313,355	(8,643)
Increase (decrease) in accrued liabilities	29,088	(1,335)	(7,607)	2,658	22,804	6,089
Increase (decrease) in customer deposits	680	-	-	-	680	-
Increase (decrease) in compensated absences	(17,539)	(306)	4,701	(3,970)	(17,114)	3,156
Net cash provided (used) in operating activities	\$ 1,094,878	\$ 456,326	\$ 389,929	\$ 18,759	\$ 1,959,892	\$ 567,611
Noncash capital and related financing activities:						
Developer contributions	\$ 833,899	\$ 833,485	\$ 907,353	\$ -	\$ 2,574,737	\$ -
Intangible asset additions from lease obligations	-	-	-	-	-	238,705

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. Revenue is received from pool admissions and rents. The Center also receives a transfer from the RDA/CDA as a subsidy to operations.

The *debt service fund* accounts for financial resources used for debt service on the City's revenue bonds.

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 more than 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:

Buildings	25-50 years
Water distribution system	50 years
Sewer collection system	50 years
Equipment and machinery	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.

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.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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:

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."

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 following 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 Water Impact Fees- The City collects water impact fees, these fees are to be expended only on the water system 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 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.

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.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, 2023, consist of the following:

	Carry Value
Demand deposits - checking	\$ 756,513
Deposits - PTIF	35,816,081
Total cash	\$ 36,572,594
<i>As reported in the statement of net position:</i>	
Cash and cash equivalents (current)	\$ 21,099,904
Restricted cash and cash equivalents (noncurrent)	15,472,690
Total cash and cash equivalents	\$ 36,572,594

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.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

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, 2023, \$2,039,401 of the City's bank balances of \$2,297,617 was uninsured and uncollateralized.

Investments

Fair Value of Investments

For the year ended June 30, 2023, the city had deposits (carrying value which is the amortized cost) of \$35,816,081 with the Utah Public Treasurer's Investment Fund, with the fair value of these investments being \$35,818,773, using a fair value factor of 1.00007516, 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, 2023, 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	\$ 35,818,773	\$ -	\$ 35,818,773	\$ -
Total investments	<u>\$ 35,818,773</u>	<u>\$ -</u>	<u>\$ 35,818,773</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, 2023, 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	\$ 35,818,773	\$ 35,818,773	-	120.30
Total investments	<u>\$ 35,818,773</u>	<u>\$ 35,818,773</u>	<u>-</u>	

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Credit risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligations. At June 30, 2023, 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	\$ 35,818,773	\$ -	\$ -	\$ -	\$ 35,818,773
Total investments	<u>\$ 35,818,773</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,818,773</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.

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, 2023, all of the City's investments were invested in the PTIF.

NOTE 3 – ACCOUNTS RECEIVABLE

Receivables as of June 30, 2023 for the City's individual major funds and non-major funds in the aggregate, including the applicable allowances for uncollectable accounts, are as follows:

	General Fund	Special Revenue			Enterprise Funds	Internal Service Funds	Total
		RDA/CDA Funds	Aquatic Center	Capital Projects			
Customers	\$ -	\$ -	\$ -	\$ -	\$ 701,377	\$ -	\$ 701,377
Asset sale	-	-	-	-	-	47,067	47,067
Property taxes	2,535,667	153,496	-	-	-	-	2,689,163
Due from other governments	1,214,068	-	-	108,193	51,904	-	1,374,165
Other receivables	-	-	61,690	29,890	-	-	91,580
Total receivables, gross	<u>3,749,735</u>	<u>153,496</u>	<u>61,690</u>	<u>138,083</u>	<u>753,281</u>	<u>47,067</u>	<u>4,903,352</u>
Allowance for uncollectible	-	-	-	-	23,400	-	23,400
Total receivables, net	<u>\$ 3,749,735</u>	<u>\$ 153,496</u>	<u>\$ 61,690</u>	<u>\$ 138,083</u>	<u>\$ 729,881</u>	<u>\$ 47,067</u>	<u>\$ 4,879,952</u>

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	\$ 10,095,530	\$ 1,797,777	\$ (423,520)	\$ 11,469,787
Construction in progress	6,205,763	6,652,801	(5,437,591)	7,420,973
Total capital assets, not being depreciated	16,301,293	8,450,578	(5,861,111)	18,890,760
Capital assets, being depreciated:				
Buildings	16,916,028	-	-	16,916,028
Infrastructure	17,394,575	7,353,111	-	24,747,686
Park improvements	3,781,384	121,196	-	3,902,580
Machinery and equipment	6,064,790	539,948	(492,995)	6,111,743
Leased machinery and equipment	120,193	238,705	-	358,898
Total capital assets, being depreciated	44,276,970	8,252,960	(492,995)	52,036,935
Less accumulated depreciation and amortization for:				
Buildings	6,177,628	321,533	-	6,499,161
Infrastructure	3,117,332	570,606	-	3,687,938
Park improvements	1,206,140	101,338	-	1,307,478
Machinery and equipment	3,361,576	342,575	(183,462)	3,520,689
Leased machinery and equipment	9,775	32,776	-	42,551
Total accumulated depreciation and amortization	13,872,451	1,368,828	(183,462)	15,057,817
Total capital assets being depreciated, net	30,404,519	6,884,132	(309,533)	36,979,118
Governmental activities, capital assets, net	\$ 46,705,812	\$ 15,334,710	\$ (6,170,644)	\$ 55,869,878

Capital assets in the statement of net position also include capital assets of the internal service funds of \$2,165,578 (net of accumulated depreciation).

The leased machinery and equipment amortization is presented as amortization expense on the Statement of Revenues, Expenses and Changes in Fund Net Position related to the City's intangible asset of leased vehicles and equipment, which is included in the above table. With the implementation of Governmental Accounting Standards Board Statement No. 87, *Leases*, a lease meeting the criteria of this Statement requires the lessee to recognize a lease liability and an intangible right to use asset.

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

Governmental activities:	
General government	\$ 106,259
Public safety	136,453
Streets and roads	798,044
Parks and recreation	328,072
Total	\$ 1,368,828

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	\$ 113,200	\$ -	\$ 354,208
Construction in progress	3,601,832	1,735,755	(3,942,407)	1,395,180
Total capital assets, not being depreciated	3,842,840	1,848,955	(3,942,407)	1,749,388
Capital assets, being depreciated:				
Buildings and structures	418,425	-	-	418,425
Systems	59,435,953	7,413,508	-	66,849,461
Vehicles and equipment	5,291,640	596,703	(544,191)	5,344,152
Total capital assets, being depreciated	65,146,018	8,010,211	(544,191)	72,612,038
Less accumulated depreciation for:				
Buildings and structures	337,095	12,230	-	349,325
Systems	21,214,295	1,335,994	-	22,550,289
Vehicles and equipment	3,107,479	305,113	(110,743)	3,301,849
Total accumulated depreciation	24,658,869	1,653,337	(110,743)	26,201,463
Total capital assets being depreciated, net	40,487,149	6,356,874	(433,448)	46,410,575
Business-type activities, capital assets, net	\$ 44,329,989	\$ 8,205,829	\$ (4,375,855)	\$ 48,159,963

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

Business-type activities:	
Water system	\$ 891,533
Sewer system	340,142
Strom water system	392,712
Solid waste	28,950
Total	\$1,653,337

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 4 – LONG-TERM DEBT

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

Governmental activities:	Original Principal	% Rate	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue Bonds from Direct Placements:							
Sales Tax Revenue, Series 2021	\$ 6,750,000	0.50 to 2.80	\$ 6,750,000	\$ -	\$ (299,000)	\$ 6,451,000	\$ 300,000
Sales Tax Revenue, Series 2022	2,750,000	2.30 to 4.65	2,750,000	-	(117,000)	2,633,000	104,000
Financed Purchases from Direct Borrowings:							
Two snow plow trucks	228,575	1.95	39,194	-	(39,194)	-	-
Other Long-term liabilities:							
Lease liability			85,320	238,705	(30,744)	293,281	76,861
Net pension liability			-	1,047,459	-	1,047,459	-
Compensated absences			493,805	338,350	(392,490)	439,665	299,031
Total governmental activity long-term liabilities			<u>\$10,118,319</u>	<u>\$1,624,514</u>	<u>\$ (878,428)</u>	<u>\$10,864,405</u>	<u>\$ 779,892</u>
Business-type activities:							
Other Long-term liabilities:							
Net pension liability			-	104,513	-	104,513	-
Compensated absences			102,451	70,053	(87,167)	85,337	85,337
Total business-type activity long-term liabilities			<u>\$ 102,451</u>	<u>\$ 174,566</u>	<u>\$ (87,167)</u>	<u>\$ 189,850</u>	<u>\$ 85,337</u>

Revenue Bonds from Direct Placements

Sales Tax Revenue, Series 2021 – On December 15, 2021 the City issued \$6,750,000 in sales tax revenue bonds. The proceeds will be used to construct the City’s new public safety building. The bonds carry an interest rate of 0.50% to 2.80% and will mature in fiscal year 2042. The bonds are secured by sales tax revenues.

Sales Tax Revenue, Series 2022 – On June 30, 2022 the City issued \$2,750,000 in sales tax revenue bonds. The proceeds will be used to construct the City’s new public safety building. The bonds carry an interest rate of 2.30% to 4.65% and will mature in fiscal year 2042. The bonds are secured by sales tax revenues.

The annual debt service requirements to maturity for these bonds as of June 30, 2023, are as follows:

Year	Revenue Bonds from Direct Placements		
	Principal	Interest	Total
2024	\$ 404,000	\$ 199,017	\$ 603,017
2025	408,000	194,261	602,261
2026	414,000	188,938	602,938
2027	420,000	183,097	603,097
2028	426,000	176,724	602,724
2029-2033	2,248,000	767,717	3,015,717
2034-2038	2,501,000	512,993	3,013,993
2039-2042	2,263,000	148,889	2,411,889
Total	<u>\$9,084,000</u>	<u>\$2,371,636</u>	<u>\$ 11,455,636</u>

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 5 – LEASE OBLIGATIONS PAYABLE

\$358,898 has been recorded as intangible right to use assets in the Internal Service Funds for equipment leased under agreements that met the criteria of lease under GASB Statement No. 87. These assets will be amortized over the lease terms of three to five years since they are shorter than the useful lives and the City is not taking ownership of the equipment. There are no residual value guarantees in the lease provisions. The leases will end in 2025 to 2030, with the final payments due in 2024 to 2029.

The city entered into one lease during the year ended June 30, 2023 for a snow plow and recorded an intangible right to use asset and lease liability for \$238,705.

A summary of the principal and interest amounts for the remaining leases is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 76,861	\$ 2,641	\$ 79,502
2025	46,143	10,475	56,618
2026	48,377	8,241	56,618
2027	38,729	5,900	44,629
2028	40,603	4,026	44,629
2029	42,568	2,060	44,628
Total	\$ 293,281	\$ 33,343	\$ 326,624

NOTE 6 – TRANSFERS AND INTERFUND PAYABLES/RECEIVABLES

Transfers

The operating transfers among the funds were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
<i>Governmental activities:</i>		
General Fund	\$ 18,000	\$ 1,743,834
RDA/CDA	-	102,830
Aquatic Center	84,830	-
Capital Projects Fund	1,140,000	-
Debt Service Fund	603,834	
Internal Service Funds	-	1,657
<i>Business-type activities:</i>		
Water Fund	76,807	46,065
Sewer Fund	23,854	29,085
Storm Water Fund	-	23,854
	\$1,947,325	\$1,947,325

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 6 – TRANSFERS AND INTERFUND PAYABLES/RECEIVABLES (Continued)

During the year ended June 30, 2023, the City made the following transfers:

- The General Fund transferred \$400,000 to the Capital Projects Fund to assist with future construction projects.
- The General Fund also transferred \$740,000 to the Capital Projects Fund to fund street projects.
- The General Fund transferred \$603,834 to the Debt Service Fund for debt service payments on the Series 2021 and Series 2022 Sales Tax Revenue Bonds.
- The RDA/CDA Fund transferred \$84,830 to the Aquatic Center for operations.
- The RDA/CDA Fund also transferred \$18,000 to the General Fund to replace the reduction in sales tax related to homeless shelters.
- The Sewer Fund and Internal Service Funds transferred vehicles to the Water Fund, which were subsequently traded in on new vehicles.
- The Water Fund transferred vehicles to the Internal Service Funds, which were subsequently traded in on new vehicles.
- The Storm Water Fund transferred a vehicle to the Sewer Fund, which was subsequently traded in on a new vehicle.

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, 2023, there was an interfund receivable and payable of \$70,000 between the North Ogden CBD and the Downtown Community Development project areas.

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, 2023, there were no outstanding claims or judgements against the City. Settlements did not exceed insurance coverage for each of the past three years.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

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	\$ 103,807	\$ 35,650
Tax increment - other entities	747,959	180,524
	<u>\$ 851,766</u>	<u>\$ 216,174</u>
Expenditures:		
Project expenditures	\$ 383,319	\$ -
Transfer to General Fund	18,000	-
Transfer to Aquatic Center	84,830	-
	<u>\$ 486,149</u>	<u>\$ -</u>

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 multiple-employer, cost-sharing, public employee 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.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 – PENSION (Continued)

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.

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 to June 30, 2020; 2.0% per year July 1, 2020 to present	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.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 – PENSION (Continued)

Contributions Rate Summary

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, 2023, are as follows:

	Employee	Employer	Employer 401(k)
Contributory System			
111 Local Government Div - Tier 1	6.00%	13.96%	-
111 Local Government Div - Tier 2	-	16.01%	0.18%
Noncontributory System			
15 Local Government Div - Tier 1	-	17.97%	-
Public Safety System Contributory			
122 Tier 2 DB Hybrid Public Safety	2.59%	26.99%	-
Public Safety System Noncontributory			
75 Other Div A with 4% COLA	-	35.71%	-
Tier 2 DC Only			
211 Local Government	-	6.19%	10.00%
222 Public Safety	-	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, 2023, the employer and employee contributions to the Systems were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 293,826	-
Public Safety System	236,018	-
Tier 2 Public Employees System	231,879	-
Tier 2 Public Safety and Firefighter	237,056	22,584
Tier 2 DC Only System	19,706	-
Tier 2 DC Public Safety and Firefighter	8,060	-
Total Contributions	\$ 1,026,545	\$ 22,584

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, 2023, we reported a net pension asset of \$0 and a net pension liability of \$1,151,972.

(Measurement Date): December 31, 2022

	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2021	Change (Decrease)
Noncontributory System	\$ -	\$ 356,050	0.2078820%	0.2079960%	(0.0001140%)
Public Safety System	-	705,414	0.5455320%	0.5230025%	0.0225295%
Tier 2 Public Employees System	-	67,788	0.0622543%	0.0562857%	0.0059686%
Tier 2 Public Safety and Firefighter	-	22,720	0.2723437%	0.2623869%	0.0099568%
Total	<u>\$ -</u>	<u>\$ 1,151,972</u>			

The net pension asset and liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2022, 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, 2023, we recognized pension expense of \$639,566.

At June 30, 2023, 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	\$ 157,746	\$ 10,224
Changes in assumptions	113,648	3,870
Net difference between projected and actual earnings on pension plan investments	449,261	-
Changes in proportion and differences between contri- butions and proportionate share of contributions	45,187	12,152
Contributions subsequent to the measurement date	488,214	-
	<u>\$ 1,254,056</u>	<u>\$ 26,246</u>

\$488,214 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, 2022.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 – PENSION (Continued)

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>
2023	\$ (147,658)
2024	(3,770)
2025	182,950
2026	667,174
2027	7,338
Thereafter	33,562

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

For the year ended June 30, 2023, we recognized pension expense of \$191,719.

At June 30, 2023, 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	\$ 120,767	\$ -
Changes in assumptions	58,352	1,422
Net difference between projected and actual earnings on pension plan investments	234,854	-
Changes in proportion and differences between contri- butions and proportionate share of contributions	12,524	-
Contributions subsequent to the measurement date	<u>137,997</u>	<u>-</u>
	<u>\$ 564,494</u>	<u>\$ 1,422</u>

\$137,997 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, 2022.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 – PENSION (Continued)

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>
2023	\$ (41,659)
2024	11,737
2025	94,332
2026	360,665
2027	-
Thereafter	-

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

For the year ended June 30, 2023, we recognize pension expense of \$219,206.

At June 30, 2023, 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	\$ 3,123	\$ -
Changes in assumptions	18,920	-
Net difference between projected and actual earnings on pension plan investments	163,504	-
Changes in proportion and differences between contri- butions and proportionate share of contributions	15,201	6,381
Contributions subsequent to the measurement date	<u>111,897</u>	<u>-</u>
	<u>\$ 312,645</u>	<u>\$ 6,381</u>

\$111,897 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, 2022.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 – PENSION (Continued)

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
2023	\$ (112,101)
2024	(28,394)
2025	68,159
2026	266,703
2027	-
Thereafter	-

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

For the year ended June 30, 2023, we recognize pension expense of \$129,874.

At June 30, 2023, 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	\$ 22,896	\$ 2,690
Changes in assumptions	22,007	172
Net difference between projected and actual earnings on pension plan investments	27,330	-
Changes in proportion and differences between contri- butions and proportionate share of contributions	10,424	2,840
Contributions subsequent to the measurement date	116,456	-
	\$ 199,113	\$ 5,702

\$116,456 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, 2022.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 – PENSION (Continued)

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
2023	\$ 3,807
2024	8,113
2025	12,939
2026	24,594
2027	5,782
Thereafter	21,720

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

For the year ended June 30, 2023, we recognize pension expense of \$98,767.

At June 30, 2023, 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	\$ 10,960	\$ 7,534
Changes in assumptions	14,369	2,276
Net difference between projected and actual earnings on pension plan investments	23,573	-
Changes in proportion and differences between contri- butions and proportionate share of contributions	7,038	2,931
Contributions subsequent to the measurement date	121,865	-
	\$ 177,805	\$ 12,741

\$121,865 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, 2022.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 – PENSION (Continued)

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
2023	\$ 2,295
2024	4,775
2025	7,520
2026	15,212
2027	1,557
Thereafter	11,840

Actuarial assumptions:

The total pension liability in the December 31, 2022, 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 – 9.25 percent, average, including inflation
Investment rate of return	6.85 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, 2022, valuation were based on an experience study of the demographic assumptions as of January 1, 2020, and a review of economic assumptions as of January 1, 2021.

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.

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 – PENSION (Continued)

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	35.00%	6.58%	2.30%
Debt securities	20.00%	1.08%	0.22%
Real assets	18.00%	5.72%	1.03%
Private equity	12.00%	9.80%	1.18%
Absolute return	15.00%	2.91%	0.44%
Cash and cash equivalents	0.00%	-0.11%	0.00%
Totals	100.00%		5.17%
Inflation			2.50%
Expected arithmetic nominal return			7.67%

The 6.85% assumed investment rate of return is comprised of an inflation rate of 2.50%, a real return of 4.35% that is net of investment expense.

Discount rate:

The discount rate used to measure the total pension liability was 6.85 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.

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 6.85 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 (5.85 percent) or 1-percentage-point higher (7.85 percent) than the current rate:

System	1% Decrease (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
Noncontributory System	\$ 2,243,944	\$ 356,050	\$ (1,221,386)
Public Safety System	2,271,789	705,414	(568,418)
Tier 2 Public Employees System	296,198	67,788	(108,172)
Tier 2 Public Safety and Firefighter	181,868	22,720	(103,765)
Total	\$ 4,993,799	\$ 1,151,972	\$ (2,001,741)

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 – PENSION (Continued)

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

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

	2023	2022	2021
401(k) Plan			
Employer Contributions	\$ 43,342	\$ 45,003	\$ 41,736
Employee Contributions	14,780	9,931	6,160

NOTE 10 – COMMITMENTS

At June 30, 2023, the city had two commitments with external parties to complete infrastructure projects in the capital projects fund. The city estimates the remaining commitments related to these projects was approximately \$1,300,000.

NOTE 11 – SUBSEQUENT EVENTS

In preparing these financial statements, the City has evaluated events and transactions for potential recognition or disclosure through December 12, 2023, 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 are for General Fund, the RDA/CDA Special Revenue Fund, and the Aquatic Center Special Revenue 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

No changes were made in actuarial assumptions from the prior year's valuation.

NORTH OGDEN CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – GENERAL FUND
For the Year Ended June 30, 2023

	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget
REVENUES:				
Taxes	\$ 7,861,314	\$ 8,011,314	\$ 8,370,188	\$ (358,874)
Licenses and permits	542,200	382,200	403,914	(21,714)
Intergovernmental revenues	1,090,291	1,785,708	1,171,143	614,565
Charges for services	489,600	348,503	387,830	(39,327)
Fines and forfeitures	183,600	183,600	195,908	(12,308)
Other	12,000	12,000	64,988	(52,988)
Interest	20,000	502,575	536,191	(33,616)
Donations	110,000	36,750	24,281	12,469
Miscellaneous revenue	10,000	10,000	41,264	(31,264)
Total revenues	10,319,005	11,272,650	11,195,707	76,943
EXPENDITURES:				
General government:				
Legislative	57,468	65,595	52,907	12,688
Judicial	221,031	223,506	195,683	27,823
Recorder	114,936	118,711	109,329	9,382
Finance	179,325	179,325	143,077	36,248
Administration	267,193	282,639	274,834	7,805
Human resources	111,576	112,951	105,504	7,447
Non-departmental	435,531	1,014,504	372,212	642,292
General government buildings	130,687	155,521	116,150	39,371
Public Safety:				
Police department	3,949,639	4,085,341	4,025,074	60,267
Planning	321,349	263,828	258,775	5,053
Inspection	488,885	438,140	429,397	8,743
Animal control	206,843	206,843	162,191	44,652
Streets and Roads:				
Streets and roads	919,810	1,096,566	1,041,116	55,450
Parks and recreation:				
Administration	331,852	297,196	257,997	39,199
Parks	912,217	923,816	792,605	131,211
Recreation	201,843	183,494	186,255	(2,761)
Debt service:				
Principal	416,000	-	-	-
Interest	187,834	-	-	-
Total expenditures	9,454,019	9,647,976	8,523,106	1,124,870
Excess (Deficiency) of Revenues Over (Under) Expenditures	864,986	1,624,674	2,672,601	(1,047,927)
Other financing sources and (uses):				
Transfers in	26,000	26,000	18,000	8,000
Transfers out	(890,986)	(1,843,834)	(1,743,834)	100,000
Total other financing sources and (uses)	(864,986)	(1,817,834)	(1,725,834)	(92,000)
Net change in fund balances	-	(193,160)	946,767	(1,139,927)
Fund balances - beginning of year			2,965,714	
Fund balances - end of year			\$ 3,912,481	

NORTH OGDEN CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL
RDA/CDA SPECIAL REVENUE FUND
For the Year Ended June 30, 2023

	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget
REVENUES:				
Property tax	\$ 1,025,000	\$ 1,025,000	\$ 139,457	\$ 885,543
Property tax increment	-	-	928,483	(928,483)
Interest income	5,000	5,000	72,380	(67,380)
Total revenues	1,030,000	1,030,000	1,140,320	(110,320)
EXPENDITURES:				
Economic development	918,000	933,824	383,319	550,505
Total expenditures	918,000	933,824	383,319	550,505
Excess (Deficiency) of Revenues Over (Under) Expenditures	112,000	96,176	757,001	(660,825)
Other financing sources and (uses):				
Transfers in	100,000	100,000	-	100,000
Transfers out	(206,000)	(190,176)	(102,830)	87,346
Total other financing sources and (uses)	(106,000)	(90,176)	(102,830)	12,654
Net change in fund balances	6,000	6,000	654,171	(648,171)
Fund balances - beginning of year			1,908,962	
Fund balances - end of year			\$ 2,563,133	

NORTH OGDEN CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL
AQUATIC CENTER SPECIAL REVENUE FUND
For the Year Ended June 30, 2023

	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget
REVENUES:				
Admissions	\$ 405,000	\$ 405,000	\$ 467,098	\$ (62,098)
Concessions	15,000	15,000	15,377	(377)
Rentals	6,000	6,000	8,210	(2,210)
Miscellaneous	4,000	4,000	12,601	(8,601)
Total revenues	430,000	430,000	503,286	(73,286)
EXPENDITURES:				
Salaries and benefits	366,847	351,023	384,934	(33,911)
Materials, supplies and services	102,153	102,153	42,993	59,160
Maintenance and repairs	37,000	37,000	31,488	5,512
Utilities	64,000	64,000	76,362	(12,362)
Chemicals	40,000	40,000	52,338	(12,338)
Total expenditures	610,000	594,176	588,115	6,061
Excess (Deficiency) of Revenues Over (Under) Expenditures	(180,000)	(164,176)	(84,829)	(79,347)
Other financing sources and (uses):				
Transfers in	180,000	164,176	84,830	79,346
Total other financing sources and (uses)	180,000	164,176	84,830	79,346
Net change in fund balances	-	-	1	(1)
Fund balances - beginning of year			176,213	
Fund balances - end of year			\$ 176,214	

NORTH OGDEN CITY
SCHEDULE OF THE PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
Utah Retirement Systems
June 30, 2023 – Last 10 Measurement Dates*

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					
2022	0.2078820%	\$ 356,050	\$ 1,650,818	21.57%	97.5%
2021	0.2079960%	(1,191,215)	1,665,786	(71.51%)	108.7%
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					
2022	0.5455320%	\$ 705,414	\$ 622,492	113.32%	93.6%
2021	0.5300250%	(424,753)	606,318	(70.05%)	104.2%
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%

NORTH OGDEN CITY
SCHEDULE OF THE PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY (Continued)
Utah Retirement Systems
June 30, 2023 – Last 10 Measurement Dates*

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)
Tier 2 Public Employees Retirement Systems					
2022	0.0622543%	\$ 67,788	\$ 1,355,353	5.00%	92.3%
2021	0.0562857%	(23,822)	1,044,777	(2.28%)	103.8%
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					
2022	0.2723437%	\$ 22,720	\$ 837,942	2.71%	96.4%
2021	0.2623869%	(13,262)	627,466	(2.11%)	102.8%
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, 2023 – Last 10 Fiscal Years

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					
2023	\$ 293,826	\$ 293,826	\$ -	\$ 1,635,880	17.96%
2022	295,061	295,061	-	1,610,986	18.32%
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					
2023	\$ 236,018	\$ 236,018	\$ -	\$ 660,929	35.71%
2022	206,376	206,376	-	577,923	35.71%
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*					
2023	\$ 231,879	\$ 231,879	\$ -	\$ 1,450,672	15.98%
2022	182,987	182,987	-	1,140,309	16.05%
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%

NORTH OGDEN CITY
SCHEDULE OF CONTRIBUTIONS* (Continued)
Utah Retirement Systems
June 30, 2023 – Last 10 Fiscal Years

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
Tier 2 Public Safety and Firefighter System					
2023	\$ 237,056	\$ 237,056	\$ -	\$ 878,311	26.99%
2022	204,296	204,296	-	756,930	26.99%
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 system*					
2023	\$ 19,706	\$ 19,706	\$ -	\$ 320,008	6.16%
2022	24,997	24,997	-	373,656	6.69%
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%
Tier 2 Public Safety and Firefighter DC Only System*					
2023	\$ 8,060	\$ 8,060	\$ -	\$ 62,047	12.99%
2022	1,087	1,087	-	8,364	13.00%
2021	-	-	-	-	-
2020	-	-	-	-	-
2019	-	-	-	-	-
2018	-	-	-	-	-
2017	-	-	-	-	-
2016	-	-	-	-	-
2015	-	-	-	-	-
2014	-	-	-	-	-

* 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, 2023**

	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	\$ 7,851,008	\$ -	\$ -	\$ -	\$ 26,189	\$ 7,877,197
Receivables:						
Accounts	-	-	-	-	10,245	10,245
Other receivables	19,645	-	-	-	-	19,645
Restricted assets:						
Restricted cash and cash equivalents	4,739,258	809,224	1,731,464	1,272,664	553,513	9,106,123
Restricted receivables	-	-	-	71,652	36,541	108,193
TOTAL ASSETS	<u>\$12,609,911</u>	<u>\$ 809,224</u>	<u>\$ 1,731,464</u>	<u>\$ 1,344,316</u>	<u>\$ 626,488</u>	<u>\$17,121,403</u>
LIABILITIES:						
Accounts payable	\$ 1,391,090	\$ -	\$ -	\$ -	\$ -	\$ 1,391,090
Accrued liabilities	339,676	-	-	-	-	339,676
Payable from restricted assets	-	-	-	-	134	134
Customer/Developer deposits	-	-	-	-	17,847	17,847
Unearned revenue	-	-	-	-	8,342	8,342
TOTAL LIABILITIES	<u>1,730,766</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,323</u>	<u>1,757,089</u>
FUND BALANCES:						
Restricted:						
Road improvements	-	809,224	-	1,344,316	589,920	2,743,460
Unspent bond proceeds	4,739,258	-	-	-	-	4,739,258
Impact fees	-	-	1,731,464	-	-	1,731,464
Assigned for:						
Capital projects	6,139,887	-	-	-	10,245	6,150,132
TOTAL FUND BALANCES	<u>10,879,145</u>	<u>809,224</u>	<u>1,731,464</u>	<u>1,344,316</u>	<u>600,165</u>	<u>15,364,314</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$12,609,911</u>	<u>\$ 809,224</u>	<u>\$ 1,731,464</u>	<u>\$ 1,344,316</u>	<u>\$ 626,488</u>	<u>\$17,121,403</u>

NORTH OGDEN CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – CAPITAL PROJECTS FUNDS
For the Year Ended June 30, 2023

	Capital Projects Fund	Transportation Utility Fund	Transportation Impact Fee Fund	Transportation Sales Tax Fund	400/450 Improvement Fund	Total Capital Project Funds
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ 394,683	\$ -	\$ 394,683
Intergovernmental revenues	725,376	-	-	-	-	725,376
Charges for services	-	1	-	-	168,214	168,215
Impact fees	166,598	-	377,863	-	-	544,461
Interest	225,157	23,491	43,759	35,640	15,414	343,461
Miscellaneous revenue	80	-	-	-	-	80
Total revenues	1,117,211	23,492	421,622	430,323	183,628	2,176,276
EXPENDITURES:						
Current:						
General government	11,603	(1,577)	-	-	-	10,026
Streets and roads	799,646	-	-	-	38,375	838,021
Capital Outlay						
Public safety	6,430,363	-	-	-	-	6,430,363
Streets and roads	262,071	-	-	-	-	262,071
Parks and recreation	188,378	-	-	-	-	188,378
Total expenditures	7,692,061	(1,577)	-	-	38,375	7,728,859
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,574,850)	25,069	421,622	430,323	145,253	(5,552,583)
Other Financing Sources and (Uses):						
Sale of general capital assets	638,295	-	-	-	-	638,295
Transfers in	1,140,000	-	-	-	-	1,140,000
Total other financing sources and (uses)	1,778,295	-	-	-	-	1,778,295
Net Change in Fund Balances	(4,796,555)	25,069	421,622	430,323	145,253	(3,774,288)
Fund balances - beginning of year	15,675,700	784,155	1,309,842	913,993	454,912	19,138,602
Fund balances - end of year	\$10,879,145	\$ 809,224	\$ 1,731,464	\$ 1,344,316	\$ 600,165	\$15,364,314

NORTH OGDEN CITY
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2023

	Motor Pool Fund	Police Motor Pool Fund	Total Internal Service Funds
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 177,441	\$ 349,022	\$ 526,463
Accounts receivable	47,067	-	47,067
Inventories	42,282	-	42,282
Total current assets	266,790	349,022	615,812
Non-current assets:			
Capital assets:			
Buildings and structures	337,565	-	337,565
Vehicles and equipment	3,115,273	1,142,743	4,258,016
Leased vehicles and equipment	358,898	-	358,898
Less accumulated depreciation	(2,007,698)	(781,203)	(2,788,901)
Total non-current assets	1,804,038	361,540	2,165,578
Total assets	2,070,828	710,562	2,781,390
DEFERRED OUTFLOWS OF RESOURCES:			
Pensions	47,119	-	47,119
Total assets and deferred outflows of resources	\$ 2,117,947	\$ 710,562	\$ 2,828,509
LIABILITIES:			
Current liabilities:			
Accounts payable	\$ 2,883	\$ 7,625	\$ 10,508
Accrued liabilities	13,510	-	13,510
Compensated absences	13,503	-	13,503
Lease liability, current portion	76,861	-	76,861
Total current liabilities	106,757	7,625	114,382
Non-current liabilities:			
Lease liability, long-term	216,420	-	216,420
Net pension liability	26,153	-	26,153
Total non-current liabilities	242,573	-	242,573
Total liabilities	349,330	7,625	356,955
DEFERRED INFLOWS OF RESOURCES:			
Pensions	440	-	440
Total liabilities and deferred inflows of resources	349,770	7,625	357,395
NET POSITION:			
Net investment in capital assets	1,587,618	361,540	1,949,158
Unrestricted	180,559	341,397	521,956
Total net position	1,768,177	702,937	2,471,114
Total liabilities, deferred inflows of resources, and net position	\$ 2,117,947	\$ 710,562	\$ 2,828,509

NORTH OGDEN CITY
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2023

	Motor Pool Fund	Police Motor Pool Fund	Total Internal Service Funds
Operating income:			
Charges for services	\$ 473,854	\$ 560,000	\$ 1,033,854
Sale of materials and supplies	2,615	-	2,615
Miscellaneous	3,948	-	3,948
Total operating income	480,417	560,000	1,040,417
Operating expenses:			
Salaries and benefits	291,174	-	291,174
Materials and Supplies	63,012	107,216	170,228
Depreciation expense	205,413	126,271	331,684
Total operating expenses	559,599	233,487	793,086
Net operating income (loss)	(79,182)	326,513	247,331
Non-operating income (expense):			
Sale of fixed assets	126,533	25,450	151,983
Interest income	4,640	7,200	11,840
Interest on long-term debt	(3,884)	-	(3,884)
Total non-operating income (expense)	127,289	32,650	159,939
Income (loss) before transfers:	48,107	359,163	407,270
Transfers in	160,219	-	160,219
Transfers out	(47,722)	(114,154)	(161,876)
Change in net position	160,604	245,009	405,613
Net position - beginning	1,607,573	457,928	2,065,501
Net position - ending	\$ 1,768,177	\$ 702,937	\$ 2,471,114

NORTH OGDEN CITY
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2023

	Motor Pool	Police Motor Pool	Total Internal Service Funds
Cash flows from operating activities:			
Cash received from customers - service	\$ 6,563	\$ -	\$ 6,563
Cash received from interfund services provided	473,287	560,000	1,033,287
Cash paid to suppliers	(66,855)	(109,351)	(176,206)
Cash paid to employees	(296,033)	-	(296,033)
Net cash provided (used) in operating activities	116,962	450,649	567,611
Cash flows from noncapital financing activities:			
Interfund balances - transfer in/(out)	114,154	(114,154)	-
Net cash provided (used) in noncapital financing activities	114,154	(114,154)	-
Cash flows from capital and related financing activities:			
Cash from sale of fixed assets	262,450	31,500	293,950
Cash payments for capital assets	(332,702)	(87,838)	(420,540)
Cash payments for long-term debt principal	(39,194)	-	(39,194)
Cash payments for long-term debt interest	(4,893)	-	(4,893)
Cash payments for leases	(30,744)	-	(30,744)
Cash flows provided (used) in capital and related financing activities	(145,083)	(56,338)	(201,421)
Cash flows from investing activities:			
Cash received from interest earned	4,640	7,200	11,840
Net cash provided (used) in investing activities	4,640	7,200	11,840
Net increase (decrease) in cash	90,673	287,357	378,030
Cash balance, beginning	86,768	61,665	148,433
Cash balance, ending	\$ 177,441	\$ 349,022	\$ 526,463
Cash reported on the statement of net position:			
Cash and cash equivalents	\$ 177,441	\$ 349,022	\$ 526,463
Total cash and cash equivalents	\$ 177,441	\$ 349,022	\$ 526,463

NORTH OGDEN CITY
COMBINING STATEMENT OF CASH FLOWS (Continued)
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2023

	<u>Motor Pool</u>	<u>Police Motor Pool</u>	<u>Total Internal Service Funds</u>
Reconciliation of Operating Income to Net Cash Provided (Used) in Operating Activities:			
Net operating income (expense)	\$ (79,182)	\$ 326,513	\$ 247,331
Adjustments to reconcile operating income or (loss) to net cash provided (used) in operating activities:			
Depreciation and amortization	205,413	126,271	331,684
Pension expense adjustment	(14,104)	-	(14,104)
Changes in assets and liabilities:			
(Increase) decrease in inventory	2,665	-	2,665
(Increase) decrease in receivables	(567)	-	(567)
Increase (decrease) in accounts payables	(6,508)	(2,135)	(8,643)
Increase (decrease) in accrued liabilities	6,089	-	6,089
Increase (decrease) in compensated absences	3,156	-	3,156
Net cash provided (used) in operating activities	<u>\$ 116,962</u>	<u>\$ 450,649</u>	<u>\$ 567,611</u>
Noncash capital and related financing activities:			
Intangible asset additions from lease obligations	\$ 238,705	\$ -	\$ 238,705