



HARRISVILLE CITY

363 West Independence • Harrisville, Utah 84404 • (801) 782-4100

MAYOR:

Michelle Tait

COUNCIL MEMBERS:

Grover Wilhelmsen
Gary Robinson
Jennifer Jensen
Ruth Pearce
Clark Beecher

CITY COUNCIL MEETING AGENDA 363 West Independence Blvd January 9, 2018

"In accordance with the Americans with Disabilities Act, the City of Harrisville will make reasonable accommodations for participation in the meeting. Request for assistance can be made by contacting the City Recorder at 801-782-4100, providing at least three working days advance notice of the meeting."

7:00 P.M. CITY COUNCIL MEETING

Presiding: Mayor Michelle Tait

Mayor Pro Tem: Ruth Pearce

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE & OPENING CEREMONY [Mayor Tait]

3. CONSENT ITEMS

- a. Approve the minutes of November 21, 2017 as presented.
- b. Check Register
- c. Discussion/possible action on advice and consent to Mayor's Appointments for: [Mayor Tait]
 - (i) Mayor Pro Tem
 - (ii) Planning Commission Appointments
 - (iii) Central Weber Sewer
 - (iv) Bona Vista Water District
 - (v) Mosquito Abatement Board

4. BUSINESS ITEMS

- a. Presentation of the FY2016-17 audit report. [Christensen, Palmer, & Ambrose]
- b. Discussion/possible action to grant Final Acceptance for Wildflower Subdivision Phase 6. [Bill Morris]
- c. Discussion/possible action to approve Harrisville Resolution 2018-01; a resolution adopting the 2018 update report to the Moderate Income Housing Plan. [Bill Morris]
- d. Discussion/possible action to adopt the 2018 Meeting Schedule.

5. PUBLIC COMMENTS - (3 minute maximum)

6. MAYOR/COUNCIL FOLLOW-UP:

7. ADJOURN

DATE POSTED: Jan 4, 2017

BY: Jennie Knight, City Recorder

I, Jennie Knight, certify that I am the City Recorder of Harrisville City, Utah, and that the foregoing City Council agenda was faxed to the Ogden Standard Examiner, Weber County Library, and neighboring cities. The agenda was also posted at the following locations: City hall, on the City's website www.cityofharrisville.com and the State Public Meeting Notice website at <http://pmn.utah.gov>.

**MINUTES OF HARRISVILLE CITY
SPECIAL COUNCIL MEETING
Tuesday, November 21, 2017 – 7:00 p.m.
Council Chambers
363 West Independence Blvd
Harrisville, Utah 84404**

Present: Mayor Bruce Richins, Council Member Jeff Pearce, Council Member Gary Robinson, Council Member Jennifer Jensen, Council Member Ruth Pearce, Council Member Austin Tracy.

Staff: Jennie Knight, City Recorder, Rick Hill, Bailiff.

Visitors: Mandy Lynch, Ben Knight, Bryatt Nielsen, Maddie Douglas, Bethany Jackson, Michelle Tait, Axelle Lefevre, Cameron Ladeau, Trinity McKay, Greg Montgomery.

7:00 P.M. CITY COUNCIL MEETING

1. Call to Order.

Mayor Richins called the meeting to order and welcomed all visitors.

2. Opening Ceremony.

Council Member Gary Robinson led the pledge of allegiance and conducted the opening ceremony.

3. Consent Items.

- a. Approve the minutes of October 24, 2017 as presented.

MOTION: Council Member R. Pearce motioned to approve the minutes of October 24, 2017 as presented. Council Member Tracy seconded the motion. All Council Members voted aye. Motion passed.

4. Convene as the Board of Canvassers.

- a. **Discussion/possible action to approve Harrisville City Resolution 2017-09; a Resolution approving the Canvass of the 2017 Municipal General Election.**

Jennie Knight gave an overview of the municipal general and special election results including the percentage of registered voters who participated in the election. She read the final results into the record. 44 voters voted in person at polling locations with 1050 voting by mail. Four ballots were not counted; three signatures did not match and one was received unsigned. The official results are Michelle Tait as Mayor, Clark Beecher and Jennifer Jensen as Council Members four-year term, and Grover Wilhelmsen as Council Member two-year term. These individuals will be sworn into office during the first council meeting in January.

MOTION: Council Member R. Pearce motioned to approve Harrisville City Resolution 2017-09; a Resolution approving the Canvass of the 2017 Municipal General Election. Council Member Jensen seconded the motion. A Roll Call vote was taken.

Council Member Tracy	Yes
Council Member R. Pearce	Yes
Council Member Jensen	Yes
Council Member Robinson	Yes
Council Member J. Pearce	Yes

Motion passed 5-0.

5. Business Items.

a. Discussion/possible action to approve Harrisville Resolution 2017-08; Extension of Interlocal Agreement for Animal Control Services between Weber County and Harrisville City.

Mayor Richins explained this resolution extends the current contract with Weber County for animal control services. Council Member Robinson asked what the current price is. Mayor Richins said the fees are not increasing. We will continue to pay what we have. Council Member Jensen said she is fine with this. Mayor Richins pointed out there is really no other available option on this.

MOTION: Council Member Jensen motioned to approved Harrisville Resolution 2017-08; Extension of Interlocal Agreement for Animal Control Services between Weber County and Harrisville City. Council Member R. Pearce seconded the motion. A Roll Call vote was taken.

Council Member Tracy	Yes
Council Member R. Pearce	Yes
Council Member Jensen	Yes
Council Member Robinson	No
Council Member J. Pearce	Yes

Motion passed 4-1.

b. Discussion/possible action to approve Harrisville Ordinance 495; an ordinance vacating Lot 1 of Circle K Subdivision.

Jennie Knight explained the county record includes a line through this lot which has one tax id number. This ordinance vacates the portion of the lot that is included in the Circle K Subdivision allowing the legal description to define the new boundaries that are outlined by the tax id number. Mayor Richins asked to make sure all Council Members know where this lot is located. Council Member J. Pearce said the tax id number is listed as 62 not lot 1. Bruce Olsen's property is listed as number 1. Jennie Knight said this is listed as lot 1 of the Circle K Subdivision. Council Member J. Pearce asked if that is in the subdivision. Jennie Knight said this ordinance actually vacates lot 1 of the

subdivision. Council Member J. Pearce said this lot needs to be included in the subdivision. Jennie Knight explained this is to clear the line on this lot, not to include the lot in the subdivision. This was the simplest way to clear the line. There is already only one tax id number associated with the lot. This lot will no longer be associated with the subdivision. Jennie Knight explained they have the frontage requirement on the portion of the lot that meets up with West Harrisville Road so they meet the access requirement. Council Member J. Pearce pointed out they have additional access on a frontage road but that does not meet the access requirement for 100 foot frontage.

MOTION: Council Member J. Pearce motioned to approve Harrisville Ordinance 495; an ordinance vacating Lot 1 of Circle K Subdivision. Council Member R. Pearce seconded the motion. A Roll Call vote was taken.

Council Member Tracy	Yes
Council Member R. Pearce	Yes
Council Member Jensen	Yes
Council Member Robinson	Yes
Council Member J. Pearce	Yes

Motion passed 5-0.

6. Public Comments - (3 minute maximum)

Greg Montgomery, 231 Larsen Lane, express concerns about the city regulations with the general plan with regard to the mixed use regulations. His concern has five points; the regulations do not meet the standard. He feels this is inconsistent with the general plan and does not consider the input of residents. Present regulations don't allow input during the zoning process. The standards are outlined in the development agreement between the developer and city officials. There is not an R-6-1 zone allowed in the city under zoning. No standard exists. He feels to be consistent with what the city is about this should be listed in the zoning. There is a lack of definition on Washington and Wall Avenue with regard to the zoning. He asked if there are existing parcels because there are no comments or definitions in the ordinance. The 24 units per acre standard is even higher than in Ogden down at the Junction and much less than the apartments on North Street. This contains no standards that become the binding minimums. There are no specific standards that can be backed up. Another concern is the proposed density is not appropriate. The zoning coming off of Washington or Wall Ave should act as a buffer. He asked when the transition occurs. He asked how this will create a buffer between single family homes and multiple housing developments. The current regulations do not give the appropriate standards which would give proper control to the city. He feels the state law gives more power to developers. He would like to see standards that do protect citizens.

7. Mayor/Council Follow-Up:

Council Member R. Pearce said she feels we have a good planning commission but are failing to use them. The League suggests using the commissioners to make sure the state laws are met in our ordinances. That way if a developer comes in, the ordinance

cannot be interpreted in favor of the development. She would like to see planning commission meet monthly and review the ordinances; starting with the land use ordinances including the mixed use. Also compare our ordinances against other cities to determine how these can be best used. She feels conditional use should not have to be allowed if all of the specifications our included in the ordinances. Planning Commission only met 6 times this last year and they should set the standard to meet every month.

Council Member Robinson commented we are half way through the budget year. He feels Council should review the budget quarterly. Some budget items are at 50% expenditure already with only the first few months into the budget. Council Member Jensen pointed out this may be spending during the appropriated time. Council Member Robinson said they should be reviewing September numbers now. Mayor Richins said there was a reason for the delay. Council Member Robinson expressed his desire to go over the budget four times per year.

8. Adjourn.

Mayor Richins wished everyone a Happy Thanksgiving and declared the meeting adjourned. At 7:31pm.

ATTEST:

MICHELLE TAIT
Mayor

JENNIE KNIGHT

City Recorder

Approved this 9th day of January, 2018

Report Criteria:

Report type: GL detail

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice Sequence	Invoice GL Account	Discount Taken	Check Amount
45478									
12/17	12/06/2017	45478	22	ACE FAB & WELDING, M	7841	1	10-61-431	.00	2,621.00
Total 45478:								.00	2,621.00
45479									
12/17	12/06/2017	45479	183	BEUS, JODI	11.18.17	1	10-51-305	.00	70.00
Total 45479:								.00	70.00
45480									
12/17	12/06/2017	45480	303	CARD SERVICE CENTER	00557341	1	50-62-750	.00	150.00
12/17	12/06/2017	45480	303	CARD SERVICE CENTER	04881526	1	10-51-430	.00	425.70
12/17	12/06/2017	45480	303	CARD SERVICE CENTER	07833410	1	10-45-302	.00	21.41
12/17	12/06/2017	45480	303	CARD SERVICE CENTER	09825246	1	10-56-640	.00	115.00
12/17	12/06/2017	45480	303	CARD SERVICE CENTER	111717	1	10-45-700	.00	49.39
12/17	12/06/2017	45480	303	CARD SERVICE CENTER	112017	1	10-45-700	.00	20.81
12/17	12/06/2017	45480	303	CARD SERVICE CENTER	16003924	1	10-51-330	.00	515.00
12/17	12/06/2017	45480	303	CARD SERVICE CENTER	32254383	1	10-51-430	.00	245.00
12/17	12/06/2017	45480	303	CARD SERVICE CENTER	33923329	1	10-51-600	.00	75.82
12/17	12/06/2017	45480	303	CARD SERVICE CENTER	46000374	1	10-51-615	.00	95.78
12/17	12/06/2017	45480	303	CARD SERVICE CENTER	53575643	1	10-61-330	.00	100.00
12/17	12/06/2017	45480	303	CARD SERVICE CENTER	58301315	1	10-41-380	.00	91.43
12/17	12/06/2017	45480	303	CARD SERVICE CENTER	73674762	1	10-51-430	.00	192.33
12/17	12/06/2017	45480	303	CARD SERVICE CENTER	75089665	1	10-56-750	.00	11.52
Total 45480:								.00	2,109.19
45481									
12/17	12/06/2017	45481	325	CENTURY LINK	11.28.17	1	10-45-530	.00	199.42
12/17	12/06/2017	45481	325	CENTURY LINK	11.28.17.01	1	10-45-530	.00	36.09
12/17	12/06/2017	45481	325	CENTURY LINK	1425498482	1	10-45-530	.00	15.06
Total 45481:								.00	250.57
45482									
12/17	12/06/2017	45482	394	COMCAST	11.27.17	1	10-45-304	.00	76.82
12/17	12/06/2017	45482	394	COMCAST	11.28.17	1	10-45-304	.00	85.26
Total 45482:								.00	162.08
45483									
12/17	12/06/2017	45483	957	JONES & ASSOCIATES E	17965	1	40-40-200	.00	299.00
12/17	12/06/2017	45483	957	JONES & ASSOCIATES E	17965	2	10-61-440	.00	1,146.50
12/17	12/06/2017	45483	957	JONES & ASSOCIATES E	17965	3	53-62-860	.00	644.00
12/17	12/06/2017	45483	957	JONES & ASSOCIATES E	17966	1	10-44-300	.00	230.00
12/17	12/06/2017	45483	957	JONES & ASSOCIATES E	17966	2	10-44-300	.00	92.00
12/17	12/06/2017	45483	957	JONES & ASSOCIATES E	17966	3	10-44-300	.00	256.25
12/17	12/06/2017	45483	957	JONES & ASSOCIATES E	17966	4	10-44-300	.00	92.00
12/17	12/06/2017	45483	957	JONES & ASSOCIATES E	17966	5	10-44-300	.00	2,529.50
Total 45483:								.00	5,289.25

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice Sequence	Invoice GL Account	Discount Taken	Check Amount
45484									
12/17	12/06/2017	45484	985	KELLERSTRASS ENTERP	914683	1	10-51-590	.00	3,109.22
12/17	12/06/2017	45484	985	KELLERSTRASS ENTERP	914683	2	10-61-590	.00	1,036.40
Total 45484:								.00	4,145.62
45485									
12/17	12/06/2017	45485	988	KELSO, WENDY	12.02.17	1	10-51-305	.00	75.00
Total 45485:								.00	75.00
45486									
12/17	12/06/2017	45486	1331	NORTH VIEW BIG O TIRE	044016-158694	1	10-61-430	.00	186.00
12/17	12/06/2017	45486	1331	NORTH VIEW BIG O TIRE	044016-159376	1	10-61-430	.00	189.77
12/17	12/06/2017	45486	1331	NORTH VIEW BIG O TIRE	044016-159443	1	10-61-430	.00	40.00
Total 45486:								.00	415.77
45487									
12/17	12/06/2017	45487	1752	SOWBY, DAVID	11.18.17	1	10-71-625	.00	140.00
Total 45487:								.00	140.00
45488									
12/17	12/06/2017	45488	1835	TEASDALE, ANGIE	11.15.17	1	10-71-625	.00	80.00
Total 45488:								.00	80.00
45489									
12/17	12/06/2017	45489	1937	UTAH LOCAL GOVT INS	1558083	1	10-22240	.00	2,259.79
Total 45489:								.00	2,259.79
45490									
12/17	12/06/2017	45490	1953	UTAH STATE TAX COMMI	11.30.17	1	10-22230	.00	3,499.13
Total 45490:								.00	3,499.13
45491									
12/17	12/06/2017	45491	1954	UTAH STATE TREASURE	11.30.17	1	10-35-510	.00	6,101.55
Total 45491:								.00	6,101.55
45492									
12/17	12/06/2017	45492	2023	WASTE MANAGEMENT O	1891805-2682-5	1	60-52-440	.00	28,399.92
Total 45492:								.00	28,399.92
45493									
12/17	12/06/2017	45493	2043	WEBER COUNTY AUDIT	12.01.17	1	10-45-320	.00	1,483.64
Total 45493:								.00	1,483.64
45494									
12/17	12/06/2017	45494	2084	WESTLAND FORD	FOCS486694	1	10-51-430	.00	362.95

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice Sequence	Invoice GL Account	Discount Taken	Check Amount
Total 45494:								.00	362.95
45495									
12/17	12/06/2017	45495	2192	T-MOBILE	11.21.17	1	10-45-530	.00	558.92
12/17	12/06/2017	45495	2192	T-MOBILE	11.21.17.01	1	10-51-665	.00	297.50
Total 45495:								.00	856.42
45496									
12/17	12/06/2017	45496	2283	LAMBERT, SEAN	12.06.17	1	10-61-430	.00	34.10
Total 45496:								.00	34.10
45503									
12/17	12/19/2017	45503	1349	OFFICEMAX	12.13.17	1	10-44-600	.00	498.51 M
Total 45503:								.00	498.51
45504									
12/17	12/19/2017	45504	12	A-1 UNIFORMS	39054	1	10-51-615	.00	202.52
Total 45504:								.00	202.52
45505									
12/17	12/19/2017	45505	218	BONA VISTA WATER IMP	11.30.17	1	10-71-410	.00	86.72
12/17	12/19/2017	45505	218	BONA VISTA WATER IMP	11.30.17	2	10-71-410	.00	25.11
12/17	12/19/2017	45505	218	BONA VISTA WATER IMP	11.30.17	3	10-71-410	.00	72.82
12/17	12/19/2017	45505	218	BONA VISTA WATER IMP	11.30.17	4	10-71-410	.00	25.11
12/17	12/19/2017	45505	218	BONA VISTA WATER IMP	11.30.17	5	10-45-410	.00	47.20
12/17	12/19/2017	45505	218	BONA VISTA WATER IMP	11.30.17	6	10-45-810	.00	54.21
12/17	12/19/2017	45505	218	BONA VISTA WATER IMP	11.30.17	7	10-45-410	.00	47.18
12/17	12/19/2017	45505	218	BONA VISTA WATER IMP	11.30.17	8	10-45-410	.00	27.45
12/17	12/19/2017	45505	218	BONA VISTA WATER IMP	5564	1	60-52-310	.00	1,010.10
12/17	12/19/2017	45505	218	BONA VISTA WATER IMP	5564	2	53-62-310	.00	1,010.10
12/17	12/19/2017	45505	218	BONA VISTA WATER IMP	5564	3	50-62-310	.00	1,010.10
12/17	12/19/2017	45505	218	BONA VISTA WATER IMP	5564	4	50-62-750	.00	42.00
12/17	12/19/2017	45505	218	BONA VISTA WATER IMP	5564	5	10-45-700	.00	10.00
Total 45505:								.00	3,468.10
45506									
12/17	12/19/2017	45506	300	CANON SOLUTIONS AME	4024377132	1	10-44-602	.00	55.37
Total 45506:								.00	55.37
45507									
12/17	12/19/2017	45507	312	CASELLE, INC	84466	1	10-45-301	.00	469.00
Total 45507:								.00	469.00
45508									
12/17	12/19/2017	45508	325	CENTURY LINK	12.01.17	1	10-45-530	.00	303.97
Total 45508:								.00	303.97

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice Sequence	Invoice GL Account	Discount Taken	Check Amount
45509									
12/17	12/19/2017	45509	350	CHILD SUPPORT SERVIC	12.15.17	1	10-22295	.00	176.31
12/17	12/19/2017	45509	350	CHILD SUPPORT SERVIC	12.15.17	2	10-22295	.00	162.46
Total 45509:								.00	338.77
45510									
12/17	12/19/2017	45510	359	CHRISTENSEN, PALMER,	12181	1	10-45-310	.00	3,077.10
Total 45510:								.00	3,077.10
45511									
12/17	12/19/2017	45511	363	SHRED IT USA, LLC	8123653662	1	10-45-701	.00	75.00
Total 45511:								.00	75.00
45512									
12/17	12/19/2017	45512	394	COMCAST	12.04.17	1	10-45-304	.00	105.91
Total 45512:								.00	105.91
45513									
12/17	12/19/2017	45513	447	CROSBIE, PAMELA	12.20.17	1	10-44-330	.00	77.00
Total 45513:								.00	77.00
45514									
12/17	12/19/2017	45514	546	DYNAQUEST TECHNOLO	20022275	1	10-51-741	.00	489.00
12/17	12/19/2017	45514	546	DYNAQUEST TECHNOLO	20061400	1	10-45-301	.00	910.01
12/17	12/19/2017	45514	546	DYNAQUEST TECHNOLO	20061415	1	10-45-301	.00	85.00
Total 45514:								.00	1,484.01
45515									
12/17	12/19/2017	45515	635	FREEDOM MAILING SER	32588	1	10-45-303	.00	183.68
Total 45515:								.00	183.68
45516									
12/17	12/19/2017	45516	876	INTERMOUNTAIN FARME	1009257964	1	10-71-260	.00	839.94
12/17	12/19/2017	45516	876	INTERMOUNTAIN FARME	1009258188	1	10-71-260	.00	139.99-
12/17	12/19/2017	45516	876	INTERMOUNTAIN FARME	1009276717	1	10-71-260	.00	559.96
12/17	12/19/2017	45516	876	INTERMOUNTAIN FARME	1009276820	1	10-71-260	.00	139.99-
Total 45516:								.00	1,119.92
45517									
12/17	12/19/2017	45517	909	JACKSON, MAXWELL	12.14.17	1	10-51-600	.00	16.05
Total 45517:								.00	16.05
45518									
12/17	12/19/2017	45518	917	JELSCO-GIFTS AND AWA	14945	1	10-44-600	.00	39.90
12/17	12/19/2017	45518	917	JELSCO-GIFTS AND AWA	14945	2	10-41-380	.00	156.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice Sequence	Invoice GL Account	Discount Taken	Check Amount
Total 45518:								.00	195.90
45519									
12/17	12/19/2017	45519	957	JONES & ASSOCIATES E	18147	1	40-40-200	.00	184.00
12/17	12/19/2017	45519	957	JONES & ASSOCIATES E	18147	2	40-40-200	.00	2,976.00
12/17	12/19/2017	45519	957	JONES & ASSOCIATES E	18148	1	10-44-300	.00	482.50
12/17	12/19/2017	45519	957	JONES & ASSOCIATES E	18148	2	10-61-450	.00	138.00
12/17	12/19/2017	45519	957	JONES & ASSOCIATES E	18148	3	53-62-860	.00	276.00
12/17	12/19/2017	45519	957	JONES & ASSOCIATES E	18149	1	10-44-300	.00	184.00
12/17	12/19/2017	45519	957	JONES & ASSOCIATES E	18149	2	10-44-300	.00	92.00
12/17	12/19/2017	45519	957	JONES & ASSOCIATES E	18149	3	10-44-300	.00	485.00
12/17	12/19/2017	45519	957	JONES & ASSOCIATES E	18149	4	10-44-300	.00	970.00
12/17	12/19/2017	45519	957	JONES & ASSOCIATES E	18149	5	10-44-300	.00	322.00
Total 45519:								.00	6,109.50
45520									
12/17	12/19/2017	45520	1110	LOWE'S	902372	1	10-71-260	.00	26.56
12/17	12/19/2017	45520	1110	LOWE'S	902598	1	10-61-431	.00	35.93
12/17	12/19/2017	45520	1110	LOWE'S	902666	1	10-61-150	.00	18.96
12/17	12/19/2017	45520	1110	LOWE'S	902735	1	53-62-600	.00	11.36
12/17	12/19/2017	45520	1110	LOWE'S	907697	1	10-71-260	.00	30.54
12/17	12/19/2017	45520	1110	LOWE'S	909471	1	10-71-260	.00	129.82
12/17	12/19/2017	45520	1110	LOWE'S	913185	1	10-71-260	.00	42.74
12/17	12/19/2017	45520	1110	LOWE'S	914327	1	10-61-440	.00	36.09
12/17	12/19/2017	45520	1110	LOWE'S	914347	1	10-61-440	.00	36.09
12/17	12/19/2017	45520	1110	LOWE'S	914451	1	10-61-440	.00	72.16
12/17	12/19/2017	45520	1110	LOWE'S	914533.02	1	10-61-440	.00	36.09
Total 45520:								.00	476.34
45521									
12/17	12/19/2017	45521	1133	MARRIOTT COMPANIES	3949	1	53-62-600	.00	70.00
Total 45521:								.00	70.00
45522									
12/17	12/19/2017	45522	1147	MASTER ELECTRICAL S	A343194	1	10-61-431	.00	180.00
12/17	12/19/2017	45522	1147	MASTER ELECTRICAL S	A38963	1	10-61-431	.00	250.00
12/17	12/19/2017	45522	1147	MASTER ELECTRICAL S	FIN	1	10-61-431	.00	8.60
Total 45522:								.00	438.60
45523									
12/17	12/19/2017	45523	1214	MODEL LINEN SUPPLY	0851334-00	1	10-45-430	.00	52.67
Total 45523:								.00	52.67
45524									
12/17	12/19/2017	45524	1246	MOULDING & SON'S SAN	25026	1	53-62-600	.00	61.92
12/17	12/19/2017	45524	1246	MOULDING & SON'S SAN	25057	1	53-62-600	.00	61.60
12/17	12/19/2017	45524	1246	MOULDING & SON'S SAN	25096	1	53-62-600	.00	40.64
12/17	12/19/2017	45524	1246	MOULDING & SON'S SAN	25168	1	53-62-600	.00	80.80
12/17	12/19/2017	45524	1246	MOULDING & SON'S SAN	25213	1	53-62-600	.00	59.52

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice Sequence	Invoice GL Account	Discount Taken	Check Amount
Total 45524:								.00	304.48
45525									
12/17	12/19/2017	45525	1264	MTR PRODUCTS INC	6391	1	10-71-260	.00	67.46
Total 45525:								.00	67.46
45526									
12/17	12/19/2017	45526	1445	PETTY CASH	12.13.17	1	10-45-700	.00	10.00
12/17	12/19/2017	45526	1445	PETTY CASH	12.13.17	2	10-44-600	.00	17.08
12/17	12/19/2017	45526	1445	PETTY CASH	12.13.17	3	10-56-750	.00	23.81
Total 45526:								.00	50.89
45527									
12/17	12/19/2017	45527	1514	DOMINION ENERGY	12.04.17	1	10-45-410	.00	434.39
12/17	12/19/2017	45527	1514	DOMINION ENERGY	12.04.17	2	10-45-410	.00	232.92
12/17	12/19/2017	45527	1514	DOMINION ENERGY	12.04.17	3	10-45-810	.00	191.84
Total 45527:								.00	859.15
45528									
12/17	12/19/2017	45528	2004	WALMART COMMUNITY	002588	1	10-71-260	.00	245.60
12/17	12/19/2017	45528	2004	WALMART COMMUNITY	003593	1	10-51-600	.00	35.97
12/17	12/19/2017	45528	2004	WALMART COMMUNITY	009267	1	10-61-430	.00	69.97
Total 45528:								.00	351.54
45529									
12/17	12/19/2017	45529	2090	WHEELWRIGHT, KEITH	12.13.17	1	10-51-600	.00	34.99
Total 45529:								.00	34.99
45530									
12/17	12/19/2017	45530	2183	UPPERCASE PRINTING I	12624	1	10-45-303	.00	127.31
12/17	12/19/2017	45530	2183	UPPERCASE PRINTING I	12624	2	53-62-600	.00	127.31
Total 45530:								.00	254.62
45531									
12/17	12/19/2017	45531	2195	WATCHGUARD VIDEO	RMAINV0000691	1	10-51-745	.00	150.00
Total 45531:								.00	150.00
45532									
12/17	12/19/2017	45532	2209	R.A.D. SYSTEMS	12.19.17	1	10-51-640	.00	75.00
Total 45532:								.00	75.00
45533									
12/17	12/19/2017	45533	2344	THE REINALT-THOMAS C	7847553	1	10-51-430	.00	2,102.00
Total 45533:								.00	2,102.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice Sequence	Invoice GL Account	Discount Taken	Check Amount
45534									
12/17	12/19/2017	45534	2346	JONES TOWING	1596	1	10-51-430	.00	512.68
Total 45534:								.00	512.68
Grand Totals:								.00	81,936.71

Summary by General Ledger Account Number

GL Account	Debit	Credit	Proof
1020200	279.98	82,216.69-	81,936.71-
10-22230	3,499.13	.00	3,499.13
10-22240	2,259.79	.00	2,259.79
10-22295	338.77	.00	338.77
10-35-510	6,101.55	.00	6,101.55
10-41-380	247.43	.00	247.43
10-44-300	5,735.25	.00	5,735.25
10-44-330	77.00	.00	77.00
10-44-600	555.49	.00	555.49
10-44-602	55.37	.00	55.37
10-45-301	1,464.01	.00	1,464.01
10-45-302	21.41	.00	21.41
10-45-303	310.99	.00	310.99
10-45-304	267.99	.00	267.99
10-45-310	3,077.10	.00	3,077.10
10-45-320	1,483.64	.00	1,483.64
10-45-410	789.14	.00	789.14
10-45-430	52.67	.00	52.67
10-45-530	1,113.46	.00	1,113.46
10-45-700	90.20	.00	90.20
10-45-701	75.00	.00	75.00
10-45-810	246.05	.00	246.05
10-51-305	145.00	.00	145.00
10-51-330	515.00	.00	515.00
10-51-430	3,840.66	.00	3,840.66
10-51-590	3,109.22	.00	3,109.22
10-51-600	162.83	.00	162.83
10-51-615	298.30	.00	298.30
10-51-640	75.00	.00	75.00
10-51-665	297.50	.00	297.50
10-51-741	489.00	.00	489.00
10-51-745	150.00	.00	150.00
10-56-640	115.00	.00	115.00
10-56-750	35.33	.00	35.33
10-61-150	18.96	.00	18.96
10-61-330	100.00	.00	100.00
10-61-430	519.84	.00	519.84
10-61-431	3,095.53	.00	3,095.53
10-61-440	1,326.93	.00	1,326.93
10-61-450	138.00	.00	138.00
10-61-590	1,036.40	.00	1,036.40
10-71-260	1,942.62	279.98-	1,662.64
10-71-410	209.76	.00	209.76

GL Account	Debit	Credit	Proof
10-71-625	220.00	.00	220.00
40-40-200	3,459.00	.00	3,459.00
50-62-310	1,010.10	.00	1,010.10
50-62-750	192.00	.00	192.00
53-62-310	1,010.10	.00	1,010.10
53-62-600	513.15	.00	513.15
53-62-860	920.00	.00	920.00
60-52-310	1,010.10	.00	1,010.10
60-52-440	28,399.92	.00	28,399.92
Grand Totals:	82,496.67	82,496.67-	.00

Report Criteria:

Report type: GL detail

CITY OF HARRISVILLE
Financial Statements - June 30, 2017
(With Auditor's Report Thereon)

CITY OF HARRISVILLE

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Independent Auditor's Report

To the Mayor and City Council
City of Harrisville, Utah

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Harrisville (the City), as of and for the year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and supplementary information on pages 3-10 and 33-37 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2017 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the 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 the City's internal control over financial reporting and compliance.

Christenson, Palmer & Ambrose P.C.

December 5, 2017

Harrisville City, Utah

Management's Discussion and Analysis

for fiscal year ending June 30, 2017

INTRODUCTION

The following is a discussion and analysis of Harrisville City's financial performance and activities for the fiscal year ending June 30, 2017. Beginning in fiscal year 2004, the City implemented new financial reporting standards established by GASB (the Governmental Accounting Standards Board). These new standards significantly changed the content and structure of the financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is an introduction to the City's Basic Financial Statements. The Basic Financial Statements includes three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the Basic Financial Statements, this report also contains other supplementary information.

The government-wide financial statements are comprised of: 1) the Statement of Net Position, and 2) the Statement of Activities. These two statements provide a broad overview of the City's finances. The Statement of Net Position shows the overall net position of the City. Over time, increases and decreases in net position are one indicator of the City's overall financial condition. The Statement of Activities helps to identify functions of the City that are principally supported by taxes and other general revenues (governmental activities) along with other functions that are intended to recover all or most of their costs through user fees and charges (business-type activities).

Harrisville City's business type activities include sewer, garbage and storm water operations.

The fund financial statements provide detailed information about individual major funds and not the City as a whole. A fund is a group of related accounts that the City uses to keep track of specific resources that are segregated for a specific purpose. Some funds are required by law to exist, while others are established internally to maintain control over a particular activity. All of the City's funds are divided into two types, each of which uses a different accounting approach. The two types are 1) Governmental Funds and 2) Proprietary Funds.

Governmental Funds – Most of the City's basic services are accounted for in governmental funds and are essentially the same functions reported as governmental activities in the government-wide financial statements.

Proprietary Funds – Harrisville City uses two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Harrisville City has three enterprise funds – sewer, garbage, and storm water. *Internal Service funds* are an accounting device used to accumulate and allocate costs internally among the City’s various functions. The City maintains one internal service fund to account for its fleet activities. Because these services predominantly benefit government rather than business-type activities, they are included with *governmental activities* in the government-wide statements.

Differences between Government-Wide and Fund Statements

- Capital assets and long-term debt are included on the government-wide statements but are not reported on the governmental fund statements.
- Capital outlays result in capital assets on the government-wide statements but are expenditures on the governmental fund statements.
- Certain tax revenues that are earned but not yet available are reported as revenue on the government-wide statements but are deferred revenue on the governmental fund statements.

Notes to the Financial Statements

The notes found within these financial statements provide additional schedules and information that are essential to a complete understanding of the financial statements. The notes apply to both the government-wide financial statements and the fund financial statements.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position

The largest component of the City's net position, 58.9 percent, reflects investments in capital assets (land, buildings, equipment, roads, and other infrastructure) less all outstanding debt that was issued to buy or build those assets. As capital assets, these resources are not available for future spending, nor can they all be readily liquidated to pay off the related liabilities.

Restricted net position comprises 26.5 percent of total net position and is subject to external restrictions on how they may be used. The remaining 14.6 percent of net position is unrestricted and may be used at the City's discretion to meet its ongoing obligations to citizens and creditors.

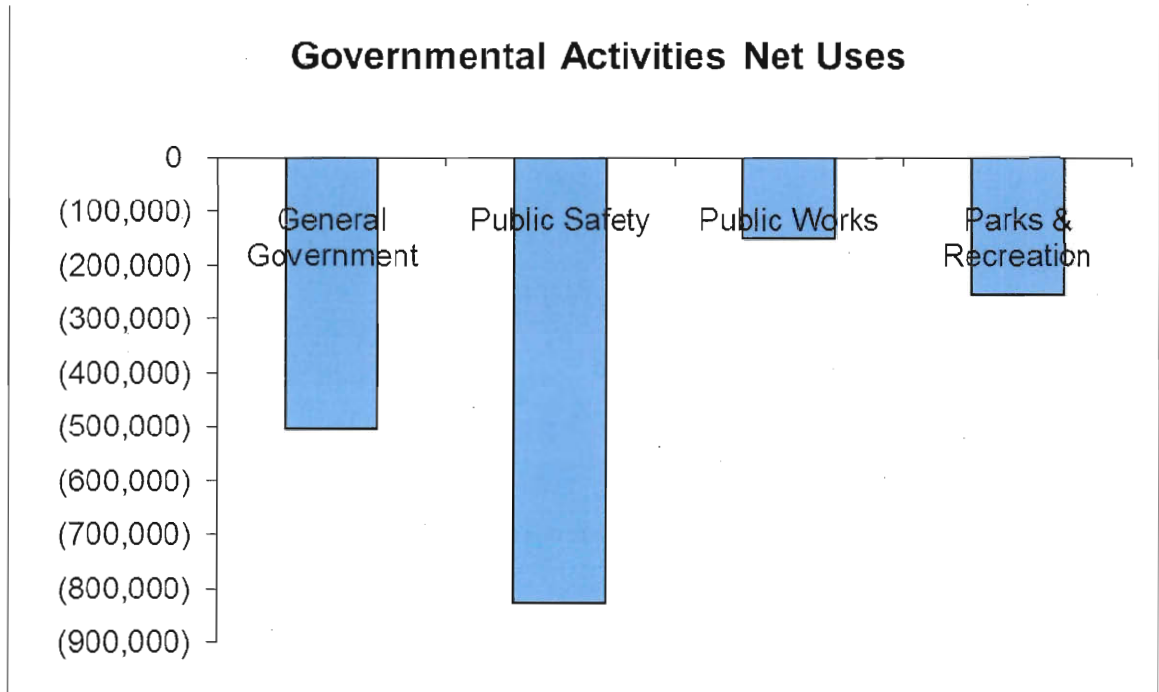
Harrisville City

Statement of Net Position Comparative

	Governmental Activities	Governmental Activities	Business-type Activities	Business-type Activities
	2017	2016	2017	2016
Current and Other Assets	3,927,322	3,222,829	1,893,049	1,959,345
Capital Assets (Net)	4,958,471	5,043,989	2,537,686	2,603,731
Total Assets	8,885,793	8,266,818	4,430,735	4,563,076
Deferred Outflows	423,458	281,017	17,615	10,622
Current Liabilities	823,775	631,241	80,325	132,812
Noncurrent Liabilities	0	0	0	0
Total Liabilities	823,775	631,241	80,325	132,812
Deferred Inflows	115,029	83,408	4,740	3,188
Net Position				
Net Investment in				
Capital Assets	4,958,471	5,043,989	2,537,686	2,603,731
Restricted	2,543,251	2,034,256	831,562	738,964
Unrestricted	868,725	754,941	994,037	1,095,003
Total Net Position	8,370,447	7,833,186	4,363,285	4,437,698

Governmental Activities

The activities in the governmental funds resulted in an increase in net position of \$537,261 for the year. The following chart shows the relative net uses (expenses minus any revenue directly attributed to that particular function) for governmental activities for each of the functions shown on the Statement of Activities.



The table below shows to what extent the City's governmental activities relied on taxes and other general revenue to cover all of their costs. These programs generated revenues of \$863,627 or 33.3 percent of their total expenses through charges for services and grants. Taxes and other general revenues covered the remaining 66.7 percent of expenses.

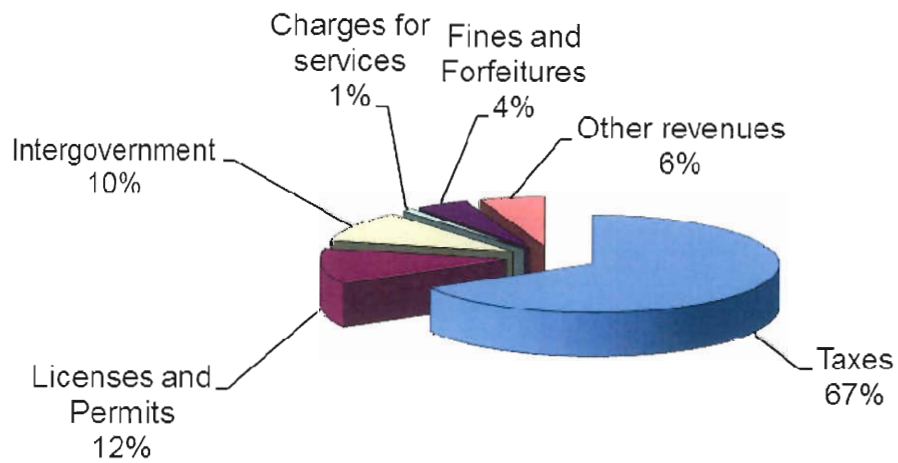
<i>Activities</i>	<i>Total Program Expenses</i>	<i>Less Program Revenues</i>	<i>Net Program Costs</i>	<i>Program Revenues as a Percentage of Total Expense</i>
General Government	\$699,680	\$196,534	(\$503,146)	28.1%
Public Safety	\$1,007,873	\$182,027	(\$825,846)	18.1%
Public Works	\$496,912	\$346,928	(\$149,984)	69.8%
Parks & Recreation	\$391,871	\$138,138	(\$253,733)	35.3%
<i>Totals</i>	\$2,596,336	\$863,627	(\$1,752,709)	33.3%

Harrisville City

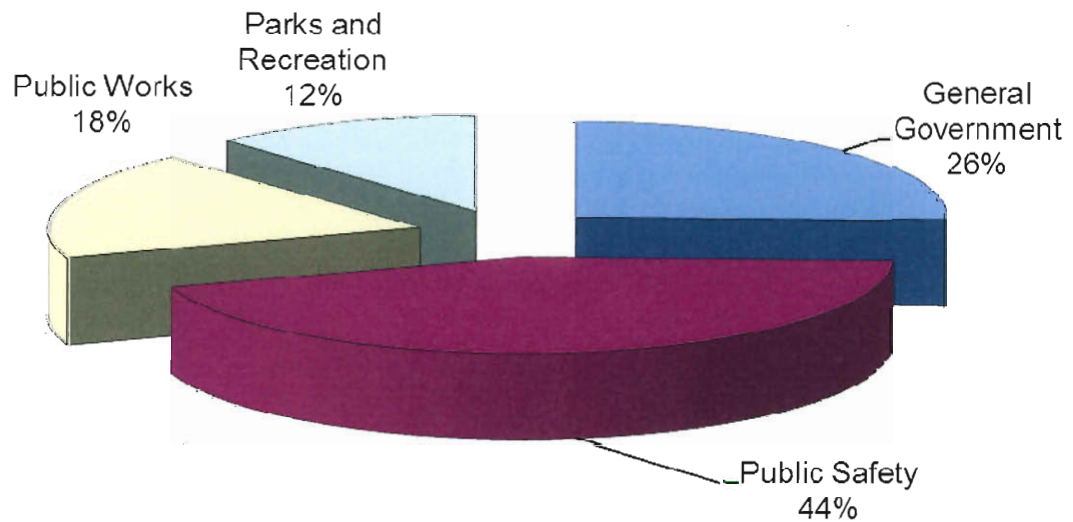
Changes in Net Position Comparative

	Governmental Activities	Governmental Activities	Business- type Activities	Business- type Activities
	2017	2016	2017	2016
Program Revenues				
Charges for Services	545,218	629,051	1,078,238	1,134,886
Operating Grants & Contributions	318,409	188,626		
Capital Grants & Contributions	0	0	0	0
General Revenues				
Property Taxes	351,784	356,017		
Sales Tax	1,413,098	1,274,889		
Franchise Tax	317,557	301,362		
Other Revenues	187,531	114,315	22,748	13,199
Total Revenues	3,133,597	2,864,260	1,100,986	1,148,085
Expenses				
General Government	699,680	589,604		
Public Safety	1,007,873	1,029,120		
Public Works	496,912	659,955		
Parks & Recreation	391,871	412,431		
Public Utilities			1,175,399	979,256
Total Expenses	2,596,336	2,691,110	1,175,399	979,256
Increase in Net Assets before Transfers	537,261	173,150	-74,413	168,829
Transfers				
Change in Net Position	537,261	173,150	-74,413	168,829
Net Position Beginning	7,833,186	7,660,036	4,437,698	4,268,869
Prior Period Adjustment				
Net Position Ending	8,370,447	7,833,186	4,363,285	4,437,698

General Fund Revenue Sources



General Fund Expenditures



Business-Type Activities

The business-type activities (sewer, storm-water, and garbage) are generating sufficient revenue to cover operating costs.

CAPITAL ASSETS AND LONG-TERM DEBT**Capital Assets**

Harrisville City subtracted a net difference of \$42,274 in capital assets in governmental activities during the fiscal year. The City also subtracted a net difference of \$66,045 in capital assets in business-type activities during the fiscal year.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS**Fund Balances**

At June 30, 2017, Harrisville City's governmental funds reported combined fund balances of \$3,294,809. Of this amount, \$1,448,164 or 44.0% is restricted for specific purposes. \$1,095,087 or 33.2% is assigned for Capital Projects. The remaining \$751,558 or 22.8% is unassigned.

General Fund

During FY2017, the fund balance in the general fund increased by \$583,033. Restricted funds increased by a total of \$531,475, with an increase in the unrestricted funds of \$51,558. Taxes increased \$150,173, a 7.8% increase from the previous year. Total general fund revenue was up \$301,243 or 10.7%. Total general fund expenditures (excluding transfers and financing sources) were up \$101,831 or 4.2%.

General Fund Budgetary Highlights

Harrisville City prepares its budget according to state statutes. The most significant budget is the General Fund. The City amended the General Fund budget one time during the year to meet the needs of the departments as issues arose. The budget was increased by \$92,413 excluding transfers. This increase was necessary to cover increases in various departments.

Actual General Fund revenues were \$342,397 or 12.3% above the original budget and \$249,994 or 8.7% above the final budget. Actual expenditures were \$478,278 or 15.9% below the original budget and \$570,691 or 18.4% below the final budget. The City was not required to draw upon existing fund balance in the General Fund this year to cover its expenditures.

Capital Projects Fund

During the fiscal year, the fund balance in the Capital Projects Fund decreased \$22,480. The General Fund did not make any transfers to the Capital Projects Fund during the year. The Capital Projects Fund had expenditures of \$32,255 during this fiscal year for various projects.

Enterprise Funds

The combined change in net position of the enterprise funds shows a decrease of \$74,413 or 1.7% from the previous years balance.

OTHER MATTERS

Current and Future Projects

The City did not budget any money for capital improvements projects in the coming fiscal year.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of Harrisville City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning any of the information in this report or any other matters related to the City's finances should be addressed to:

Lynn Fortie
Treasurer
363 W. Independence Blvd.
Harrisville, UT 84404

CITY OF HARRISVILLE

Statement of Net Position

June 30, 2017

	Primary Government		
	Governmental	Business-type	
	Activities	Activities	Total
Assets:			
Cash and cash equivalents	\$ 3,688,848	1,761,730	5,450,578
Accounts receivable	201,006	131,314	332,320
Prepays	37,056	-	37,056
Pension Assets	412	5	417
Capital assets:			
Land and related non-depreciable assets	565,800	-	565,800
Depreciable infrastructure	2,768,638	-	2,768,638
Buildings, equipment, and other depreciable assets	4,801,956	3,394,349	8,196,305
Less accumulated depreciation	(3,177,923)	(856,663)	(4,034,586)
Total capital assets	<u>4,958,471</u>	<u>2,537,686</u>	<u>7,496,157</u>
Total assets	<u>8,885,793</u>	<u>4,430,735</u>	<u>13,316,528</u>
Deferred Outflows of Resources	<u>423,458</u>	<u>17,615</u>	<u>441,073</u>
Liabilities:			
Accounts payable	2,530	-	2,530
Accrued liabilities	26,721	51,326	78,047
Compensated absences	81,698	-	81,698
Pension liabilities	<u>712,826</u>	<u>28,998</u>	<u>741,825</u>
Total liabilities	<u>823,775</u>	<u>80,325</u>	<u>904,100</u>
Deferred Inflows of Resources	<u>115,029</u>	<u>4,740</u>	<u>119,769</u>
Net position:			
Net investment in capital assets	4,958,471	2,537,686	7,496,157
Restricted for:			
Storm water	-	831,562	831,562
Class C roads	733,355	-	733,355
Park development	356,697	-	356,697
Transportation	264,988	-	264,988
Public Safety	93,124	-	93,124
Capital projects	1,095,087	-	1,095,087
Unrestricted	<u>868,725</u>	<u>994,037</u>	<u>1,862,762</u>
Total net position	<u>\$ 8,370,447</u>	<u>4,363,285</u>	<u>12,733,732</u>

See independent auditors' report and notes to financial statements.

CITY OF HARRISVILLE

Statement of Activities

Year Ended June 30, 2017

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government:				
Governmental:				
General government	\$ 699,680	196,534	-	-
Public safety	1,007,873	166,173	15,854	-
Public works	496,912	44,373	302,555	-
Parks and recreation	391,871	138,138	-	-
Total governmental activities	<u>2,596,336</u>	<u>545,218</u>	<u>318,409</u>	<u>-</u>
Business-type:				
Public utilities	<u>1,175,399</u>	<u>1,078,238</u>	<u>-</u>	<u>-</u>
Total business-type activities	<u>1,175,399</u>	<u>1,078,238</u>	<u>-</u>	<u>-</u>
Total primary government	<u>3,771,735</u>	<u>1,623,456</u>	<u>318,409</u>	<u>-</u>

General revenues:

Property tax

Sales tax

Franchise tax

Total taxes

Other general revenues:

Miscellaneous

Transfers - internal activities

Total other general revenues

Total general revenues, special items and transfers

Change in net position

Net position - beginning of year

Net position - end of year

See independent auditors' report and notes to financial statements.

Net (Expense) Revenue and Changes in Net Position
Primary Government

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
(503,146)	-	(503,146)
(825,846)	-	(825,846)
(149,984)	-	(149,984)
(253,733)	-	(253,733)
<u>(1,732,709)</u>	<u>-</u>	<u>(1,732,709)</u>
-	(97,161)	(97,161)
-	(97,161)	(97,161)
<u>(1,732,709)</u>	<u>(97,161)</u>	<u>(1,829,870)</u>
351,784	-	351,784
1,413,098	-	1,413,098
317,557	-	317,557
<u>2,082,439</u>	<u>-</u>	<u>2,082,439</u>
187,531	22,748	210,279
-	-	-
<u>187,531</u>	<u>22,748</u>	<u>210,279</u>
<u>2,269,970</u>	<u>22,748</u>	<u>2,292,718</u>
537,261	(74,413)	462,848
<u>7,833,186</u>	<u>4,437,698</u>	<u>12,270,884</u>
<u>\$ 8,370,447</u>	<u>4,363,285</u>	<u>12,733,732</u>

CITY OF HARRISVILLE

Balance Sheet
Governmental Funds

June 30, 2017

<u>Assets</u>	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
Cash (note 2)	\$ 1,990,911	1,095,087	3,085,998
Accounts receivable (note 3)	201,006	-	201,006
Prepaid items	<u>37,056</u>	<u>-</u>	<u>37,056</u>
	<u>\$ 2,228,973</u>	<u>1,095,087</u>	<u>3,324,060</u>
 <u>Liabilities and Fund Balances</u>			
Liabilities:			
Accounts payable	\$ 2,530	-	2,530
Accrued liabilities	<u>26,721</u>	<u>-</u>	<u>26,721</u>
Total liabilities	<u>29,251</u>	<u>-</u>	<u>29,251</u>
Fund balances:			
Restricted for: (note 1)			
Class C roads	733,355	-	733,355
Park development	356,697	-	356,697
Transportation	264,988	-	264,988
Public Safety	93,124	-	93,124
Assigned to:			
Capital projects	-	1,095,087	1,095,087
Unassigned	<u>751,558</u>	<u>-</u>	<u>751,558</u>
Total fund balances	<u>2,199,722</u>	<u>1,095,087</u>	<u>3,294,809</u>
	<u>\$ 2,228,973</u>	<u>1,095,087</u>	<u>3,324,060</u>

See independent auditors' report and notes to financial statements.

CITY OF HARRISVILLE

Reconciliation of the Balance Sheet -
Governmental Funds to the Statement of Net Position

June 30, 2017

Total fund balance - governmental funds		\$ 3,294,809
Amount reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not reported as assets in governmental funds. These assets consist of:		
Land and related non-depreciable assets	\$ 565,800	
Depreciable infrastructure	2,768,638	
Buildings, equipment, and other depreciable assets	3,369,761	
Accumulated depreciation	<u>(2,646,556)</u>	
Total capital assets		4,057,643
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of those internal service funds that primarily benefit governmental entities are included with governmental activities in the statement of net position.		1,503,678
Some general liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:		
Net Pension Liability	(712,826)	
Compensated absences	<u>(81,698)</u>	
Total long-term debt		(794,524)
The net pension asset is not an available resource and, there fore, is not reported in the funds.		412
Deferred inflows for pension credits (\$115,029) and deferred outflows for pension charges (\$423,458) and not reflected in the fund statements but are reported as part of the entry-wide statement of activities.		<u>308,429</u>
Total net position - governmental activities		\$ <u>8,370,447</u>

See independent auditors' report and notes to financial statements.

CITY OF HARRISVILLE

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds

Year Ended June 30, 2017

	General Fund	Capital Projects Fund	Total Governmental Funds
Revenues:			
Taxes	\$ 2,082,439	-	2,082,439
Licenses and permits	367,572	-	367,572
Intergovernmental	318,409	-	318,409
Charges for services	32,051	-	32,051
Fines and forfeitures	145,595	-	145,595
Other revenues	174,756	12,775	187,531
Total revenues	<u>3,120,822</u>	<u>12,775</u>	<u>3,133,597</u>
Expenditures:			
Current:			
General government	647,759	-	647,759
Public safety	1,125,423	-	1,125,423
Public works	465,882	-	465,882
Parks and recreation	298,725	-	298,725
Capital outlay	-	35,255	35,255
Total expenditures	<u>2,537,789</u>	<u>35,255</u>	<u>2,573,044</u>
Excess (deficiency) of revenues over expenditures	<u>583,033</u>	<u>(22,480)</u>	<u>560,553</u>
Other financing sources (uses):			
Operating transfers in (out)	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	583,033	(22,480)	560,553
Fund balances - beginning of year	<u>1,616,689</u>	<u>1,117,567</u>	<u>2,734,256</u>
Fund balances - end of year	<u>\$ 2,199,722</u>	<u>1,095,087</u>	<u>3,294,809</u>

See independent auditors' report and notes to financial statements.

CITY OF HARRISVILLE

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds to the Statement of Activities

Year Ended June 30, 2017

Net change in fund balance - total governmental funds	\$ 560,553
Amount reported for governmental activities in the statement of activities are different because:	
Government funds report capital outlays as expenditures (\$60,567) . However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense (\$324,872). Depreciation exceeded capital outlays for the period.	(264,215)
Government funds do not recognize capital assets contributed to the entity but these contributions are recognized in the entity-wide statements.	-
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.	326,827
The liability for compensated absences is not recorded in the governmental funds, but reported in the statement of net position. This is the current year change in compensated absences reported as adjustments to expense in the statement of activity.	(29,154)
GASB Statement 68 entries resulted in a net increase of pension expenses at the entity-wide level	<u>(56,750)</u>
Changes in net position of governmental activities	\$ <u><u>537,261</u></u>

See independent auditors' report and notes to financial statements.

CITY OF HARRISVILLE

Statement of Net Position
Proprietary Funds

June 30, 2017

	<u>Business-Type Activities - Enterprise Funds</u>				<u>Governmental Activities - Internal Service Funds</u>
	<u>Sewer Fund</u>	<u>Storm Water Fund</u>	<u>Garbage Fund</u>	<u>Total Enterprise Funds</u>	
Assets:					
Cash	\$ 628,072	1,084,175	49,483	1,761,730	602,850
Accounts receivable	119,926	10,927	461	131,314	-
Improvements	1,513,600	1,880,749	-	3,394,349	-
Automotive equipment	-	-	-	-	1,432,195
Accumulated depreciation	(562,330)	(294,333)	-	(856,663)	(531,367)
Pension Asset	-	5	-	5	-
Total assets	<u>1,699,268</u>	<u>2,681,523</u>	<u>49,944</u>	<u>4,430,735</u>	<u>1,503,678</u>
Deferred outflow of resources:					
Deferred pension charge	-	17,615	-	17,615	-
Liabilities	<u>51,326</u>	<u>28,999</u>	-	<u>80,325</u>	-
Total liabilities	<u>51,326</u>	<u>28,999</u>	-	<u>80,325</u>	-
Deferred inflow of Resources:					
Deferred pension credit	-	4,740	-	4,740	-
Net position:					
Net investment in capital assets	951,270	1,586,416	-	2,537,686	900,828
Restricted	-	831,562	-	831,562	-
Unrestricted	<u>696,672</u>	<u>247,421</u>	<u>49,944</u>	<u>994,037</u>	<u>602,850</u>
Total net position	<u>\$ 1,647,942</u>	<u>2,665,399</u>	<u>49,944</u>	<u>4,363,285</u>	<u>1,503,678</u>

See independent auditors' report and notes to financial statements.

CITY OF HARRISVILLE

Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds

Year Ended June 30, 2017

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewer Fund	Storm Water Fund	Garbage Fund	Total Enterprise Funds	
Operating revenues:					
Charges for services	\$ 528,579	112,248	349,601	990,428	365,787
Impact fees	-	85,990	-	85,990	-
Miscellaneous	-	1,820	-	1,820	111,202
Total operating revenues	<u>529,579</u>	<u>200,058</u>	<u>349,601</u>	<u>1,078,238</u>	<u>476,989</u>
Operating expenses:					
Personnel services	-	87,811	-	87,811	-
Contractual services	367,410	235,670	348,836	951,916	-
Materials and supplies	45,658	23,969	-	69,627	-
Depreciation	<u>30,272</u>	<u>35,773</u>	<u>-</u>	<u>66,045</u>	<u>155,194</u>
Total operating expenses	<u>443,340</u>	<u>383,223</u>	<u>348,836</u>	<u>1,175,399</u>	<u>155,194</u>
Operating income (loss)	<u>85,239</u>	<u>(183,165)</u>	<u>765</u>	<u>(97,161)</u>	<u>321,795</u>
Non-operating revenues (expenses):					
Interest revenue	<u>7,530</u>	<u>14,837</u>	<u>381</u>	<u>22,748</u>	<u>5,032</u>
Total non-operating revenues (expenses)	<u>7,530</u>	<u>14,837</u>	<u>381</u>	<u>22,748</u>	<u>5,032</u>
Income (loss) before contributions and transfers	<u>92,769</u>	<u>(168,328)</u>	<u>1,146</u>	<u>(74,413)</u>	<u>326,827</u>
Operating transfers in	-	-	-	-	-
Contributed capital - developers	-	-	-	-	-
Total contributions and transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	<u>92,769</u>	<u>(168,328)</u>	<u>1,146</u>	<u>(74,413)</u>	<u>326,827</u>
Net position - beginning of year	<u>1,555,173</u>	<u>2,833,727</u>	<u>48,798</u>	<u>4,437,698</u>	<u>1,176,851</u>
Net position - end of year	<u>\$ 1,647,942</u>	<u>2,665,399</u>	<u>49,944</u>	<u>4,363,285</u>	<u>1,503,678</u>

See independent auditors' report and notes to financial statements.

CITY OF HARRISVILLE

Statement of Cash Flows
Proprietary Funds

Year Ended June 30, 2017

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewer Fund	Storm Water Fund	Garbage Fund	Total Enterprise Funds	
Cash flows from operating activities:					
Cash received from customers	\$ 477,045	196,832	382,038	1,055,915	365,787
Cash received from other activities	-	1,820	-	1,820	111,202
Cash payments for payroll and benefits	-	(87,811)	-	(87,811)	-
Cash payments for goods and services	(473,726)	(251,468)	(348,836)	(1,074,030)	-
Net cash provided (used) by operating activities	3,319	(140,627)	33,202	(104,202)	476,989
Cash flows from investing activities:					
Interest earned on cash deposits	7,530	14,837	381	22,748	5,032
Net cash provided by investing activities	7,530	14,837	381	22,748	5,032
Cash flows from noncapital financing activities:					
Operating transfers in	-	-	-	-	-
Net cash provided by noncapital financing activities	-	-	-	-	-
Cash flows from capital and related financing activities:					
Contributions from developers	-	-	-	-	-
Acquisition of capital assets - net	-	-	-	-	(333,891)
Pension related items	-	(5,387)	-	(5,387)	-
Net cash used for capital and related financing activities	-	(5,387)	-	(5,387)	(333,891)
Net increase (decrease) in cash and cash equivalents	10,849	(131,177)	33,583	(86,745)	148,130
Cash and cash equivalents - beginning of year	617,223	1,215,352	15,900	1,848,475	454,720
Cash and cash equivalents - end of year	\$ 628,072	1,084,175	49,483	1,791,730	602,850

See independent auditors' report and notes to financial statements.

CITY OF HARRISVILLE

Statement of Cash Flows - Continued
Proprietary Funds

Year Ended June 30, 2017

	<u>Business-Type Activities - Enterprise Funds</u>				<u>Governmental Activities - Internal Service Funds</u>
	<u>Sewer Fund</u>	<u>Storm Water Fund</u>	<u>Garbage Fund</u>	<u>Total Enterprise Funds</u>	
Reconciliation of operating income (loss) to net cash provided by operating activities:					
Operating income (loss)	\$ 85,239	(183,165)	765	(97,161)	321,795
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	30,272	35,773	-	66,045	155,194
(Increase) decrease in accounts receivable	(51,534)	(1,406)	32,437	(20,503)	-
Increase (decrease) in accounts payable	<u>(60,658)</u>	<u>8,171</u>	<u>-</u>	<u>(52,487)</u>	<u>-</u>
Net cash provided (used) by operating activities	<u>\$ 3,319</u>	<u>(140,627)</u>	<u>33,202</u>	<u>(104,106)</u>	<u>476,989</u>

See independent auditors' report and notes to financial statements.

CITY OF HARRISVILLE

Notes to Financial Statements

June 30, 2017

(1) Summary of Significant Accounting Policies

The City of Harrisville was incorporated April 19, 1962 as a township and became a city on January 30, 1964. The City 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. The financial statements of the City of Harrisville have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies:

A. Reporting Entity

As required by generally accepted accounting principles, these financial statements present the City of Harrisville (the primary government). The City has no component units.

B. Government-Wide and Fund Financial Statements

The City's basic financial statements consist of both government-wide statements and fund statements. The government-wide statements focus on the City as a whole, while the fund statements focus on individual funds.

Government-Wide Financial Statements

The government-wide statements present information on all non-fiduciary activities of the primary government and its component units. Primary government activities are distinguished between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The effects of interfund activity have been eliminated from the government-wide statements except for the residual amounts due between governmental and business-type activities.

The Statement of Net Position presents the City's non-fiduciary assets and liabilities, with the difference reported as net position. Net position is restricted when constraints placed upon them are either externally imposed or are imposed by constitutional provisions or enabling legislation. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. The City does not allocate general government (indirect) expenses to other functions. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other revenues not meeting the definition of program revenues are reported as general revenues.

Fund Financial Statements

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and statutory mandate. The various funds are grouped, in the financial statements in this report, into fund types and categories as follows:

Governmental Fund Types:

The City reports the following major governmental funds:

General fund - The general fund is the general operating fund of the City. It is used to account for all financial resources except those that are required to be accounted for in other funds. It also includes the financial activities related to most federal and state funds.

Capital projects fund - These funds are used to account for financial resources to be used for the acquisition or construction of general major capital facilities.

Proprietary Fund Types:

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

CITY OF HARRISVILLE

Notes to Financial Statements - Continued

June 30, 2017

(1) Summary of Significant Accounting Policies - Continued

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 sewer, storm drainage and garbage funds as enterprise funds. Each is considered a major proprietary fund.

Internal service fund - The internal service fund is used to account for the financing of goods and services provided by the motor pool to other departments or agencies of the City, or to other governments, on a cost-reimbursements basis.

C. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases and decreases in net total assets.

All governmental funds are accounted for using the modified accrual basis of accounting. That is, revenues are recognized when they become measurable and available as net current assets. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: (1) accumulated unpaid vacation, sick pay, and other employee amounts which are not accrued in the individual funds because the current portion of these items cannot be reasonably estimated and (2) principal and interest on general long-term debt which is recognized when due.

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

D. Budgets

Annual budgets are prepared and adopted in accordance with the "Uniform Fiscal Procedures Act of Utah Cities" by the City of Harrisville Municipal Council on or before June 22nd for the following fiscal year which begins on July 1. Budgets may be increased by resolution of the City Council at any time during the year, following a public hearing. Budgets are prepared in line-item detail; however, budget amendments by resolution are generally required only if the fund desires to exceed its total budget appropriation. The City follows Uniform Fiscal Procedures for Cities as adopted by the State Legislature for policies concerning its budgetary accounting. Annual budgets are adopted for all governmental fund types. All annual appropriations lapse at fiscal year end.

During the year, one supplemental amendment was made to the City's general fund budget in the amount of \$92,413.

E. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) 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 \$2,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical

CITY OF HARRISVILLE

Notes to Financial Statements - Continued

June 30, 2017

(1) Summary of Significant Accounting Policies - Continued

cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Buildings	40 years
Sewer collection system	50 years
Equipment and machinery	5-15 years
Other improvements	10-30 years

F. Governmental Fund Balances

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 - classification includes amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact. Harrisville has no nonspendable fund balance.

Restricted Fund Balance - classified as restricted by (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Harrisville reports its Class C fund balance, Park Development fund balance, and Fire Impact Fee fund balance as restricted.

Committed Fund Balance - classification includes those funds that can only be used for specific purposes pursuant to constraints imposed by formal action of the City Council. Harrisville has no committed fund balances.

Assigned Fund Balance - classification includes amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Harrisville reports its Capital Project fund balances as assigned.

Unassigned Fund Balance - classification is the residual classification for the General Fund. 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.

When an expenditure is incurred for purposes which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless City Council has provided otherwise in its commitment or assignment actions.

G. Cash and Cash Equivalents

For purposes of the statement of cash flows, the proprietary fund types consider all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

H. Pensions

For the 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.

CITY OF HARRISVILLE

Notes to Financial Statements - Continued

June 30, 2017

I. Deferred outflows/inflows of resources

In addition to assets, financial statements will sometimes report 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 will not be recognized as an outflow of resources (expense/expenditure until then. In addition to liabilities, the financial statements will sometimes report 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 will not be recognized as an inflow of resources (revenue) until that time.

J. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

K. Subsequent Events

Management has evaluated subsequent events through December 5, 2017, the date the financial statements were available to be issued.

(2) Deposits and Investments

Deposits and investments for the City of Harrisville are governed by the Utah Money Management Act and by rules of the Utah Money Management Council. Following are discussions of the City's exposure to various risks related to its cash management activities.

A. Custodial Credit Risk

Deposits. Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be recovered. The City's policy for managing custodial credit risk is to adhere to the Money Management Act. The Act requires all deposits of City funds to be in a *qualified depository*, defined as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the commissioner of Financial Institutions as meeting the requirement of the Act and adhering to the rules of the Utah Money Management Council.

The City's deposits in the bank in excess of the insured amount are uninsured and are not collateralized, nor do state statutes require them to be. The City's deposits at June 30, 2017 were \$135,983, all of which were fully insured.

B. Credit Risk

Credit risk is the risk that the counterparty to an investment transaction will not fulfill its obligations. The City's policy for limiting the credit risk of investments is to comply with the Money Management Act. The Act requires investment transactions to be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities. Permitted investments include deposits of qualified depositories; repurchase agreements; commercial paper that is classified as "first-tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investor Services or Standard & Poors; bankers acceptances; obligations of the U.S. Treasury and U.S. government sponsored enterprises; bonds and notes of political subdivisions of the State of Utah; fixed rate corporate obligations and variable rate securities rated "A" or higher by two nationally recognized statistical rating organizations; and shares in a money market fund as defined in the Act.

The City is also authorized to invest in the Utah Public Treasurer's Investment Fund (PTIF), an external pooled investment fund managed by the Utah State Treasurer and subject to the Act and Council requirements. The PTIF is not registered with the SEC as an investment company, and deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah. The PTIF operates and reports to participants on an amortized costs basis. The income, gains, and losses, net of administration fees, of the PTIF are allocated based upon the participants' average daily balances. The fair value of the PTIF investment pool is approximately equal to the value of the pool shares. Following are the City's investments at June 30, 2017:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>	<u>Quality Ratings</u>
PTIF Investments	\$ <u>5,429,538</u>	55 days*	not rated

*Weighted-average maturity

CITY OF HARRISVILLE

Notes to Financial Statements - Continued

June 30, 2017

C: Interest Rate Risk:

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The City manages its exposure to declines in fair value by investing solely in the PTIF and by adhering to the Money Management Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity of commercial paper to 270 days or less and fixed rate negotiable deposits and corporate obligations to 365 days or less. Maturities of the City's investments are noted in the previous table.

D. 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 to limit this risk is to adhere to the rules of the Money Management Council and to invest most of its available funds in the PTIF. The Council rules do not limit the amount of investments a government may make in any one issuer except for Rule 2 regarding certain endowments and funds with a long-term perspective, and Rule 17 which limits investments in a single issuer of commercial paper and corporate obligations to between 5 and 10 percent depending upon the total dollar amount held in the government's portfolio at the time of purchase.

(3) Accounts Receivable

The City considers its accounts receivable to be substantially collectable and has therefor not recorded an allowance for doubtful accounts.

(4) Capital Assets

Capital asset activity for the year ended June 30, 2017 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land and land improvements	\$ 565,800	-	-	565,800
Total	<u>565,800</u>	<u>-</u>	<u>-</u>	<u>565,800</u>
Capital assets being depreciated:				
Buildings	1,027,745	-	-	1,027,745
Other improvements	2,005,397	60,657	-	2,066,054
Equipment	1,688,227	377,135	357,205	1,708,157
Infrastructure	<u>2,768,638</u>	<u>-</u>	<u>-</u>	<u>2,768,638</u>
Total	<u>7,490,000</u>	<u>437,792</u>	<u>357,205</u>	<u>7,570,594</u>
Less accumulated depreciation for:				
Buildings	(344,798)	(28,810)	-	(373,608)
Other improvements	(769,376)	(141,829)	-	(911,205)
Equipment	(914,762)	(170,992)	(313,961)	(771,793)
Infrastructure	<u>(982,882)</u>	<u>(138,435)</u>	<u>-</u>	<u>(1,121,317)</u>
Total	<u>(3,011,818)</u>	<u>(480,066)</u>	<u>(313,961)</u>	<u>(3,177,923)</u>
Capital assets being depreciated, net	<u>4,478,189</u>	<u>(42,274)</u>	<u>43,244</u>	<u>4,958,471</u>
Governmental activity capital assets, net	<u>\$ 5,043,989</u>	<u>(42,274)</u>	<u>43,244</u>	<u>4,958,471</u>

CITY OF HARRISVILLE

Notes to Financial Statements - Continued

June 30, 2017

(4) Capital Assets - continued

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets being depreciated:				
Improvements	\$ 3,394,349	-	-	3,394,349
Total	<u>3,394,349</u>	<u>-</u>	<u>-</u>	<u>3,394,349</u>
Less accumulated depreciation for:				
Improvements	(790,618)	(66,045)	-	(856,663)
Total	<u>(790,618)</u>	<u>(66,045)</u>	<u>-</u>	<u>(856,663)</u>
Capital assets being depreciated, net	<u>2,603,731</u>	<u>(66,045)</u>	<u>-</u>	<u>2,537,686</u>
Business-type activities capital assets, net	\$ <u>2,603,731</u>	<u>(66,045)</u>	<u>-</u>	<u>2,537,686</u>

Capital assets of the governmental activities includes the equipment and other depreciable assets, net of accumulated depreciation, of the internal service funds of \$900,828.

Depreciation expense of governmental activities was charged to functions as follows:

General Government	\$ 34,982
Public Safety	1,623
Public Works	146,156
Parks and Recreation	142,111
Depreciation on capital assets of the City's internal service funds is charged to the various functions based on their usage of assets	<u>155,194</u>
Total	\$ <u>480,066</u>

(5) Compensated Absences, Accumulated Unpaid Vacation, Personal Leave Pay, Compensatory Time

It is the government's policy to permit employees to accumulate earned but unused vacation and personal leave pay benefits. Vacation and compensatory leave are recorded as an expenditure when used in governmental funds and as an expense when earned in proprietary funds and in the governmental-wide statements. A liability for unused vacation and compensatory leave is recorded in the governmental-wide statement of net position.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated Absences	\$ <u>54,544</u>	<u>29,154</u>	<u>-</u>	<u>81,698</u>	<u>-</u>

(6) Retirement Plans***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); Public Employees Contributory Retirement System (Contributory System); Firefighters Retirement System (Firefighters System); are multiple employer, cost sharing, public employees, retirement systems.
- The Public Safety Retirement System (Public Safety System) is a mixed agent and cost-sharing, multiple-employer retirement system.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System); and the Tier 2 Public Safety and Firefighter Contributory Retirement System (Tier 2 Public Safety and Firefighters System) are multiple employer, cost sharing, public employees, retirement systems.

CITY OF HARRISVILLE

Notes to Financial Statements - Continued

June 30, 2017

(6) Retirement Plans - continued

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

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1053, 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.

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

Summary of Benefits by System

<u>System</u>	<u>Final Average Salary</u>	<u>Years of Service Required and/or Age Eligible for Benefit</u>	<u>Benefit Percent Per Year Service</u>	<u>COLA**</u>
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 to 4% depending on the Employer
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 years	25 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

*With actuarial reductions.

**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.

CITY OF HARRISVILLE
Notes to Financial Statements - Continued

June 30, 2017

(6) Retirement Plans - continued

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

Utah Retirement Systems

	<u>Employee Paid</u>	<u>Paid by Employer for Employee</u>	<u>Employer Contribution Rates</u>
Contributory System			
111 - Local Governmental Division Tier 2	N/A	N/A	16.69%
Noncontributory System			
15 - Local Governmental Division Tier 1	N/A	N/A	18.470%
Public Safety Retirement System			
43 - Other Division A Noncontributory Tier 1	N/A	N/A	34.040%
Tier 2 DC Only			
211 - Local Government	N/A	N/A	16.69%
222 - Public Safety	N/A	N/A	23.83%

For fiscal year ended June 30, 2017, the employer and employee contributions to the Systems were as follows:

	<u>Employer Contributions</u>	<u>Employee Contributions</u>
Noncontributory System	\$ 96,232	N/A
Public Safety System	83,207	-
Tier 2 Public Employees System	8,029	-
Tier 2 Public Safety and Firefighter	10,101	-
Tier 2 DC Only System	2,125	N/A
Tier 2 DC Public Safety and Firefighter System	4,730	N/A
Total Contributions	<u>\$ 204,425</u>	<u>\$ -</u>

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

Pension Assets, Liabilities, Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2017, we reported a net pension asset of \$417 and a net pension liability of \$741,825.

	<u>Proportionate Share</u>	<u>Net Pension Asset</u>	<u>Net Pension Liability</u>
Noncontributory System	0.0526020%	\$ -	\$ 379,916
Public Safety System	0.1504968%	-	361,310
Tier 2 Public Employees System	0.0067037%	-	549
Tier 2 Public Safety and Firefighter System	0.1320064%	417	-
Total Net Pension Asset/Liability		<u>\$ 417</u>	<u>\$ 741,825</u>

The net pension asset and liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2016 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability was based upon actual historical employer contributions to the plan from the census data submitted to the plan for pay periods ending in 2016.

CITY OF HARRISVILLE

Notes to Financial Statements - Continued

June 30, 2017.

(6) Retirement Plans - continued

For the year ended June 30, 2017, we recognized pension expense of \$263,158. At June 30, 2017, we reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 8,559	40,160
Changes in assumptions	114,744	25,066
Net difference between projected and actual earnings on pension plan investments	160,915	47,369
Changes in proportion and differences between contributions and proportionate share of contributions	58,646	7,174
Contributions subsequent to the measurement date	98,209	-
Total	<u>\$ 441,073</u>	<u>\$ 119,769</u>

\$ 98,209 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, 2016. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	<u>Deferred Outflows (Inflows) of Resources</u>
2017	\$ 65,269
2018	74,122
2019	84,997
2020	(3,433)
2021	164
Thereafter	322

Actuarial assumptions: The total pension liability in the December 31, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 Percent
Salary increases	3.50 - 10.35 percent, average, including inflation
Investment rate of return	7.20 percent, net of pension plan investment expense, including inflation

Mortality rates were developed from actual experience and mortality tables, based on gender, occupation and age, as appropriate, with adjustments for future improvement in mortality based on Scale AA, a model developed by the Society of Actuaries.

The actuarial assumptions used in the January 1, 2016 valuation were based on the results of an actuarial experience study for the five year period of January 1, 2008 - December 31, 2013.

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. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

CITY OF HARRISVILLE

Notes to Financial Statements - Continued

June 30, 2017

(6) Retirement Plans - continued

Asset Class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
Equity securities	40%	7.06%	2.82%
Debt securities	20%	0.80%	0.16%
Real assets	13%	5.10%	0.66%
Private equity	9%	11.30%	1.02%
Absolute return	18%	3.15%	0.57%
Cash and cash equivalents	0%	0.00%	0.00%
Totals	100%		5.23%
Inflation			2.60%
Expected arithmetic nominal return			7.98%

The 7.20% assumed investment rate of return is comprised of an inflation rate of 2.60%, a real return of 4.60% that is net of investment expense.

Discount rate: The discount rate used to measure the total pension liability was 7.20%. 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 was reduced to 7.20% from 7.50% from the prior measurement period.

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 7.20%, 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 (6.20%) or 1-percentage-point higher (8.20%) than the current rate:

System	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
Noncontributory System	\$ 786,935	379,916	40,281
Public Safety System	751,442	361,310	44,185
Tier 2 Public Employees System	4,076	599	(2,046)
Tier 2 Public Safety and Firefighters	2,910	(416)	(2,972)
Total	\$ 1,545,363	741,409	79,448

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

(7) Budgetary Accounting and Tax Calendar

The City Council can amend the budget to any extent, provided the budgeted expenditures do not exceed budgeted revenues and appropriated fund balance. Budgets are required by the State of Utah for the general, special revenue, debt service and capital improvement funds. The legal level of control required by the State of Utah is at the department level. The City's budget is a financial plan of all estimated revenues and all appropriations for expenditures. Revenues and expenditures must balance.

CITY OF HARRISVILLE

Notes to Financial Statements - Continued

June 30, 2017

(7) Budgetary Accounting and Tax Calendar- continued

The budget is prepared sometime between the 1st of March and the 1st of May. A tentative budget is presented by the City Administrator to the City Council by the first regularly scheduled council meeting in May. The tentative budget is reviewed and tentatively adopted by the Council no later than the first meeting in May. The tentative budget is public record and is available for inspection at the City Business Administration Department and the City Recorder's Office for at least ten days prior to adoption of the final budget. Notice of public hearing on adoption of the final budget is published seven days prior to the public hearing. The public hearing on the tentatively adopted budget is held prior to final adoption. Final adjustments are made to the tentative budget by the Council after the public hearing. The final budget is adopted by ordinance before June 22nd and a copy of the budget certified by the Budget Officer is filed with the State Auditor within thirty days of adoption.

In connection with budget adoption an annual tax ordinance establishing the tax rate is adopted before June 22nd and the City is to certify the tax rate to the County Auditor before June 22nd.

Budgets for the general, special revenue, debt service and capital projects funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

The above procedures are authorized by Utah Code Sections 10-6-109 through 10-6-135.

<u>Property Tax Calendar</u>		
<u>Duties to be Completed</u>	<u>Authorizing Statute</u>	<u>Statute Date</u>
Lien date	59-2-103 59-2-1302	1/1
Taxing districts with June year end notify county commission of date, time and place of public hearing	59-2-919	3/1
County treasurer to settle taxes charged and collected for previous year	59-2-1365	3/31
Budget officer shall prepare and file with council a tentative budget	10-6-111	1 st scheduled council meeting in May
County assessor delivers roll to county auditor	59-2-924	6/1
Tax commission reports value of Centrally Assessed Property to counties	59-2-802	6/1
County assessor delivers to county auditor statement showing aggregate valuation of all taxable property	59-2-924	6/1
County auditor sends valuation, certified tax rate and levy work sheets to each taxing district	59-2-924	6/1
Taxing district must adopt a proposed tax rate, certify the rate and levy, and submit to county auditor	59-2-912	before 6/22
County to set proposed tax rates	59-2-909	6/22
Taxing districts adopt tentative budgets and notify county of intent to exceed certified tax rate	59-2-924(3)	6/22
County auditor to submit levy worksheets and supporting documentation to tax commission	59-2-913	6/22
Copy of final budget to state auditor within 30 days of adoption	10-6-118	9/17

CITY OF HARRISVILLE

Notes to Financial Statements - Continued

June 30, 2017

(7) Budgetary Accounting and Tax Calendar - Continued

<u>Duties to be Completed</u>	<u>Authorizing Statute</u>	<u>Statute Date</u>
County treasurer to mail tax notice	59-2-1317	11/1
County auditor delivers assessment roll with affidavit to tax commission	59-2-326	11/1
Payment and delinquency date	59-2-1331	11/30
Delinquency list published	59-2-1332.5	12/31

(8) Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by those grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

(9) Risk Management

The City of Harrisville is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage.

REQUIRED SUPPLEMENTAL INFORMATION

CITY OF HARRISVILLE

Notes to Required Supplementary Information

June 30, 2017

Budgeting and Budgetary Control

As more fully explained in Note 1 of the Notes to Financial Statements, annual budgets are prepared and adopted before June 22 for the fiscal year commencing the following July 1 in accordance with the Uniform Fiscal Procedures Act for Utah Cities. State law requires budgeted revenues to equal budgeted expenditures, and legal control is exercised at the department level. Once a budget has been adopted, it remains in effect until it has been formally revised. Budgets for the general fund, special revenue, and capital projects funds are legally required and are prepared and adopted on the modified accrual basis of accounting. Therefore, no reconciliation between budgetary schedules and the GAAP statements is required.

The Budgetary Comparison schedules presented in this section of the report are for the City's general fund and any major special revenue funds. Original budgets represent the revenue estimates and spending authority authorized by the City Council prior to July 1. Final budgets represent the original budget amounts plus any amendments made to the budget during the year by the City Council through formal resolution. Final budgets do not include unexpected balances from the prior year because such balances automatically lapse to unreserved fund balance at the end of each year.

Pension Plans

As explained in Note 6 to the Financial Statements, the City implemented GASB Statement 68 which requires the City to provide a 10 - year history for certain pension related amounts. The schedule of Proportionate Share of the Net Pension liability. The Schedule of Contributions shows the City's contractually required contributions, actual amounts contributed, and the contributions as a percentage of covered payroll. Both schedules show information only for the years for which information is available.

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 regard plan provisions is available in the separately issued URS financial report.

City of Harrisville participates in the following Defined Contribution Savings Plans with Utah Retirement Systems:

- * 401(k) Plan
- * 457(b) Plan
- * Roth IRA Plan
- * Traditional IRA Plan

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

		<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
401(k) Plan					
Employer Contributions	\$	40,905	39,913	39,622	37,303
Employee Contributions		28,463	30,912	25,142	20,222
457 Plan					
Employer Contributions		-	-	-	-
Employee Contributions		11,144	5,613	2,865	2,337
Roth IRA Plan					
Employer Contributions		N/A	N/A	N/A	N/A
Employee Contributions		7,171	2,600	1,410	860
Traditional IRA Plan					
Employer Contributions		N/A	N/A	N/A	N/A
Employee Contributions		4,131	1,300	1,060	860

CITY OF HARRISVILLE

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund

Year Ended June 30, 2017

<u>Revenues</u>	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Taxes:				
Sales tax	\$ 1,300,000	1,300,000	1,307,575	7,575
Current year property taxes	308,500	308,500	312,479	3,979
Franchise tax	315,000	315,000	317,557	2,557
Delinquent prior years taxes	7,500	7,500	9,222	1,722
Fee in lieu	35,000	35,000	30,083	(4,917)
Fee in lieu	-	-	105,523	105,523
Total taxes	<u>1,966,000</u>	<u>1,966,000</u>	<u>2,082,439</u>	<u>116,439</u>
Licenses and permits:				
Park development fees	50,000	50,000	106,087	56,087
Business licenses	50,000	50,000	49,039	(961)
Building permits	80,000	80,000	97,932	17,932
Plan check fee	40,000	40,000	41,917	1,917
Building plan/development fees	2,000	2,000	1,900	(100)
Fire impact fees	7,500	7,500	26,324	18,824
Transportation impact fees	10,000	10,000	44,373	34,373
Total licenses and permits	<u>239,500</u>	<u>239,500</u>	<u>367,572</u>	<u>128,072</u>
Intergovernmental:				
Class "C" roads	280,000	280,000	276,742	(3,258)
State liquor allotment	12,750	12,750	15,854	3,104
Other grants	16,000	16,000	25,813	9,813
Total intergovernmental	<u>308,750</u>	<u>308,750</u>	<u>318,409</u>	<u>9,659</u>
Charges for services:				
Recreation and user fees	13,825	13,825	16,140	2,315
Park/cabin reservations	14,000	14,000	15,911	1,911
Total charges for services	<u>27,825</u>	<u>27,825</u>	<u>32,051</u>	<u>4,226</u>
Fines and forfeitures	<u>195,500</u>	<u>195,500</u>	<u>145,595</u>	<u>(49,905)</u>
Other revenues:				
Heritage Days celebration	1,750	1,750	965	(785)
Interest earned	7,500	7,500	20,495	12,995
Miscellaneous	31,600	124,013	153,296	29,283
Total other revenues	<u>40,850</u>	<u>133,263</u>	<u>174,756</u>	<u>41,493</u>
Total revenues	<u>2,778,425</u>	<u>2,870,838</u>	<u>3,120,822</u>	<u>294,984</u>
<u>Expenditures</u>				
<u>General government</u>				
Legislative:				
Salaries and benefits	19,126	19,126	18,565	561
Materials, supplies and services	10,400	11,600	10,968	632
	<u>29,526</u>	<u>30,726</u>	<u>29,533</u>	<u>1,193</u>
Judicial:				
Salaries and benefits	69,946	69,946	71,223	(1,277)
Materials, supplies and services	18,150	18,150	12,909	5,241
	<u>88,096</u>	<u>88,096</u>	<u>84,132</u>	<u>3,964</u>
City Administration:				
Salaries and benefits	216,546	228,107	226,400	1,707
Materials, supplies and services	31,500	42,000	40,027	1,973
	<u>248,046</u>	<u>270,107</u>	<u>266,427</u>	<u>3,680</u>

CITY OF HARRISVILLE

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Continued
General Fund

Year Ended June 30, 2017

<u>Expenditures - Continued</u>	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
<u>General government- continued</u>				
Non-departmental:				
Materials, supplies and services	\$ 285,050	285,050	267,667	17,383
Total general government	650,718	673,979	647,759	26,220
<u>Public safety</u>				
Police service:				
Salaries and benefits	868,788	868,788	867,849	939
Materials, supplies and service	191,650	201,650	195,157	6,493
	1,060,438	1,070,438	1,063,006	7,432
Building inspections:				
Salaries and benefits	26,939	54,879	51,043	3,836
Materials, supplies and services	23,150	23,150	11,374	11,776
	50,089	78,029	62,417	15,612
Total public safety	1,110,527	1,148,467	1,125,423	23,044
<u>Public works</u>				
Public works/maintenance:				
Salaries and benefits	264,957	288,129	258,134	29,995
Materials, supplies and services	679,496	679,496	207,748	471,748
	944,453	967,625	465,882	501,743
Total public works	944,453	967,625	465,882	501,743
<u>Parks and recreation</u>				
Parks and recreation:				
Salaries and benefits	236,113	244,153	235,709	8,444
Materials, supplies and services	74,256	74,256	63,016	11,240
	310,369	318,409	298,725	19,684
Total parks and recreation	310,369	318,409	298,725	19,684
Total expenditures	3,016,067	3,108,480	2,537,789	570,694
Excess (deficiency) of revenues over expenditures	(237,642)	(237,642)	583,033	820,675
Other financing sources (uses):				
Operating transfers (out)	-	-	-	-
Use of fund balance	237,642	237,642	-	(237,642)
Total other financing sources (uses)	237,642	237,642	-	(237,642)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	-	-	583,033	583,033
Fund balance - beginning of year	1,616,689	1,616,689	1,616,689	-
Fund balance - end of year	\$ 1,616,689	1,616,689	2,199,722	583,033

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

CITY OF HARRISVILLE

Utah Retirement Systems

As of December 31, 2016

Last 10 Fiscal Years

		Noncontributory		Tier 2 Public		Tier 2 Public Safety and Firefighter System
		System	Public Safety System	Employees System	Firefighter System	
Proportion of the net pension liability (asset)	2016	0.0591657%	0.1780486%	0.0053676%	0.0479146%	
	2015	0.0526020%	0.1507968%	0.0067037%	0.1064489%	
	2014	0.0505886%	0.1596158%	0.0059151%	0.1320064%	
Proportionate share of the net pension liability (asset)	2016	\$379,916	\$361,310	\$599	(\$416)	
	2015	\$297,648	\$269,578	(\$15)	(\$1,555)	
	2014	\$219,668	\$200,730	(\$179)	(\$1,953)	
Covered payroll	2016	\$520,603	\$324,312	\$44,018	\$39,588	
	2015	\$445,904	\$305,690	\$43,332	\$63,296	
	2014	\$430,807	\$330,671	\$29,006	\$54,694	
Proportionate share of the net pension liability(asset) as a percentage of its covered-employee payroll	2016	72.98%	111.41%	1.36%	-1.05%	
	2015	66.75%	88.19%	-0.03%	-2.46%	
	2014	51.0%	60.7%	-0.6%	-3.6%	
Plan fiduciary net position as a percentage of the total pension liability	2016	87.3%	86.5%	95.1%	103.6%	
	2015	87.8%	87.1%	100.2%	110.7%	
	2014	90.2%	90.5%	103.5%	120.5%	

*In accordance with GASB 68, the City will need to disclose a 10-year history of its proportionate share of the Net Pension Liability (Asset). The 10-year schedule will be built prospectively. The schedule above is only for the most current three years.

SCHEDULE OF CONTRIBUTIONS
CITY OF HARRISVILLE
Utah Retirement Systems
As of December 2016
Last 10 Fiscal Years

	As of fiscal year ended June 30,	Actuarial Determined Contributions	Contributions in relations to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contribtuions as a percentage of employee payroll
Noncontributory System	2014	\$73,445	\$73,445	\$ -	\$425,288	17.27%
	2015	\$80,376	\$80,376	\$ -	\$436,430	18.42%
	2016	\$88,261	\$88,261	\$ -	\$477,860	18.47%
	2017	\$96,232	\$96,232	\$ -	\$527,258	18.25%
Public Safety System	2014	\$72,843	\$72,843	\$ -	\$266,643	32.14%
	2015	\$67,351	\$67,351	\$ -	\$197,857	34.04%
	2016	\$77,403	\$77,403	\$ -	\$226,702	34.14%
	2017	\$83,207	\$83,207	\$ -	\$242,797	34.27%
Tier 2 Public Employees System*	2014	\$4,041	\$4,041	\$ -	\$28,886	13.99%
	2015	\$4,336	\$4,336	\$ -	\$29,026	14.94%
	2016	\$8,187	\$8,187	\$ -	\$54,910	14.91%
	2017	\$8,029	\$8,029	\$ -	\$53,852	14.91%
Tier 2 Public Safety and Firefighter System*	2014	\$7,877	\$7,877	\$ -	\$37,779	20.85%
	2015	\$16,234	\$16,234	\$ -	\$71,415	22.73%
	2016	\$10,478	\$10,478	\$ -	\$46,615	22.48%
	2017	\$10,101	\$10,101	\$ -	\$47,804	21.13%
Tier 2 Public Employees DC only System*	2014	\$ 646	\$ 646	\$ -	\$11,571	5.58%
	2015	\$ 784	\$ 784	\$ -	\$11,673	6.72%
	2016	\$ 2,029	\$ 2,029	\$ -	\$30,323	6.69%
	2017	\$ 2,125	\$ 2,125	\$ -	\$31,766	6.69%
Tier 2 Public Safety and Firefighter DC only System*	2014	\$ -	\$ -	\$ -	\$ -	0.00%
	2015	\$ -	\$ -	\$ -	\$ -	0.00%
	2016	\$3,157	\$3,157	\$ -	\$26,683	11.83%
	2017	\$4,730	\$4,730	\$ -	\$39,982	11.83%

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

Paragraph 81.b of GASB 68 requires employers to disclose a 10 - year history of contributions in RSI. Contributions as a percentage of covered - payroll may be different than the board certified rate due to rounding and other administrative issues.



Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance With *Government Auditing Standards*

To the Mayor and City Council
City of Harrisville

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Harrisville as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City of Harrisville's basic financial statements, and have issued our report thereon dated December 5, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Harrisville's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Harrisville's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Harrisville's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we considered to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Harrisville's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Christensen, Palmer & Ambrose P.C.

December 5, 2017



Independent Auditor's Report on Compliance and on
Internal Controls Over Compliance in Accordance With the
State of Utah Legal Compliance Audit Guide

To the Mayor and City Council
City of Harrisville

REPORT ON COMPLIANCE

We have audited the City of Harrisville's compliance with the general program compliance requirements described in the *State of Utah Legal Compliance Audit Guide* for the year ended June 30, 2017.

The general compliance requirements applicable to the City of Harrisville are identified as follows:

- Budgetary Compliance
- Fund Balance
- Justice Courts
- Utah Retirement Systems Compliance
- Restricted Taxes and Related Revenues
- Open and Public Meetings Act
- Treasurer's Bond
- Tax Levy Revenue Recognition
- Impact fees

The City of Harrisville did not receive any major assistance programs from the State of Utah during the year ended June 30, 2017.

Management's Responsibility

Compliance with the requirements referred to above is the responsibility of the City's management.

Auditor's Responsibility

Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *State of Utah Legal Compliance Audit Guide*. Those standards and the *State of Utah Legal Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on the City and its major programs occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

Opinion

In our opinion, the City of Harrisville complied, in all material respects, with the general compliance requirements identified above for the year ended June 30, 2017.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered the City's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses in internal control over compliance. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

Purpose of Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Christensen, Palmer & Ambrose P.C.

December 18, 2017

Harrisville City
Mayor and City Council
363 Independence Blvd.
Harrisville, Utah 84404

RE: WILDFLOWER SUBDIVISION PHASE 6 - Final Acceptance

Dear Mayor and City Council:

We have completed an inspection of the improvements in the above mentioned subdivision and found them to be completed satisfactorily and to meet minimum requirements of Harrisville City standards in accordance with engineering and/or subdivision plans submitted and previously approved. We can therefore recommend Final acceptance for all of this Subdivision.

I can recommend release of the remaining contingency money that has been held through the final guarantee period. This amount is \$2,997.60 and is shown on the attached Escrow Release form.

If you have any questions, or if I can be of any help, please let me know.


Sincerely,

JONES AND ASSOCIATES
Consulting Engineers
Harrisville City Engineers



Brent W. Slater, P.L.S., City Inspector

ESCROW RELEASE SUMMARY

City: Harrisville City Subdivision: Wildflower Phase 6 Developer: Marlin Jensen Estimate #: 6	Address: Date: December 18, 2017		
Gross Earnings Including Materials Total Earnings Less Previous Payment Net Release this Estimate	PREVIOUS	THIS RELEASE	TO DATE
	\$385,882.30	\$2,997.60	\$388,879.90
	\$385,882.30	\$2,997.60	\$388,879.90
			\$385,882.30
			\$2,997.60
TIME ELAPSED - PERCENT RELEASED 100%			
Total Escrow Amount - \$388,879.90			
Construction Initiation Date - August 20, 2014			
Improvement Completion Deadline - August 20, 2015			
CITY ENGINEER APPROVAL		CITY RECORDER APPROVAL	
 12/18/17			
City Inspector - Jones & Associates Harrisville City Engineers		City Recorder date	

Jones & Associates Consulting Engineers

ESCROW RELEASE DETAIL SHEET

City: Harrisville City
 Subdivision: Wildflower Phase 6
 Developer: Marlin Jensen

Estimate #: 6
 Date: December 18, 2017
 Page: Sheet 2 of 2

ITEM NO.	LINE ITEM DESCRIPTION	QUANTITY	UNIT PRICE	CURRENT UNITS OR % COMPLETE	TO DATE UNITS OR % COMPLETE	CURRENT BILLING	TOTAL BILLED TO DATE
<u>SITE GRADING & DEMOLITION</u>							
1	Grade Site & rough grade road	1 ls	\$14,180.00	ls	1 ls		\$14,180.00
2	Saw cut existing edge of asphalt	82 lf	\$3.00	lf	82 lf		\$246.00
<u>STREET IMPROVEMENTS</u>							
1	30" Curb & Gutter	1806 lf	\$14.50	lf	1806 lf		\$26,187.00
2	4' Sidewalk	1806 lf	\$14.00	lf	1806 lf		\$25,284.00
3	ADA Ramp	2 ea	\$500.00	ea	2 ea		\$1,000.00
4	Furnish & install 12" deep Roadbase	34,633 sf	\$1.15	sf	34633 sf		\$39,827.95
5	Furnish & install 3" deep Asphalt & fine grade	34,633 sf	\$1.30	sf	34633 sf		\$45,022.90
6	Furnish & install Monuments	2 ea	\$450.00	ea	2 ea		\$900.00
7	Furnish & install street light	2 ea	\$2,400.00	ea	2 ea		\$4,800.00
8	Seal Coat	34,633 sf	\$0.26	sf	34633 sf		\$9,004.58
9	Geotextile Fabric	34,633 sf	\$0.25	sf	34633 sf		\$8,658.25
10	Density testing & proof roll for asphalt	1 ls	\$1,200.00	ls	1 ls		\$1,200.00
11	Compaction Test for all trenches	1 ls	\$2,150.00	ls	1 ls		\$2,150.00
<u>SEWER</u>							
1	8" Sewer Main	184 lf	\$28.00	lf	184 lf		\$5,152.00
2	Connect to existing	1 ea	\$750.00	ea	1 ea		\$750.00
3	4' Manhole	1 ea	\$2,900.00	ea	1 ea		\$2,900.00
4	Furnish & install imported backfill for sewer trench	500 tons	\$11.25	tons	500 tons		\$5,625.00
5	Adjust existing manholes to grade	2 ea	\$650.00	ea	2 ea		\$1,300.00
6	Concrete collars	5 ea	\$450.00	ea	5 ea		\$2,250.00
7	Clean & video entire main line	1 ls	\$1,000.00	ls	1 ls		\$1,000.00
<u>CULINARY</u>							
1	3/4" Services	15 ea	\$800.00	ea	15 ea		\$12,000.00
2	8" Water Line including bends	955 lf	\$24.00	lf	955 lf		\$22,920.00
3	Connect to existing	2 ea	\$800.00	ea	2 ea		\$1,600.00
4	Fire Hydrant	1 ea	\$3,650.00	ea	1 ea		\$3,650.00
5	8" Culinary Valve	3 ea	\$1,650.00	ea	3 ea		\$4,950.00
6	Install Tee connection	1 ea	\$400.00	ea	1 ea		\$400.00
7	Furnish & install Eclipse Mainguard 2" blowoff complete with box	1 ea	\$3,000.00	ea	1 ea		\$3,000.00
8	Furnish & install imported backfill for water trench	1,350 ton	\$11.25	ton	1350 ton		\$15,187.50
9	Pressure test & chlorinate	1 ls	\$850.00	ls	1 ls		\$850.00
10	Concrete collars	3 ea	\$350.00	ea	3 ea		\$1,050.00
<u>SECONDARY</u>							
1	Double secondary water service	6 ea	\$750.00	ea	6 ea		\$4,500.00
2	Single secondary water service	3 ea	\$400.00	ea	3 ea		\$1,200.00
3	8" Secondary water line	165 lf	\$24.00	lf	165 lf		\$3,960.00
4	Install Tee connection	2 ea	\$800.00	ea	2 ea		\$1,600.00
5	Furnish & install imported backfill for water trench	170 tons	\$11.25	tons	170 tons		\$1,912.50
6	Pressure test	1 ea	\$250.00	ea	1 ea		\$250.00
7	Install 2" service for retention pond	1 ea	\$1,100.00	ea	1 ea		\$1,100.00
<u>STORM DRAIN</u>							
1	15" RCP	144 lf	\$23.00	lf	144 lf		\$3,312.00
2	Inlet Box w/grate	3 ea	\$1,500.00	ea	3 ea		\$4,500.00
3	Construct Inlet box top w/grate	1 ea	\$950.00	ea	1 ea		\$950.00
4	Construct double inlet box top w/grate	1 ea	\$1,600.00	ea	1 ea		\$1,600.00
5	Camera & clean	1 ls	\$500.00	ls	1 ls		\$500.00
<u>SWPPP</u>							
1	Furnish & install BMP's, Maintenance & permitting	1 ls	\$5,000.00	ls	1 ls		\$5,000.00

ITEM NO.	LINE ITEM DESCRIPTION	QUANTITY	UNIT PRICE	CURRENT UNITS OR % COMPLETE	TO DATE UNITS OR % COMPLETE	CURRENT BILLING	TOTAL BILLED TO DATE
	<u>DETENTION POND</u>						
1	Grade detention pond	1 ls	\$3,710.00	ls	1 ls		\$3,710.00
2	Furnish & install under drain system complete	250 lf	\$27.00	lf	250 lf		\$6,750.00
3	Furnish & install 5' wide concrete walkway to school property	170 lf	\$18.00	lf	170 lf		\$3,060.00
4	Furnish & install 2 layers of weed barrier & 6" of cobble in Detention pond	1 ls	\$36,140.00	ls	1 ls		\$36,140.00
5	6' High chain link fence	825 lf	\$11.500	lf	825 lf		\$9,487.50
6	Cut 5' opening in school fence	1 ea	\$500.000	ea	1 ea		\$500.00
7	Removable Bollard	1 ea	\$450.000	ea	1 ea		\$450.00
	10% Contingency	1 LS	\$35,352.720	0.084791 LS	1 LS	\$2,997.60	\$35,352.72
TOTAL						\$2,997.60	\$388,879.90

Jones & Associates Consulting Engineers

**HARRISVILLE CITY
RESOLUTION 2018-01**

MODERATE INCOME HOUSING PLAN UPDATE

**A RESOLUTION OF HARRISVILLE CITY, UTAH, ADOPTING THE
2018 UPDATE REPORT TO THE MODERATE INCOME HOUSING
PLAN.**

WHEREAS, Harrisville City (hereafter “City”) is a municipal corporation, duly organized and existing under the laws of the State of Utah;

WHEREAS, *Utah Code Annotated* §10-3-717 authorizes the City Council to “exercise all administrative powers by resolution”;

WHEREAS, *Utah Code Annotated* §10-9a-408 requires the City to prepare a biannual report that reviews the City’s Moderate Income Housing Plan Element of the General Plan and its implementation;

NOW, THEREFORE, BE IT RESOLVED by the City Council of Harrisville City that the attached Moderate Income Housing Plan 2018 Biannual Report is hereby adopted and incorporated herein by this reference.

PASSED AND APPROVED by the Harrisville City Council this ____ day of January, 2018.

_____	Roll Call Vote is as follows:		
Michelle Tait	Council Member Wilhelmsen	Yes	No
Mayor	Council Member Robinson	Yes	No
	Council Member Jensen	Yes	No
ATTEST:	Council Member Pearce	Yes	No

Jennie Knight			
City Recorder			



HARRISVILLE CITY

MODERATE INCOME HOUSING PLAN 2018 BI-ANNUAL UPDATE REPORT

January 9, 2018

Approved by the Legislative Body

Harrisville City
363 W. Independence Boulevard
Harrisville, Utah 84404
(801) 728-9648

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- IV. BI-ANNUAL REPORT FINDINGS.
 - A. Efforts made by the city to reduce, mitigate, or eliminate local regulatory barriers to moderate income housing.
 - B. Actions taken by the city to encourage preservation of existing moderate income housing and development of new moderate income housing.
 - C. Progress made within the city to provide moderate income housing, as measured by permits issued for new units of moderate income housing.
 - D. Efforts made by the city to coordinate moderate income housing plans and actions with neighboring municipalities.
 - E. The legislative body of each city shall send a copy of the report to the Department of Community and Culture and the association of governments in which the city is located.
- V. CONCLUSION.

MODERATE INCOME HOUSING PLAN – 2018 BI-ANNUAL UPDATE REPORT

I. INTRODUCTION

This Moderate Income Housing Plan 2018 Bi-annual Update Report (Report) is in compliance with *Utah Code Annotated* §10-9a-408. This state statute provides that the City Council, acting in its capacity as the legislative body of Harrisville City, Utah (City), is to make a bi-annual Report on its Moderate Income Housing Plan (MIHP). Harrisville City adopted its Moderate Income Housing Plan on September 8, 2004. This Report is the required bi-annual update of that Plan.

A MIHP is required as an element of the General Plan as set forth in *Utah Code Annotated* §10-9a-403. The purpose of the MIHP is to address the need for the development of additional moderate income housing within the City, and to provide a realistic opportunity to meet estimated needs for additional moderate income housing if long-term projections for land use and development occur. *Utah Code Annotated* §10-9a-103 defines “moderate income housing” as “housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the median gross income for households of the same size in the county in which the city is located.”

The bi-annual review of the MIHP provides the opportunity to give this Report on the implementation of the MIHP along with the City’s findings made during the review. The primary objective of the City’s MIHP is to promote home-ownership opportunities for moderate income households. It also seeks to allow households of moderate income to benefit from and fully participate in all aspects of neighborhood and community life. To accomplish this, the MIHP makes projections of housing needs and factors that may affect housing for households of moderate income.

II. BI-ANNUAL REPORTING REQUIREMENT

According to *Utah Code Annotated* §10-9a-408, the City Council shall update its Moderate Income Housing Plan biannually as follows:

- A. Review the moderate income housing plan element of its general plan and its implementation; and,
- B. Prepare a report setting forth the findings of the review.

According to the statute, this Report describes:

- A. Efforts made by the city to reduce, mitigate, or eliminate local regulatory barriers to moderate income housing.
- B. Actions taken by the city to encourage preservation of existing moderate income housing and development of new moderate income housing.
- C. Progress made within the city to provide moderate income housing, as measured by permits issued for new units of moderate income housing.

- D. Efforts made by the city to coordinate moderate income housing plans and actions with neighboring municipalities.
- E. The legislative body of each city shall send a copy of the report under to the Department of Community and Culture and the association of governments.

III. GEOGRAPHY AND DEMOGRAPHICS

A. Geography and Demographics.

Harrisville City is located at 41°17'7"N, 111°59'12"W (41.285169, -111.986584) GR1. According to the United States Census Bureau, the City consists of 3.01 square miles. The U.S. Census Bureau estimates the current population of the City to be 6,376. The racial makeup of the City is approximately 89% White, 8% Hispanic/Latino, with the remaining percent being other races. The U.S. Census Bureau currently estimates 2,007 housing units in the City with an average household size is 3.16 persons. The home ownership rate has declined since the last Report to be approximate 78% with the addition of more apartments.¹

Harrisville City is located in the Ogden-Clearfield Metropolitan Statistical Area (MSA). Based upon data from the U.S. Department of Housing and Urban Development (HUD), the 2018 median household income level for a household is \$66,972 per year. Moderate income is a household that earns 80% of the median income which calculates to \$53,578 per year.²

B. Moderate Income Housing Profile.

Moderate income housing is defined by *Utah Code Annotated* §10-9a-103(19). This statute provides that moderate income housing is housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the median gross income of the City. Therefore, a moderate income household in Harrisville City earns 80% of \$66,972 which is \$53,578 per year.

In order to adequately update the Plan, this Report determines the eligibility amount a moderate income household is capable of qualifying for a mortgage for a home. Taking that amount and comparing it to the valuation breakdown of the total housing stock in the City will show the number of homes within the ranges of a moderate income household to purchase. Since the last Report, approximately 49 new single-family housing units have been constructed in the City.³ Also, approximately 80 new multi-family housing units were constructed in this same time.

¹ U.S. Census Bureau – QuickFacts for Harrisville City, Utah.

² 2015 Community Development Block Grant (CDBG) Handbook. State of Utah.

³ Harrisville City Building Permit Data.

The number of dwelling units as provided by the Weber County Assessor's Office and updated with new permits is as follows:

# of Units	Price Range	# of Units	Price Range
8	Up to \$75,000	216	\$200,001 to \$225,000
4	\$75,001 to \$100,000	169	\$225,001 to \$250,000
267	\$100,001 to \$125,000	179	\$250,001 to \$275,000
307	\$125,001 to \$150,000	70	\$275,001 to \$300,000
299	\$150,001 to \$175,000	93	\$300,001 to \$350,000
426	\$175,001 to \$200,000	64	\$350,001 and more
Total Single-family Housing Units: 2,102			

To determine the stock of moderate income housing, this Report determines the estimated number of single-family housing units in the City. Next, this Report determines the amount that a moderate income household would likely qualify for a home mortgage. This Report will only use data from a conventional 30-year mortgage with the standard down payment. This Report does not address unconventional financing, interest only loans, ARMs, or similar financing.

According to data provided by America First Credit Union, one of the largest lenders in the area, a moderate household would qualify to purchase a house valued at or below \$213,479.⁴ For the purposes of this Report, the percent of moderate income housing available in the City is based upon borrowing for homes valued approximately at or below \$225,000.

There are an estimated 2,102 single-family housing units in the City. Of these 2,102 single-family housing units, an estimated 1,527 housing units are within the price range of a moderate income household. This represents 73% of the total housing stock in Harrisville City being available to a moderate income household.

IV. BI-ANNUAL REPORT FINDINGS.

A. Efforts made by the city to reduce, mitigate, or eliminate local regulatory barriers to moderate income housing.

Harrisville City has increased 49 newly constructed single-family housing units since the 2016 Report. Of these new 49 single-family housing units, more than 50%, specifically 25 units, are within the range of a moderate income household.⁵ Based upon this data, the City implements land use practices that provides for 50% of its new housing to be withing the range of moderate income housing.

⁴ America First Credit Union. How Much Can You Afford?

⁵ Harrisville City Building Permit Records.

The efforts of Harrisville City in reducing, mitigating, and eliminating regulatory barriers to moderate income housing are evident by the high percentage of the housing stock within the range of moderate income households. Based upon the current success in providing moderate income housing, no additional efforts are recommended at this time.

The City Council finds that Harrisville City has an interest in providing for moderate income housing for its residents. This policy promotes individuals who want to live near their family and relatives in the community. The City desires to maintain its local culture and lifestyle in conjunction with its housing policies. The City Council also recognizes the need to promote community pride, unity, history, open space, aesthetics, and recreation.

It should also be noted that there are many more elements that involve the housing market beyond the City. These elements include inflation, interest rates, unemployment, and similar. These elements may negatively affect moderate income housing opportunities notwithstanding all the efforts made by the City to encourage the same. The City is only a small part of a greater whole in the housing market.

B. Actions taken by the city to encourage preservation of existing moderate income housing and development of new moderate income housing.

Based upon the City maintaining 73% of its housing stock available to moderate income households, it is determined that the current and ongoing land use policies and practices of the City have not limited moderate income housing opportunities.

C. Progress made within the city to provide moderate income housing, as measured by permits issued for new units of moderate income housing.

Since the 2016 MIHP Update, there have been approximately 49 new single-family housing units. Of these 49 new housing units, 25 are within the range of moderate income households. Multi-family units were increased by 36 units since the 2016 MIHP Update.⁶

New moderate income housing construction represent 50% of all new housing construction in the City. Several additional subdivisions are under currently in the planning process or under construction which are also anticipated to be within the range of a moderate income household.

In 2017, the City adopted Ordinance #491 that provides for a mixed-used commercial and residential concept in certain areas along Washington Boulevard. This Ordinance is designed to provide a horizontal mix in accordance with a Strategic Economic Plan adopted by the City. It is expected that the development from this new zone will allow for greater home ownership opportunities and possibilities for moderate income housing.

⁶ Harrisville City Building Permit Records.

D. Efforts made by the city to coordinate moderate income housing plans and actions with neighboring municipalities.

Harrisville City provided a copy of this Report to neighboring cities. The City consulted with other cities in Weber County in preparation of this Report. The City is willing to discuss this Report and assist other cities with moderate income housing issues as may be requested.

At the time the initial Moderate Income Housing Plan was prepared information was obtained regarding moderate income housing from other cities including: Marriott-Slaterville, North Ogden, South Ogden, and Ogden City.

E. The legislative body of each city shall send a copy of the report to the Department of Community and Culture and the association of governments in which the city is located.

State law requires that this report be submitted to the Department of Community and Culture and the association of governments where the City is located. The association of governments where the City is located is the Wasatch Front Regional Council. The legislative body has directed staff to mail a copy of this Report to the following:

Utah Department of Workforce Services
Housing and Community Development Division
140 East 300 South
Salt Lake City, Utah 84111

Wasatch Front Regional Council
Attn: Sam Klemm
295 North Jimmy Doolittle Road
Salt Lake City, UT 84116

V. CONCLUSION

The current median household income in the City is \$66,972, per year, making the current moderate household income \$53,578 (80% of median income). Harrisville City has approximately 2,102 housing units of which 1,527 are within the range of a moderate income household. This Report concludes that 73% the City's housing stock qualifies as moderate income housing. This demonstrates that the City's current efforts to preserve the moderate income housing stock are effective. Regarding new single-family housing since 2016, 25 of the 49 new housing units qualify as moderate income households. Also, 80 new multi-family units were added.

The City Council acts as the legislative body for Harrisville City. The City Council policies have been effective in reducing, mitigating, or eliminating barriers to moderate income households. The City coordinates its moderate income housing planning with other nearby municipalities in the county, and forwards its reports to the appropriate agencies.

The City should continue to evaluate trends and development as it continues to make its bi-annual reports relating to moderate income housing.

Attached Supporting Documents

1. Housing Count from Weber County Assessor.
2. Harrisville Building Permits 2016-17.
2. U.S. Census Bureau – Fact Finder.
3. America First Mortgage Calculator.



HARRISVILLE CITY

363 West Independence • Harrisville, Utah 84404 • (801) 782-4100

MAYOR:

Bruce N. Richins

COUNCIL MEMBERS:

Jeffery Pearce
Gary Robinson
Jennifer Jensen
Ruth Pearce
Austin Tracy

November 9, 2017

Joe Olsen
Weber County Assessor's Office
2380 Washington Blvd.
Ogden, UT 84401

Re: Harrisville City MIHP Update

Dear Joe;

Harrisville City is in the process of updating its Moderate Income Housing Plan (MIHP) as required by state law. In determining the current housing stock in Harrisville City, it is necessary to obtain an inventory of existing housing values. I would appreciate it if you could provide me with the total number of dwelling units, including condominiums, in the following price ranges:

# of Units	Price Range	# of Units	Price Range
0	Up to \$75,000	216	\$200,001 to \$225,000
4	\$75,001 to \$100,000	169	\$225,001 to \$250,000
267	\$100,001 to \$125,000	179	\$250,001 to \$275,000
307	\$125,001 to \$150,000	70	\$275,001 to \$300,000
299	\$150,001 to \$175,000	93	\$300,001 to \$350,000
426	\$175,001 to \$200,000	64	\$350,001 and more
Total Dwelling Units:		2102	

I hope to hear from you at your earliest convenience. If you have any questions, please do not hesitate to call me at 801-627-1919.

Sincerely,

William Morris

William Morris,
City Administrator


215??
entry 26
868 Harrisville
weber county

Permit Number	Year	Month	Type of Housing	Address
HAR160916113	2016	September	Single	1316 N 150 E
HAR161011124	2016	October	Single	1230 N 200 E
HAR161020130	2016	October	Single	209 E Copper Circle
HAR161024132	2016	October	12 Plex	125 W 2550 N
HAR161031138	2016	October	Multi-Family	232 W, 236 W, 234 W, 238 W, 1950 N
HAR161031139	2016	October	Multi-Family	242 W, 246 W, 244 W, 248 W, 1950 N
HAR161110147	2016	November	Single	1379 N 150 E
HAR161122154	2016	November	Single	154 E 1400 N
HAR161122155	2016	November	Single	1352 N 150 E
HAR160526055	2016	May	Single	1317 N 200 E
HAR160301019	2016	March	Single	1313 N 150 E
HAR160303020	2016	March	Single	2177 N 300 W
HAR160303021	2016	March	Single	2253 N 250 W
HAR160329030	2016	March	12 Plex	125 W 2550 N (2510 N Charleston Ave)
HAR160329031	2016	March	Single	1004 N Wahlen Way
HAR160608061	2016	June	Single	1251 N 150 E
HAR160608062	2016	June	Single	1291 N 150 E
HAR160705072	2016	July	Single	200 E 1286 N
HAR160706074	2016	July	Single	1271 N 150 E
HAR160727088	2016	July	Single	208 E 1400 N
HAR160107002	2016	January	Single	226 E 1400 N
HAR160113004	2016	January	Single	945 N Marshal Lane
HAR160204011	2016	February	Single	2393 N 500 W
HAR160217014	2016	February	Single	283 W 2150 N
HAR160219015	2016	February	Single	121 E 1100 N
HAR160817102	2016	August	Single	1380 N 200 E
HAR160817103	2016	August	Single	142 S 1400 N
HAR160817104	2016	August	Single	2152 N 300 W
HAR160829107	2016	August	12 Plex	125 W 2550 N
HAR160830110	2016	August	Single	434 W 1500 N
HAR160830111	2016	August	Single	422 W 1500 N
HAR160406035	2016	April	Single	937 N Marshal Lane
HAR160426041	2016	April	Single	2236 N 300 W
HAR170427033	2017	April	Single	445 W 1500 N
HAR170427034	2017	April	Single	434 W 1500 N
HAR170815081	2017	August	Multi-Family	1938 N, 1936 N, 1934 N, 1932 N, 225 W
HAR170815082	2017	August	Multi-Family	1948 N, 1946 N, 1944 N, 1942 N, 225 W
HAR170830086	2017	August	Multi-Family	1935 N, 1937 N, 1939 N, 225 W
HAR170726066	2017	July	Single	221 E Berkley St
Harrisville City				
HAR170726067	2017	July	Single	197 E Berkley St
HAR170726068	2017	July	Single	238 E Larsen Lane
HAR170726069	2017	July	Single	229 E Wahlen Circle
HAR170726070	2017	July	Single	935 N Wahlen Way
HAR170726071	2017	July	Single	212 E Wahlen Circle
HAR170726072	2017	July	Single	962 N Wahlen Way

HAR170726073	2017 July	Single	209 E Berkley St
HAR170726074	2017 July	Single	970 N Wahlen Way
HAR170726075	2017 July	Single	226 E Larsen Lane
HAR170622056	2017 July	Single	1308 N 200 E
HAR170331020	2017 March	Single	2500 N 524 W
HAR170307011	2017 March	Single	190 E 1400 N
HAR170511036	2017 May	Multi-Family	233 W, 235 W, 237 W, 239 W, 1950 N
HAR170511037	2017 May	Multi-Family	243 W, 247 W, 249 W, 251 W, 1950 N
HAR170522043	2017 May	Single	417 W 1500 N
HAR170522044	2017 May	Single	459 W 1500 N
HAR171121103	2017 November	Multi-Family	1926 N, 1924 N, 1922 N, 1918 N, 225 W
HAR171121104	2017 November	Multi-Family	1933 N, 1931 N, 1929 N, 1927 N, 225 W
HAR171122105	2017 November	Single	544 W Harrisville Rd
HAR171031098	2017 October	Single	930 N Wahlen Way
HAR171031099	2017 October	Single	243 E Wahlen Circle
HAR170912088	2017 September	Single	215 E Wahlen Circle

Total:

Valuation

241,198.90
265,168.69
218,860.89 ·
1,513,568.40
559,092.53
559,092.53
217,657.00 ·
199,730.11
210,633.80 ·
204,438.32 ·
196,500.00 ·
290,204.00
270,445.00
1,513,566.00
203,677.00 ·
2,179,453.81
238,081.00
236,774.72
200,949.00 ·
268,574.00
283,103.00
167,554.38 ·
250,000.00
202,100.25 ·
215,954.44 ·
286,791.05
221,496.55 ·
258,474.40
1,513,568.40
201,140.85 ·
250,642.26
197,957.00 ·
313,671.00
180,708.46 ·
236,912.02

420,727.66
195,513.06 ·

195,330.92 ·
182,248.32 ·
183,978.76 ·
263,357.34
211,014.11 ·
204,623.60 ·

218,330.26 ' ˆ

284,682.53

238,106.25

274,902.00

317,802.29

347,000.00

559,092.53

559,092.53

225,021.05

201,516.72 ˆ



316,895.60

188,018.64 ˆ

186,292.12 ˆ

209,475.43 ˆ



MAIN

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Community Facts - Find popular facts (population, income, etc.) and frequently requested data

Enter a state, county, city, town, or zip code:

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Population

Age

Business and Industry

Education

Governments

Housing

Income

Origins and Language

Poverty

Race and Hispanic Origin

Veterans

Show All

Harrisville city, Utah

Description	Measure	Source
Population		
Census 2010 Total Population	5,567	2010 Demogra
2016 Population Estimate (as of July 1, 2016)	6,376	2016 Populatio
2016 ACS 5-Year Population Estimate	6,071	2012-2016 Am Estimates
Median Age	31.3	2012-2016 Am Estimates
Number of Companies	444	2012 Survey of
Educational Attainment: Percent high school graduate or higher	93.7%	2012-2016 Am Estimates
Count of Governments	N/A	2012 Census c
Total housing units	1,944	2012-2016 Am Estimates
Median Household Income	66,972	2012-2016 Am Estimates
Foreign Born Population	143	2012-2016 Am Estimates
Individuals below poverty level	3.7%	2012-2016 Am Estimates
Race and Hispanic Origin		
White alone	5,685	2012-2016 Am Estimates
Black or African American alone	0	2012-2016 Am Estimates
American Indian and Alaska Native alone	77	2012-2016 Am Estimates
Asian alone	0	2012-2016 Am Estimates
Native Hawaiian and Other Pacific Islander alone	0	2012-2016 Am Estimates
Some Other Race alone	0	2012-2016 Am Estimates
Two or More Races	309	2012-2016 Am Estimates
Hispanic or Latino (of any race)	552	2012-2016 Am Estimates
White alone, Not Hispanic or Latino	5,133	2012-2016 Am Estimates
Veterans	248	2012-2016 Am Estimates

• [Want more?](#) Need help? Use [Guided Search](#) or visit [Census.gov's Quick Facts](#).

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HOW MUCH HOME CAN I AFFORD?

Date: December 18, 2017



INTRODUCTION

When you're buying a home, mortgage lenders don't look just at your income, assets, and the down payment you have. They look at all of your liabilities and obligations as well, including auto loans, credit card debt, child support, potential property taxes and insurance, and your overall credit rating. Use our home affordability calculator to determine how much of a mortgage you may be able to obtain.

ANALYSIS

In general, lenders will cap the maximum monthly housing allowance (including taxes and insurance) by the lesser of two ratios: 28% and 36%.

Your monthly housing allowance may not exceed 28% of your total monthly income.

Your total monthly obligations (monthly housing allowance plus any other long-term obligations) may not exceed 36% of your monthly income.

You have been capped by the 28% ratio. Including your down payment it appears you may qualify for home valued around \$213,479.

Front-End Ratio

Monthly gross income \$4,482
Front-end ratio 28%
Calculated payment for front-end ratio \$1,255

Back-End Ratio

Debts and obligations	\$0
Percent of gross income	0%
Maximum percentage available for mortgage payment	36%
Calculated payment for back-end ratio	\$1,613

Payment Calculation

Minimum of the two ratio options \$1,255
Less: taxes and insurance \$251
Equals: maximum allowable payment \$1,004
Calculated mortgage amount \$213,479
Down payment \$0
Home value you can afford \$213,479

SUMMARY OF INPUT

Current combined annual income	\$53,778
Monthly child support payments	\$0
Monthly auto payments	\$0
Monthly credit card payments	\$0
Monthly association fees	\$0
Other monthly obligations (not including current mortgage payment)	\$0
Annual interest rate on new mortgage	3.88%
Term of new mortgage (years)	30
Funds available for a down payment	\$0
Estimated annual property taxes	\$0
Estimated annual homeowner's insurance	\$0
Front-end ratio	28%

This information may help you analyze your financial needs. It is based on information and assumptions provided by you regarding your goals, expectations and financial situation. The calculations do not infer that the company assumes any fiduciary duties. The calculations provided should not be construed as financial, legal or tax advice. In addition, such information should not be relied upon as the only source of information. This information is supplied from sources we believe to be reliable but we cannot guarantee its accuracy. Hypothetical illustrations may provide historical or current performance information. Past performance does not guarantee nor indicate future results.



HARRISVILLE CITY

363 West Independence • Harrisville, Utah 84404 • (801) 782-4100

MAYOR:

Michelle N. Tait

COUNCIL MEMBERS:

Grover Wilhelmsen
Gary Robinson
Jennifer Jensen
Ruth Pearce
Clark Beecher

Harrisville City – 2018 Meeting Schedule

In accordance with Utah Code Section 52-4-202(2), notice is hereby given of the 2018 Meeting Schedule for Harrisville City. The City Council will meet on January 9, 2018, at 7:00 PM, and will subsequently meet the second and fourth Tuesday of each month thereafter at the same time. The Planning Commission will meet on January 10, 2018, at 7:00 PM, and will subsequently meet the second Wednesday each month thereafter at the same time. Special or emergency meetings may be called, if needed, in accordance with state law. Some meetings may be cancelled. Unless otherwise announced, all meetings will be held at the Harrisville City Offices located at: 363 W Independence Blvd, Harrisville, UT 84404. For special accommodations contact the city office at least 24 hours before any meeting. For questions, contact the city office at (801)782-4100. JENNIE KNIGHT, City Recorder.

Published: January 1, 2018

Harrisville City – 2018 Meeting Dates	
City Council	Planning Commission
January 9 & 23, 2018	January 10, 2018
February 13 & 27, 2018	February 14, 2018
March 13 & 27, 2018	March 14, 2018
April 10 & 24, 2018	April 11, 2018
May 8 & 22, 2018	May 9, 2018
June 12 & 26, 2018	June 13, 2018
July 10 & 24, 2018	July 11, 2018
August 14 & 28, 2018	August 8, 2018
September 11 & 25, 2018	September 12, 2018
October 9 & 23, 2018	October 10, 2018
November 13 & 27, 2018	November 14, 2018
December 11 & 25, 2018	December 12, 2018