



MEETING NOTICE AND AGENDA

Notice is hereby given that the Kaysville City Council will hold a regular council meeting on Thursday, December 7, 2023, starting at 7:00 PM in the **Council Chambers in Kaysville City Hall at 23 East Center Street, Kaysville, UT**. The meeting will be streamed on YouTube, and the link to the meeting will be posted on www.KaysvilleLive.com.

Public comment is only taken during a meeting for Action Items, "Call to the Public", or for a public hearing. **Those wishing to speak during these times must sign-up in person before the meeting begins.** Comments may also be directed to the City Council via email to publiccomment@kaysville.gov. Emailed comments will NOT be read out-loud at the meeting.

CITY COUNCIL Q&A – 6:30 PM

The City Council will be available to answer questions or discuss any matters the public may have.

PUBLIC HEARING - FILING OF EMINENT DOMAIN ON CERTAIN MUTTON HOLLOW PROPERTIES FOR TEMPORARY CONSTRUCTION EASEMENTS - 6:40 PM

CITY COUNCIL MEETING – 7:00 PM

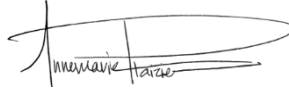
The agenda shall be as follows:

- 1) OPENING
 - a) Presented by Council Member John Adams
- 2) CALL TO THE PUBLIC (3 MINUTE LIMIT, MUST SIGN UP IN PERSON)
- 3) PRESENTATIONS AND AWARDS
 - a) Swearing-in of new police officers Jacob Gobles and Blake Garrison
 - b) Fire Department Life Save Recognitions – Fire Chief Erickson
 - c) Annual Fiscal Year 2023 Audit Report
- 4) DECLARATION OF ANY CONFLICTS OF INTEREST
- 5) CONSENT ITEMS
 - a) Approval of Minutes of October 19, 2023
 - b) Authorizing the purchase of body cameras, dash cameras, and associated equipment for the City's Police Department
 - c) Authorizing Project Reimbursement Agreement with Davis County for Wilderness Park parking lot project
 - d) A Resolution Authorizing a Tax Certificate and Agreement for UAMPS' Payson Power Project
- 6) ACTION ITEMS
 - a) Rezone of 7.74 acres at 367 South Angel Street from A-5 to R-1-20 for DW Management
 - b) A Resolution authorizing the filing of eminent domain for Mutton Hollow properties, as necessary, for temporary construction easements
- 7) COUNCIL MEMBERS REPORTS
- 8) CITY MANAGER REPORT

9) ADJOURNMENT

Kaysville City is dedicated to a policy of non-discrimination in admission to, access to, or operations of its programs, services, or activities. If you need special assistance due to a disability, please contact the Kaysville City Offices at (801) 546-1235 at least 24 hours in advance of the meeting to be held.

I hereby certify that I posted a copy of the foregoing Notice and Agenda at Kaysville City Hall, Kaysville City website at www.kaysville.gov, and the Utah Public Notice website at www.utah.gov/pmn. Posted on December 1, 2023.



Annemarie Plaizier
City Recorder

CITY COUNCIL STAFF REPORT



MEETING DATE: December 7, 2023

TYPE OF ITEM: Presentations & Awards

PRESENTED BY: Dean Storey

SUBJECT/AGENDA TITLE: Annual Fiscal Year 2023 Audit Report

EXECUTIVE SUMMARY:

Attached is the Annual Comprehensive Financial Report including all financial statements and other financial information for Fiscal Year 2023.

The statements have been audited in accordance with Government Auditing Standards.

Additionally, the statements and City financial records have been audited with compliance requirements as described in the Utah State Compliance Guide.

Our independent auditor will make a brief report to the City Council at the council meeting. Staff will complete a more complete review with the Council at a later date.

Printed copies will be available for city council members, if desired. Please contact Levi or Dean if you have any questions.

City Council Options:

n/a

Staff Recommendation:

n/a

Fiscal Impact:

n/a

ATTACHMENTS:

1. Annual Comprehensive Financial Report - FY 2023
-



Kaysville City

**KAYSVILLE CITY
STATE OF UTAH**

Settled in 1850

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**YEAR ENDED
JUNE 30, 2023**

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KAYSVILLE CITY, UTAH
23 East Center Street
Kaysville, Utah 84037

Annual Comprehensive
Financial Report

Year Ended June 30, 2023

Mayor: Tamara Tran

Council Members: John Swan Adams
Mike Blackham
Abbigayle Hunt
Nate Jackson
Perry Oaks

City Manager: Jaysen Christensen

Prepared by:

Kaysville City Administration Department
Dean G. Storey, Finance/Admin Services Director
Levi Ball, Assistant Finance Director

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INTRODUCTORY SECTION

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SETTLED IN 1850

November 20, 2023

Mayor Tamara Tran
Members of the City Council
and Citizens of Kaysville City:

The Annual Comprehensive Financial Report (ACFR) of Kaysville City for the Fiscal Year 2023 is hereby submitted.

This report consists of management's representations concerning the finances of Kaysville City. Publication of this report provides important financial information. The management of Kaysville City assumes responsibility for the accuracy, completeness and fairness of the presentation.

We believe the information in this ACFR is accurate in all material respects and presents fairly the financial position and the results of the operations of the City in accordance with generally accepted accounting principles (GAAP). We believe that the disclosures necessary have been made to enable the reader to gain a proper understanding of the financial affairs of the City.

This Annual Comprehensive Financial Report is organized into four main sections:

1. The **Introductory Section** contains general information regarding the organization of the City and overall financial profile of the City including the Management Discussion & Analysis (MD&A). The MD&A is a summary of the changes in the City's financial position throughout the year.
2. The **Financial Section** includes the independent auditor's report, management's discussion and analysis, basic financial statements and required supplemental information. Also included are individual fund statements.
3. The **Statistical Section** presents several tables depicting the financial history of the City and demographic and other useful information. This information is presented to assist in obtaining an understanding of the City.
4. **Compliance Section** includes additional financial statements if applicable, supplemental schedules, independent auditor's report, and supplemental reports as required by the Single Audit Act of 2004 and by the U.S. Office of Management and Budget Circular A-133.

In accordance with State law, the financial statements included herein have been audited by an independent auditor. A firm of certified public accountants, HBME, LLC, has completed this year's independent audit. HBME, LLC, has also provided technical assistance in the preparation of this report. We appreciate the assistance they have provided. The aim of the audit involved



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examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and the estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that Kaysville City's financial statements for the fiscal year ended June 30, 2023, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Kaysville City for its comprehensive annual financial report for the fiscal year ended June 30, 2022. This is the twenty ninth consecutive year that Kaysville City has received this award. In order to receive a certificate of achievement, the government must publish an easily readable efficiently organized ACFR. Qualifying reports must satisfy both GAAP and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the requirements. We are submitting this report to GFOA to determine its eligibility for another certificate.

We respectfully submit this report.

Jaysen Christensen
City Manager

Dean G. Storey
Finance and Administrative Services Director

Levi Ball
Assistant Finance Director

KAYSVILLE CITY FINANCIAL PROFILE

General Information

Kaysville City was settled in 1850 and on March 15, 1868, it was incorporated, becoming the first city to be incorporated in Davis County.

Kaysville is located along the Wasatch Front directly between Ogden City to the north and Salt Lake City to the south. Kaysville is considered primarily a bedroom community with a current population estimated at approximately 34,279 residents. Kaysville experiences an average growth rate of 1.5% - 2%, primarily residential, due to the proximity of larger economic centers and the desire of the citizens for the City to remain a residential community. The build-out population is estimated at approximately forty-two thousand within the next twenty years.

The City covers an area of approximately eleven square miles, bordered by the Wasatch Mountains on the east and the Great Salt Lake on the west.

Organization and Services

Kaysville City operates under a council form of government with an appointed City Manager. The Mayor and five City Council members are elected at large with staggered terms. The City provides a full range of municipal services including general administration, public safety, public works and utilities, parks and recreation, and community development. An organization chart is found at the end of this section.

Economic Factors

The local economy is stable. The majority of the workforce commutes to larger economic centers. The unemployment rate is below the national unemployment rate. The current State unemployment rate of 2.1%. Income levels are above the State average. The area continues to have a good labor and business climate whereas the workforce is young and well educated. The economy of Kaysville is primarily based on service industries to accommodate the residential population including grocery stores, small retail shops, gas stations, etc.

Transportation and Accessibility

Major interstates and highways provide easy access to Kaysville City. Interstate I-15 runs north and south through the City and there is easy access to Interstate 80 and Interstate 84 and many other major roads and highways. Many major western cities are only a day away by commercial carrier. The Salt Lake International Airport is readily accessible within twenty-five minutes. The airport is anchored by Delta Airlines and Southwest Airlines, with several air and cargo express carriers.

Major Initiatives

City leaders continue to strive to provide city services in an efficient and effective manner. The on-going plan includes improving facilities and improving the economic base while controlling growth and containing future costs to the City. The demands of keeping up with the residential growth is the primary challenge for City leaders. This includes providing adequate infrastructure to support the growth. Over the past several years, the City has focused on building and maintaining the infrastructure. City resources have been spent on street improvements, utility extensions, electrical substations, and park development. Additional resources will be spent in these areas in future years. The City continues to plan to meet future financial obligations as part of our budgeting and long-term projections.

Financial Reporting and Accounting Standards

Kaysville City conforms to generally accepted accounting principles established by the Government Accounting Standards Board (GASB). The accounts of the City are organized based on fund, 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 that comprise of its assets, liabilities, fund equity and revenues and expenses. Resources are allocated to and accounted for based on the purpose of each fund. Further discussion of accounting and budgeting matters may be found in the Financial Section of this report in “Notes to Basic Financial Statements.”

The following fund types are included in this report.

General Fund – The general fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Capital Projects Fund – The capital projects fund is used to account for financial resources used for the acquisition or construction of major capital facilities other than those financed by a proprietary fund, special assessment fund or trust fund.

Debt Service Fund – The debt service fund is used to account for the accumulation of resources to be used for principal and interest payments of long-term debts.

Municipal Building Authority – The municipal building authority is used to account for the construction and finance of new city buildings.

Redevelopment Agency – The redevelopment agency is used to account for the redevelopment of project areas throughout the City.

Road Fund – The road fund is used to account for the ongoing construction and maintenance of city roadways.

ARPA Fund – The ARPA fund is used to account for the expenditures related to the American Rescue Plan Act (ARPA) grant funding.

RAMP Fund – The RAMP fund is used to account for the revenue and expenditures related to the voter approved sales tax for recreation, arts, museum and parks. This is a new fund created as of July 1, 2022. In the previous year, all activity was reported in the general fund.

Enterprise Funds – The enterprise funds are used to account for the operations that are financed and operated in a manner similar to private business enterprises. The intent is to provide services on a continuing basis to be recovered primarily through user charges.

Permanent Funds – Permanent funds are used to account for and report resources that are legally restricted to the extent that only the earnings and not the principal may be used.

A description of each fund and fund type included in this report are as follows:

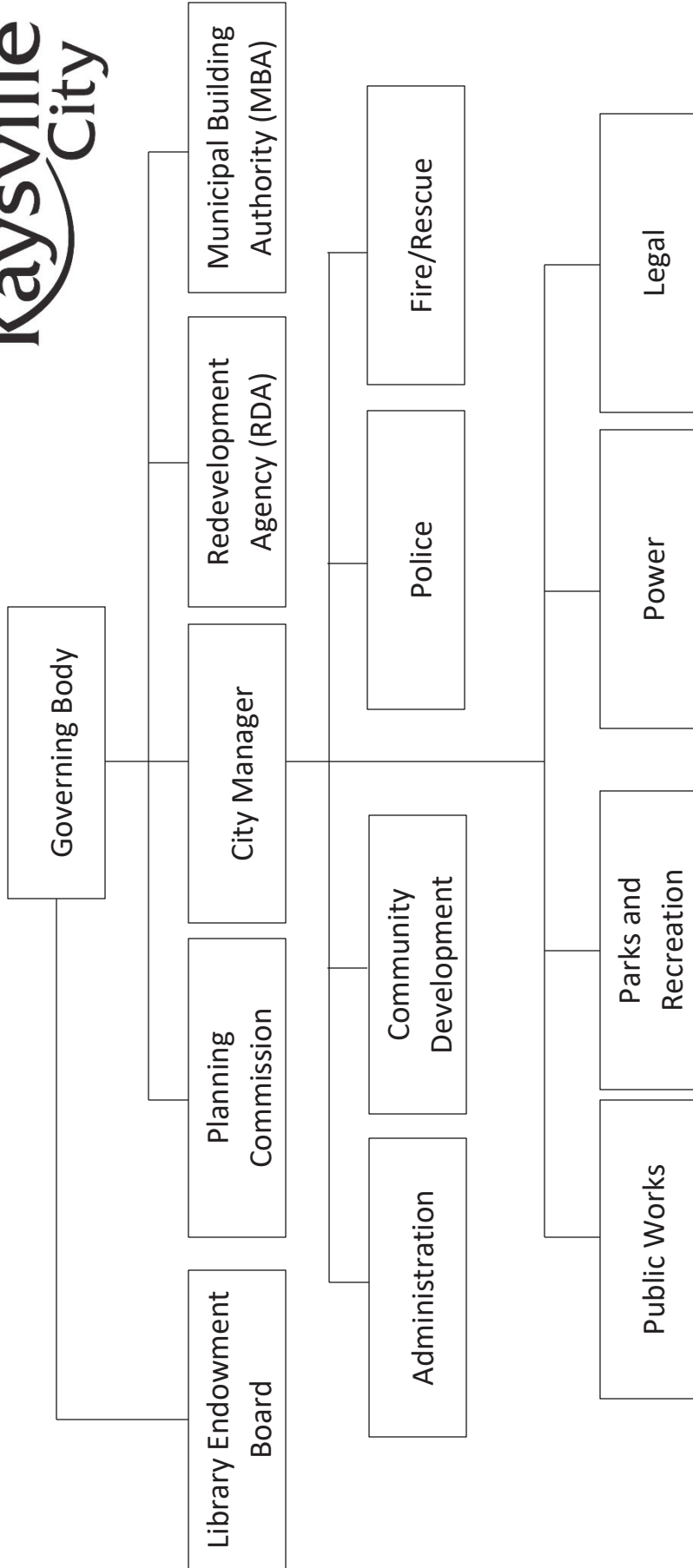
<u>Description</u>	<u>Fund Type</u>
General Fund	General Fund
Capital Projects Fund	Capital Projects Fund
Debt Service Fund	Debt Service Fund
Municipal Building Authority	Special Revenue Fund
Redevelopment Agency	Special Revenue Fund
Road Fund	Special Revenue Fund
ARPA	Special Revenue Fund
RAMP	Special Revenue Fund
Water Fund	Enterprise Fund
Sewer Fund	Enterprise Fund
Storm Water Fund	Enterprise Fund
Pressure Irrigation Fund	Enterprise Fund
Electric Fund	Enterprise Fund
Sanitation Fund	Enterprise Fund
Cemetery Perpetual Care Fund	Permanent Fund
Library Endowment Fund	Permanent Fund

The City operates an integrated budgetary and accounting system which incorporates the adoption of a formal budget for each department. The budget is adopted in June of each year for the ensuing year beginning July 1. State statutes define the legal level of budgetary control at the department level. Monthly financial statements are distributed to each department with the charge that obligations are closely monitored. The budget is reopened as required to consider necessary adjustments.

Safeguarding assets and providing reasonable assurance that financial transactions are properly recorded requires implementation of internal controls. Management believes that the City's internal controls are presently accomplishing the objective in all material respects. However, because the cost of a control should not exceed the benefits to be derived, the objective is to provide reasonable assurance, rather than absolute assurance, that the financial statements are free of any material misstatements. Further discussion of accounting matters may be found in the "Notes to Basic Financial Statements".

Requests for Information

This comprehensive annual financial report is designed to provide a general overview of the financial affairs and condition of Kaysville City. Additional information or questions concerning any information provided in this report may be addressed to: Kaysville City Finance, Kaysville City Corporation, 23 East Center Street, Kaysville, Utah 84037 or by electronic mail, dstorey@kaysville.gov or lball@kaysville.gov or by phone (801) 546-1235.



Architectural Review Committee	Civic Committee	Youth City Council	Youth Court	CERT	Heritage Park Committee
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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Kaysville City
Utah

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

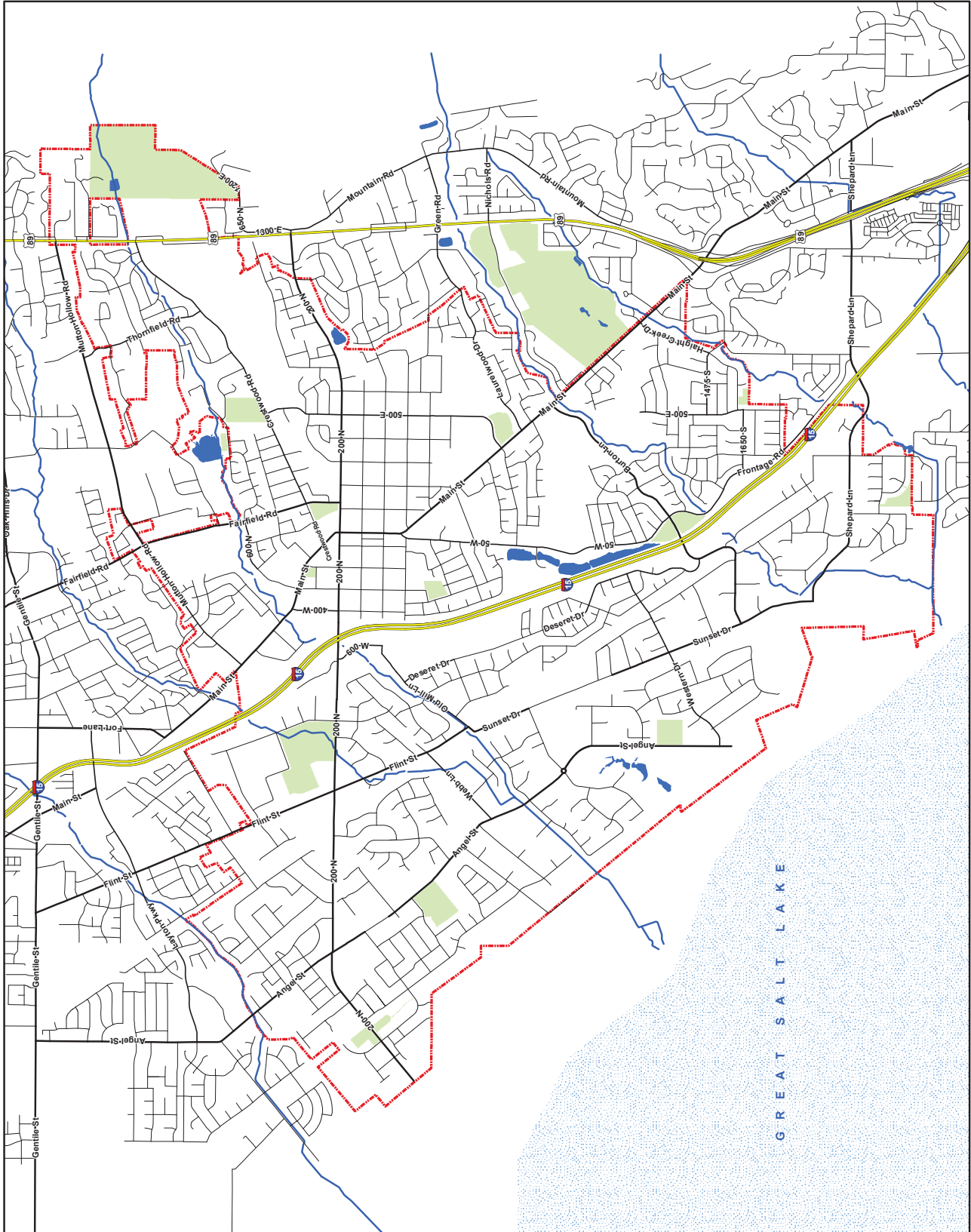
**Kaysville City GIS
Base Map**



- Legend**
- Streams
 - Ponds
 - City Boundary
 - Parks
 - Great Salt Lake



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FINANCIAL SECTION

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COMMITTED. EXPERIENCED. TRUSTED.

MICHAEL L. SMITH, CPA
JASON L. TANNER, CPA
ROBERT D. WOOD, CPA
AARON R. HIXSON, CPA
TED C. GARDINER, CPA
JEFFREY B. MILES, CPA
JESSE S. MALMROSE, EA

SHAWN F. MARTIN, CPA
MONTANA T. HADLEY, CPA
NATHAN E. ERICKSON, EA

FOUNDERS

E. LYNN HANSEN, CPA
CLARKE R. BRADSHAW, CPA
GARY E. MALMROSE, CPA
EDWIN L. ERICKSON, CPA

INDEPENDENT AUDITOR’S REPORT

Honorable Mayor and Members of the City Council
Kaysville City Corporation

Report on the Audit of the Financial Statements

Opinions

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 Kaysville City Corporation (the City), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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, 2023, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 15-24, the budgetary comparisons for the general fund, and major special revenue redevelopment agency and municipal building authority, ARPA grant, and road projects funds on pages 73-76, and pension schedules on pages 77-78 be presented to supplement the basic financial statements.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and budgetary comparison information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 20, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of 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.

HBMC, LLC

November 20, 2023

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MANAGEMENT DISCUSSION AND ANALYSIS

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KAYSVILLE CITY CORPORATION, UTAH
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

As management of Kaysville City, Utah (the City), we offer the readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2023. We believe that this narrative, when read in conjunction with the letter of transmittal, financial profile, the financial statements, and particularly, the notes to the financial statements, will greatly assist the reader in understanding the finances of the City.

Financial Highlights

Government Wide

- The City's total net position increased by \$13,331,441 or 7.42% over the prior year. Net position of governmental activities increased by \$13,525,762 or 12.9%. Net position of business-type activities decreased by \$194,321 or 0.25%.
 - The City's total net position is made up of primarily capital assets. Generally, capital assets are made up of infrastructure and are not available to meet on-going obligations. Of the total net position of \$192,780,206, \$144,371,508 (74.88%) includes net investment in capital assets; \$19,594,353 (10.16%) in restricted uses and \$28,814,345 (14.95%) in unrestricted uses and is available to meet City obligations.
 - The City's restricted net position increased by \$6,979,711 from last year, due mainly to an increase in restricted development impact fees and ARPA and road fund restrictions.
 - The City's unrestricted net position decreased by \$3,388,968 from the prior year primarily due to business-type investment in capital assets and power purchases.
 - Overall, the City's long-term liabilities decreased, excluding net pension liability, by \$682,701 over the prior year, due to scheduled debt payments. As of June 30, 2023, long-term liabilities for governmental and business-type activities were \$7,986,847 and \$363,211 respectively.

Fund Level

- The fund balances in governmental funds increased by \$6,557,333 from \$23,259,494 to \$29,816,827 for the fiscal year. Most of this increase is the result of funding provided for city road projects.
- The proprietary funds had a slight decrease of \$194,321 due to an increase in operating expenses during the year.

KAYSVILLE CITY CORPORATION, UTAH
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended June 30, 2023

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements

The *Government-wide Financial Statements*, including the Statement of Net Position and the Statement of Activities, provide readers with a broad overview of the City with a long-term focus of the City's finances as a whole and are prepared using the full-accrual basis of accounting similar to a private-sector business.

The *Statement of Net Position* presents information on all the City's assets, liabilities, and deferred outflows and inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the City's financial condition is getting better or worse.

The *Statement of Activities* presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) and from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). These government-wide financial statements include not only the City (known as the *primary government*), but also two legally separate component units, the Redevelopment Agency of Kaysville City (RDA) and the Municipal Building Authority of Kaysville City (MBA), both of which the City is financially accountable. Financial information for these blended component units is presented with the financial statements of the City.

Fund Financial Statements

The fund financial statements provide detailed information about individual funds. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The operations of each fund are accounted for with a separate set of self-balancing accounts that are comprised of its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenses. All the funds of the City are divided into two classes: governmental funds and proprietary funds.

KAYSVILLE CITY CORPORATION, UTAH
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended June 30, 2023

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains ten individual governmental funds. Information is presented separately in the governmental fund statements for the general fund, the capital projects fund, the RDA fund (blended component unit), and the MBA fund (blended component unit), the RAMP fund, and the road fund, which are considered to be a major funds. The nonmajor funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the *other supplementary information* section of this report. Nonmajor governmental funds includes the debt service fund, ARPA fund, and two permanent funds: the cemetery perpetual care fund and the library endowment fund. These two permanent funds restrict the use of the principal and allow the interest earnings to be spent subject to certain restrictions.

Proprietary Funds are used to account for similar functions presented as *business-type activities* in the government-wide financial statements. The City uses *enterprise funds* to account for its utility operations (water, storm water, electric, sewer, pressure irrigation, and sanitation funds).

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City maintains six individual proprietary funds. The nonmajor funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor proprietary funds is provided in the form of combining statements immediately following the notes to the Required Supplementary Information (RSI). Major proprietary funds include the water fund, the electric fund, and the storm water fund. Nonmajor proprietary funds include the sewer fund, the pressure irrigation fund, and the sanitation fund.

Notes to Financial Statements

The notes provide additional schedules, detail, and information essential for a complete understanding of the financial information provided in the government-wide statements and the fund financial statements. The notes apply to both statement types.

KAYSVILLE CITY CORPORATION, UTAH
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended June 30, 2023

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* (RSI) concerning budget comparison statements for the general fund, the RDA fund, the MBA fund, RAMP fund, and the road projects fund, as well as the City's progress in funding its obligation to provide pension benefits to its employees.

Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also contains *other supplementary information*, in the form of combining statements for nonmajor funds, which are presented immediately after the notes to the RSI. Also included are the budget comparison statements for the nonmajor funds.

Financial Analysis of Government-wide Statements

Net Position

Generally, net position over time may offer a measuring tool of the overall financial condition of a government's financial position. The City's combined net position increased over the prior year by \$13,331,441 (7.42%). This indicates that the City's overall financial condition improved over the prior year. The unrestricted net position, which is available for ongoing obligations, decreased by \$3,388,968. Overall, liabilities current and non-current increased by \$2,830,154.

KAYSVILLE CITY CITY NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 39,275,189	\$ 30,901,614	\$ 22,069,132	\$ 25,404,005	\$ 61,344,321	\$ 56,305,619
Capital assets, net	95,738,001	90,107,116	55,945,528	52,385,553	151,683,529	142,492,669
Net pension asset	224,731	2,546,716	-	992,156	224,731	3,538,872
Total assets	135,237,921	123,555,446	78,014,660	78,781,714	213,252,581	202,337,160
Total deferred outflows of resources	1,905,590	1,448,116	646,215	436,578	2,551,805	1,884,694
Current liabilities	4,010,464	3,207,601	2,949,555	2,403,931	6,960,019	5,611,532
Noncurrent liabilities	9,796,243	8,762,004	718,183	270,755	10,514,426	9,032,759
Total liabilities	13,806,707	11,969,605	3,667,738	2,674,686	17,474,445	14,644,291
Total deferred inflows of resources	5,544,380	8,767,295	5,355	1,361,503	5,549,735	10,128,798
Net investment in capital assets	88,425,980	82,245,257	55,945,528	52,385,553	144,371,508	134,630,810
Restricted	15,500,575	8,816,743	4,093,778	3,797,899	19,594,353	12,614,642
Unrestricted	13,865,869	13,204,662	14,948,476	18,998,651	28,814,345	32,203,313
Total net position	\$ 117,792,424	\$ 104,266,662	\$ 74,987,782	\$ 75,182,103	\$ 192,780,206	\$ 179,448,765

KAYSVILLE CITY CORPORATION, UTAH
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended June 30, 2023

Net Position (Continued)

By far, the largest portion of the City's net position of \$144,371,508 (74.88%), reflects its net investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure), less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position of \$19,594,353 (10.16%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$28,814,345 (14.95%) is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

The City's overall net position increased \$13,331,441. The reasons for this increase are discussed in the following sections for governmental activities and business-type activities.

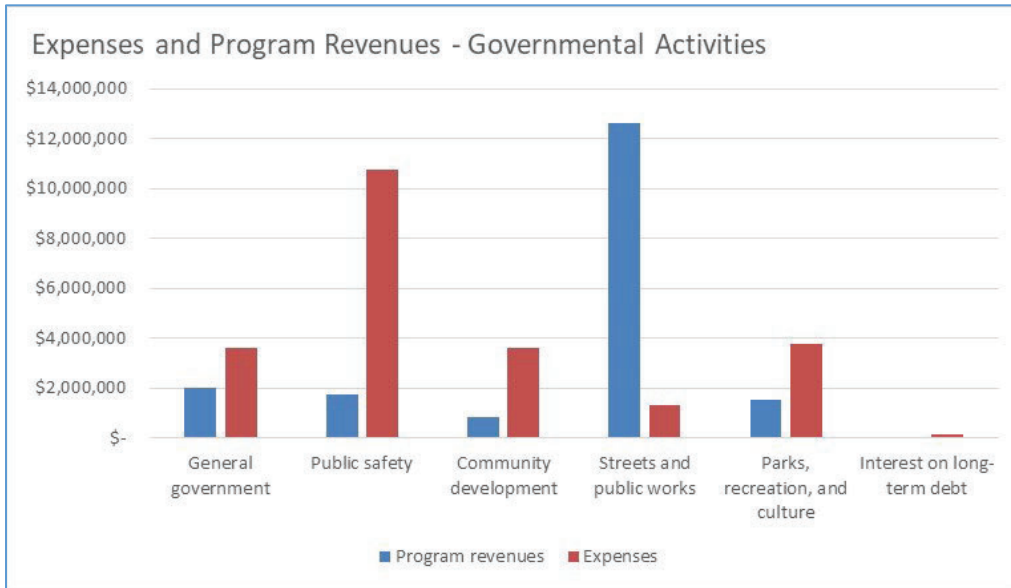
Governmental and Business-Type Activities

Governmental Activities. During the current fiscal year, net position for governmental activities increased \$13,525,762 from the prior fiscal year for an ending balance of \$117,792,424 as of June 30, 2023. The increase is primarily due to funds received for major road projects.

Business-type Activities. For the City's business-type activities, net position decreased from \$75,182,103 to \$74,987,782. This is due to the increase in operating expenses. The City will continue to monitor rates and assess the need for rate adjustments.

The table on the following page illustrates the sources of revenues and the expenses for governmental and business-type activities compared to the prior year. It shows to what extent the City's governmental activities relied on taxes and other general revenues to cover all their costs and to what extent the service charges of the business-type funds adequately cover their costs. The business of government is primarily funded by taxes and other general revenues.

**KAYSVILLE CITY CORPORATION, UTAH
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended June 30, 2023**



Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues:						
Charges for services	\$ 6,628,004	\$ 6,831,786	\$ 31,247,768	\$ 29,015,880	\$ 37,875,772	\$ 35,847,666
Operating grants and contributions	225,822	430,002	-	-	225,822	430,002
Capital grants and contributions	11,897,196	71,551,127	1,542,116	3,156,232	13,439,312	74,707,359
General Revenues:						
Property taxes	4,740,071	4,735,065	-	-	4,740,071	4,735,065
Sales and use taxes	7,755,116	7,555,446	-	-	7,755,116	7,555,446
Other taxes	3,919,044	3,244,112	-	-	3,919,044	3,244,112
Other	1,178,876	1,108,193	789,208	846,493	1,968,084	1,954,686
Total revenues	36,344,129	95,455,731	33,579,092	33,018,605	69,923,221	128,474,336
Expenses						
General government	3,614,898	3,273,057	-	-	3,614,898	3,273,057
Public safety	10,750,585	8,898,749	-	-	10,750,585	8,898,749
Community development	3,639,288	906,871	-	-	3,639,288	906,871
Streets and public works	1,319,398	4,511,879	-	-	1,319,398	4,511,879
Parks, recreation, and culture	3,754,035	3,004,995	-	-	3,754,035	3,004,995
Interest on long-term debt	152,815	174,335	-	-	-	174,335
Water	-	-	3,617,720	3,360,773	3,617,720	3,360,773
Electric	-	-	20,973,427	17,010,050	20,973,427	17,010,050
Storm water	-	-	2,004,543	1,553,978	2,004,543	1,553,978
Road	-	-	-	63,640,648	-	63,640,648
Ambulance	-	-	-	200,091	-	200,091
Sewer	-	-	2,780,000	2,690,713	2,780,000	2,690,713
Pressure irrigation	-	-	1,517,384	1,333,155	1,517,384	1,333,155
Sanitation	-	-	2,467,687	2,330,173	2,467,687	2,330,173
Total Expenses	23,231,019	20,769,886	33,360,761	92,119,581	56,438,965	112,889,467
Increase (decrease) in net position before transfers	13,113,110	74,685,845	218,331	(59,100,976)	13,331,441	15,584,869
Transfers	412,652	1,752,324	(412,652)	(1,752,324)	-	-
Increase (decrease) in net position	13,525,762	76,438,169	(194,321)	(60,853,300)	13,331,441	15,584,869
Net position, beginning	104,266,662	27,828,493	75,182,103	136,035,403	179,448,765	163,863,896
Net position, ending	\$ 117,792,424	\$ 104,266,662	\$ 74,987,782	\$ 75,182,103	\$ 192,780,206	\$ 179,448,765

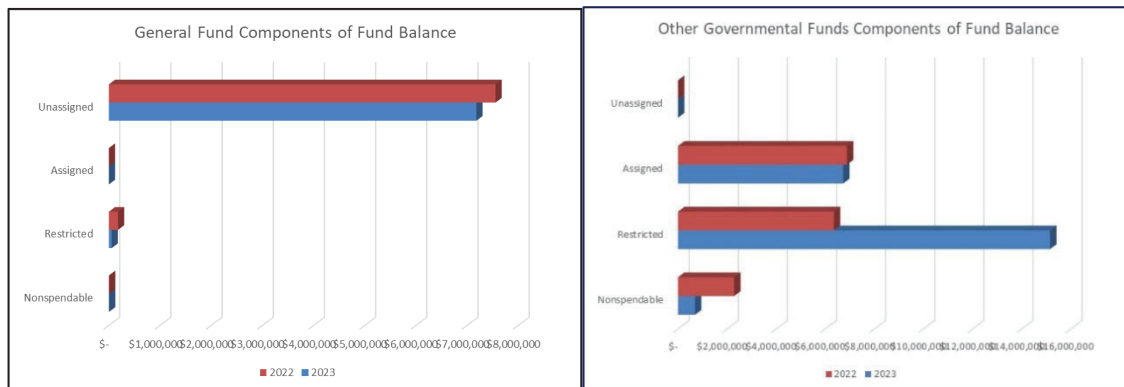
**KAYSVILLE CITY CORPORATION, UTAH
MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended June 30, 2023**

Financial Analysis of Governmental Funds

Governmental Funds

The focus of the City’s governmental funds is to account for and provide information on near-term inflows, outflows and spendable resources. Such information is useful in assessing the City’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City’s Council.

As of June 30, 2023, the City’s governmental funds reported combined fund balances of \$29,816,827. Approximately 24% of this amount (\$7,180,872) constitutes unassigned fund balance, which is available for spending at the government’s discretion. The remainder of the fund balance is either non-spendable, restricted, or assigned to indicate that it is 1) not in spendable form (\$2,409,426), 2) restricted for particular purposes (\$13,497,883, or 3) assigned for particular purposes (\$6,728,646).



The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$7,180,872. The total fund balance for the general fund decreased \$351,919, excluding \$146,440 of fund balance that was transferred to the newly created RAMP fund. As a measure of the general fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures.

The Redevelopment Agency of Kaysville City (RDA), a major fund, is used to account for economic development activities in the City. The RDA is considered a blended component unit of the City. Fund balance during the current fiscal year increased \$139,751, for a total fund balance of \$951,557, all of which is assigned for redevelopment.

The Municipal Building Authority of Kaysville City (MBA), a major fund, was created to issue bonds (in prior years) to construct and remodel two buildings, which were then leased to the City for its exclusive use. The first project built a police station, with a \$365,000 annual lease payment for the duration of the debt service period. The second project remodeled Kaysville

KAYSVILLE CITY CORPORATION, UTAH
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended June 30, 2023

City Hall, with a \$340,000 annual lease payment. The MBA is considered a blended component unit of the City.

The MBA fund balance increased \$55,145 during the current fiscal year, for a total fund balance of \$532,917, all of which is restricted for MBA purposes.

The Debt Service Fund is used to account for the debt service payments of three equipment purchase agreements (a fire truck, an ambulance, and a wide-area mower) and the series 2017 sales tax revenue bonds, issued to for the construction of Pioneer Park. During the fiscal year, expenditures totaled \$467,385.

The Capital Projects Fund is used to account for major capital projects of the City. Each year, the City transfers \$210,000, which is part of the parks impact fees received, to the Debt Service Fund, used for debt service related to Pioneer Park bonds issuance. During the fiscal year 2023, the fund expended \$444,484 for improvements to the Operations Center.

The ARPA Fund is used to account for revenues and expenditures associated with the American Rescue Plan Act. The City has identified eligible projects and the majority of the funds will be used for infrastructure improvements and public safety operations. During the fiscal year, \$289,642 was spent.

The ROAD Fund is used for street improvement projects. The source of revenues includes, active transportation funds, Class C funds and a road utility fee. During the fiscal year, the City also received intergovernmental revenues for a major connector road project, related to the West Davis Corridor. Total expenditures for the year was \$6,742,208.

The RAMP Fund is used to account for revenues and expenditures related to the voter approved recreation and parks sales tax. An advisory board recommends projects each year for the expenditure of these funds. During fiscal year 2023, \$276,558 was expended.

The City maintains two permanent funds: Cemetery Perpetual Care and Library Endowment Funds. The permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the City's programs.

- A *perpetual care fee* is charged with the sale of each burial plot. As of June 30, 2023, the fund's balance is \$2,309,862, an increase of \$31,930 over the prior year.
- Private donors, in a prior fiscal year, donated property, which was subsequently sold, and the proceeds of the sale were used to establish the corpus. The total fund balance as of June 30, 2023, totaled \$727,503, an increase of \$5,170. This fund will continue to be used to augment the collection held at the Kaysville Branch of the Davis County Library system.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

**KAYSVILLE CITY CORPORATION, UTAH
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended June 30, 2023**

The City maintains several enterprise funds to account for operations that are operated in a manner similar to a private business. Fees and user charges are collected to operate the enterprise. Most of these funds are public utilities.

Operating revenues for all proprietary funds totaled \$30,842,096. This is an increase of 8.2% from the prior year of \$28,502,992. Operating expenses totaled \$33,360,761. This is an increase of \$5,081,919 (17.97%) over the prior year. Continued monitoring of each utility, including the rates charged, is necessary to ensure operating revenues cover operating expenses, especially as residential growth will require additional resources.

General Fund Budgetary Highlights

Original Budget Compared to Final Budget

During the year, there were minor amendments to increase either the original estimated revenues or original budgeted appropriations. There was a need to make an amendment to reallocate appropriations among departments, when it became clear which departments would actually be charged for certain expenses. Generally, the movement of the appropriations between departments was not significant.

Capital Assets and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental activities and business-type activities as of June 30, 2023, is \$151,683,529 (net of accumulated depreciation). This is a net increase of \$9,190,860.

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 28,803,710	\$ 28,803,710	\$ 1,140,723	\$ 1,140,723	\$ 29,944,433	\$ 29,944,433
Construction in Progress	6,797,043	372,935	1,194,485	84,008	7,991,528	456,943
Water Shares	-	-	4,933,490	4,792,490	4,933,490	4,792,490
Buildings and improvements	18,587,313	18,842,835	1,379,027	999,123	19,966,340	19,841,958
Infrastructure	36,607,321	38,340,596	45,632,397	44,650,064	82,239,718	82,990,660
Automobiles, machinery and equipment	4,942,614	3,747,040	1,665,406	719,145	6,608,020	4,466,185
Total capital assets	<u>\$ 95,738,001</u>	<u>\$ 90,107,116</u>	<u>\$ 55,945,528</u>	<u>\$ 52,385,553</u>	<u>\$ 151,683,529</u>	<u>\$ 142,492,669</u>

Additional information on the City's capital assets can be found in note 5 of this report.

**KAYSVILLE CITY CORPORATION, UTAH
MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended June 30, 2023**

Long-Term Debt: Bonds and Notes Payable

Overall, the City had a net decrease in long-term liabilities, excluding compensated absences and net pension liability, in the amount of \$1,016,253. The City has no general obligation debt. The table below shows the overall debt position of the City for governmental activities and business-type activities compared to the prior fiscal year.

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Sales Tax Revenue Bonds	\$ 402,000	\$ 595,000	\$ -	\$ -	\$ 402,000	\$ 595,000
MBA Lease Revenue Bonds	6,120,000	6,698,000	-	-	6,120,000	6,698,000
Notes payable	323,606	568,859	-	-	323,606	568,859
Total bonds and notes payable	<u>\$ 6,845,606</u>	<u>\$ 7,861,859</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,845,606</u>	<u>\$ 7,861,859</u>

Additional information on the City’s long-term debt can be found in note 7 of this report.

Conclusion and Economic Factors and Next Year’s Budget and Rates

The economic outlook for Kaysville City remains positive. Though the unemployment rate in Utah decreased during 2023 to 2.1%, unemployment remains well below the national average. Sales tax revenues have continued to experience growth for the coming year. Property taxes have stayed constant, with slight increases. Existing revenues have been able to continue to meet the expenditures anticipated. The challenge, of course, will be to continue to provide the critical services to a growing, primarily residential population. However, the economic outlook of the City is very positive and stable. Additional information is provided in the statistical section.

This financial report is designed to provide a general overview of the City’s finances. We believe this narrative, read in conjunction with the other financial information included herein, provides a clear understanding of the finances of the City.

Additional information may be obtained by contacting Kaysville City Finance Department at: 23 East Center, Kaysville, Utah 84037, or by telephone (801) 546-1235.

BASIC FINANCIAL STATEMENTS
Government-Wide Financial Statements
Fund Financial Statements

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KAYSVILLE CITY CORPORATION, UTAH
Statement of Net Position
June 30, 2023

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 4,475,457	\$ 13,710,738	\$ 18,186,195
Restricted assets - cash and cash equivalents	15,309,200	4,093,778	19,402,978
Investments	10,404,838	-	10,404,838
Restricted assets - Investments	140,741	-	140,741
Receivables (net of allowance for uncollectibles)	8,047,793	2,560,204	10,607,997
Intergovernmental receivable	810,772	-	810,772
Internal balances	80,888	(80,888)	-
Inventories	-	1,785,300	1,785,300
Prepays	5,500	-	5,500
Capital assets not being depreciated	35,600,753	7,268,698	42,869,451
Capital assets, net of accumulated depreciation	60,137,248	48,676,830	108,814,078
Net pension asset	224,731	-	224,731
Total assets	<u>135,237,921</u>	<u>78,014,660</u>	<u>213,252,581</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related	<u>1,905,590</u>	<u>646,215</u>	<u>2,551,805</u>
LIABILITIES			
Accounts payable	1,788,643	2,772,578	4,561,221
Accrued liabilities	564,053	-	564,053
Developer and other deposits payable	1,612,911	176,977	1,789,888
Accrued interest payable	19,386	-	19,386
Unearned revenues - recreation donation	25,471	-	25,471
Noncurrent liabilities:			
Due within one year:			
Bonds, notes, compensated absences	1,951,645	290,569	2,242,214
Due in more than one year:			
Bonds, notes, compensated absences	6,035,202	72,642	6,107,844
Net pension liability actuarially funded	1,809,396	354,972	2,164,368
Total liabilities	<u>13,806,707</u>	<u>3,667,738</u>	<u>17,474,445</u>
DEFERRED INFLOWS OF RESOURCES			
Property tax related	5,467,284	-	5,467,284
Pension related	77,096	5,355	82,451
Total deferred inflows of resources	<u>5,544,380</u>	<u>5,355</u>	<u>5,549,735</u>
NET POSITION			
Net investment in capital assets	88,425,980	55,945,528	144,371,508
Restricted for:			
Park impact fees	1,188,981	-	1,188,981
Fire impact fees	373,982	-	373,982
Public safety impact fees	268,550	-	268,550
Road impact fees	35,449	-	35,449
Power impact fees	-	2,741,268	2,741,268
Water impact fees	-	1,352,510	1,352,510
Debt service	532,917	-	532,917
Road projects	10,008,249	-	10,008,249
Beer tax reserves	55,082	-	55,082
Perpetual cemetery:			
Expendable	598,077	-	598,077
Nonexpendable	1,711,785	-	1,711,785
Library endowment:			
Expendable	35,362	-	35,362
Nonexpendable	692,141	-	692,141
Unrestricted	13,865,869	14,948,476	28,814,345
Total net position	<u>\$ 117,792,424</u>	<u>\$ 74,987,782</u>	<u>\$ 192,780,206</u>

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

KAYSVILLE CITY CORPORATION, UTAH
Statement of Activities
For the Year Ended June 30, 2023

	Program Revenues			Net (Expense) Revenues and Changes in Net Position			
	Expenses	Operating		Governmental Activities	Primary Government Business-type Activities		Total
		Charges for Services	Grants and Contributions		Capital Grants and Contributions	Governmental Activities	
Governmental activities							
General government	\$ 3,614,898	\$ 1,951,630	\$ 63,505	\$ (1,599,763)	\$ -	\$ -	(1,599,763)
Public safety	10,750,585	1,436,256	162,317	(8,999,941)	-	-	(8,999,941)
Community development	3,639,288	841,066	-	(2,798,222)	-	-	(2,798,222)
Streets and public works	1,319,398	1,225,673	-	11,301,510	-	-	11,301,510
Parks, recreation, and culture	3,754,035	1,173,379	-	(2,230,766)	-	-	(2,230,766)
Interest on long-term debt	152,815	-	-	(152,815)	-	-	(152,815)
Total governmental activities	23,231,019	6,628,004	225,822	(4,479,997)	-	-	(4,479,997)
Business-type activities							
Water	3,617,720	3,603,584	-	-	538,050	-	538,050
Electric	20,973,427	19,578,721	-	-	(903,004)	-	(903,004)
Storm water	2,004,543	1,258,207	-	-	(248,108)	-	(248,108)
Sewer	2,780,000	2,775,909	-	-	(4,091)	-	(4,091)
Pressure irrigation	1,517,384	1,477,720	-	-	(39,664)	-	(39,664)
Sanitation	2,467,687	2,553,627	-	-	85,940	-	85,940
Total business-type activities	33,360,761	31,247,768	-	-	(570,877)	-	(570,877)
General revenue and transfers							
General Revenues:							
Property tax				4,740,071	-	-	4,740,071
Sales and use tax				7,755,116	-	-	7,755,116
Energy tax				1,872,916	-	-	1,872,916
Telecommunications tax				555,862	-	-	555,862
Parks and recreation (RAMP) tax				523,811	-	-	523,811
Vehicle and transportation taxes				966,455	-	-	966,455
Interest and investment earnings				872,359	464,934	-	1,337,293
Payment in lieu of taxes				22,337	-	-	22,337
Gain on sale of assets				139,361	278,628	-	417,989
Miscellaneous				144,819	45,646	-	190,465
Transfers				412,652	(412,652)	-	-
Total general revenue and transfers				18,005,759	376,556	-	18,382,315
Change in net position				13,525,762	(194,321)	-	13,331,441
Net position - beginning				104,266,662	75,182,103	-	179,448,765
Net position - ending				\$ 117,792,424	\$ 74,987,782	\$ -	\$ 192,780,206

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

KAYSVILLE CITY CORPORATION, UTAH
Balance Sheet – Governmental Funds
June 30, 2023

	General Fund	Capital Projects	Special Revenue				Total Nonmajor Funds	Total Governmental Funds
			Redevelopment Agency	Municipal Building Authority	RAMP	Road		
ASSETS								
Cash and cash equivalents	\$ -	\$ 1,589,690	\$ 951,557	\$ -	\$ -	\$ -	\$ 1,934,210	\$ 4,475,457
Cash and cash equivalents, restricted	55,082	1,831,513	-	532,917	378,892	9,610,874	2,899,922	15,309,200
Investments	10,404,838	-	-	-	-	-	-	10,404,838
Investments, restricted	-	-	-	-	-	-	140,741	140,741
Receivables (net of allowance for uncollectibles):								
Property tax	5,503,191	-	-	-	-	-	-	5,503,191
Sales and use tax	1,400,595	-	-	-	-	473,515	-	1,874,110
Energy tax	31,155	-	-	-	-	-	-	31,155
Telecommunications tax	109,365	-	-	-	-	-	-	109,365
Parks and recreation (RAMP tax)	-	-	-	-	104,956	-	-	104,956
Accounts	257,102	-	-	-	-	167,914	-	425,016
Intergovernmental receivable	-	-	-	-	-	810,772	-	810,772
Prepaid items	5,500	-	-	-	-	-	-	5,500
Due from other funds	80,888	-	-	-	-	-	2,470,437	2,551,325
Total assets	\$ 17,847,716	\$ 3,421,203	\$ 951,557	\$ 532,917	\$ 483,848	\$ 11,063,075	\$ 7,445,310	\$ 41,745,626
LIABILITIES								
Accounts payable	\$ 491,577	\$ 191,777	\$ -	\$ -	\$ 82,614	\$ 1,019,377	\$ 3,298	\$ 1,788,643
Developer and other deposits payable	1,612,911	-	-	-	-	-	-	1,612,911
Deferred revenue - restricted donation	-	25,471	-	-	-	-	-	25,471
Accrued liabilities	564,053	-	-	-	-	-	-	564,053
Due to other funds	2,470,437	-	-	-	-	-	-	2,470,437
Total liabilities	5,138,978	217,248	-	-	82,614	1,019,377	3,298	6,461,515
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue-property taxes	5,467,284	-	-	-	-	-	-	5,467,284
FUND BALANCES								
Non-Spendable:								
Library Endowment	-	-	-	-	-	-	692,141	692,141
Cemetery perpetual care	-	-	-	-	-	-	1,711,785	1,711,785
Prepaid items	5,500	-	-	-	-	-	-	5,500
Restricted:								
Park impact fees	-	1,188,981	-	-	-	-	-	1,188,981
Police impact fees	-	268,550	-	-	-	-	-	268,550
Fire impact fees	-	373,982	-	-	-	-	-	373,982
Road impact fees	-	-	-	-	-	35,449	-	35,449
Library purposes	-	-	-	-	-	-	35,362	35,362
Cemetery perpetual care	-	-	-	-	-	-	598,077	598,077
Beer tax funds	55,082	-	-	-	-	-	-	55,082
Road projects	-	-	-	-	-	10,008,249	-	10,008,249
RAMP projects	-	-	-	-	401,234	-	-	401,234
Debt service	-	-	-	532,917	-	-	-	532,917
Assigned:								
Capital projects	-	1,372,442	-	-	-	-	4,309,175	5,681,617
Redevelopment	-	-	951,557	-	-	-	-	951,557
Debt Service	-	-	-	-	-	-	95,472	95,472
Unassigned	7,180,872	-	-	-	-	-	-	7,180,872
Total fund balances	7,241,454	3,203,955	951,557	532,917	401,234	10,043,698	7,442,012	29,816,827
Total liabilities, deferred inflows of resources and fund balances	\$ 17,847,716	\$ 3,421,203	\$ 951,557	\$ 532,917	\$ 483,848	\$ 11,063,075	\$ 7,445,310	\$ 41,745,626

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

KAYSVILLE CITY CORPORATION, UTAH
Reconciliation of the Balance Sheet – Governmental Funds
to the Statement of Net Position
June 30, 2023

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

Total fund balances - governmental funds	\$	29,816,827
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Capital assets of \$153,754,806, net of accumulated depreciation of \$58,016,805, used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Land	\$	28,803,710	
Construction in progress		6,797,043	
Infrastructure, net		36,607,321	
Buildings and improvements, net		18,587,313	
Automobiles, machinery and equipment, net		4,942,614	95,738,001

Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (URS pension) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position. In addition, the net pension asset is not available to pay for current period expenditures and, therefore, are not reported in the funds.

Net pension asset		224,731	
Net pension liability		(1,809,396)	
Deferred outflows of resources, pension related		1,905,590	
Deferred inflows of resources, pension related		(77,096)	243,829

Long term liabilities that pertain to governmental funds, including bonds and notes payable, are not due and payable in the current period and, therefore, are not reported as fund liabilities.

Sales tax revenue bonds payable		(402,000)	
MBA lease revenue bonds payable		(6,120,000)	
Notes payable		(323,606)	
Compensated absences		(1,141,241)	
Accrued interest payable on long-term debt		(19,386)	(8,006,233)

Net position of governmental activities	\$	117,792,424
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The accompanying notes are an integral part of these financial statements.

KAYSVILLE CITY CORPORATION, UTAH
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
For the Year Ended June 30, 2023

	General Fund	Capital Projects	Special Revenue				Total Nonmajor Funds	Total Governmental Funds
			Redevelopment Agency	Municipal Building Authority	RAMP	Road		
REVENUES								
Property tax	\$ 4,612,906	\$ -	\$ 127,165	\$ -	\$ -	\$ -	\$ -	\$ 4,740,071
Sales and use tax	7,755,116	-	-	-	-	-	-	7,755,116
Energy tax	1,872,916	-	-	-	-	-	-	1,872,916
Telecommunications tax	555,862	-	-	-	-	-	-	555,862
Parks and recreation (RAMP) tax	-	-	-	-	523,811	-	-	523,811
Other taxes	256,360	-	-	-	-	710,095	-	966,455
Licenses and permits	602,806	-	-	-	-	-	-	602,806
Intergovernmental	223,597	-	-	-	-	10,916,934	-	11,140,531
Charges for services	3,775,495	-	-	-	-	1,180,885	112,430	5,068,810
Fines and forfeitures	218,320	-	-	-	-	-	-	218,320
Lease and rent revenue	30,068	-	-	708,000	-	-	-	738,068
Investment earnings, net	427,954	66,323	21,537	24,595	7,541	138,888	185,521	872,359
Special assessments - impact fees	-	501,511	-	-	-	478,301	-	979,812
Payments in lieu of taxes	22,337	-	-	-	-	-	-	22,337
Donations	2,675	-	-	-	-	-	-	2,675
Miscellaneous	113,474	-	-	30,683	-	662	-	144,819
Total revenues	20,469,886	567,834	148,702	763,278	531,352	13,425,765	297,951	36,204,768
EXPENDITURES								
Current:								
General government	3,378,788	-	-	-	-	-	-	3,378,788
Public safety	10,075,054	-	-	-	-	-	125,374	10,200,428
Community development	1,104,288	-	8,951	10	-	-	-	1,113,249
Streets and public works	1,069,907	-	-	-	-	262,730	7,088	1,339,725
Parks, recreation and culture	3,306,237	-	-	-	17,488	-	20,000	3,343,725
Debt Service:								
Principal	-	-	-	578,000	-	-	438,253	1,016,253
Interest and fiscal charges	-	-	-	130,123	-	-	29,132	159,255
Capital outlay	2,197,904	444,484	-	-	259,070	6,479,478	295,949	9,676,885
Total expenditures	21,132,178	444,484	8,951	708,133	276,558	6,742,208	915,796	30,228,308
Excess (deficiency) of revenues over expenditures	(662,292)	123,350	139,751	55,145	254,794	6,683,557	(617,845)	5,976,460
OTHER FINANCING SOURCES (USES)								
Transfers in	412,652	-	-	-	-	-	473,850	886,502
Transfers out	(263,850)	(210,000)	-	-	-	-	-	(473,850)
Sale of general capital assets	161,571	-	-	-	-	6,650	-	168,221
Total other financing sources (uses)	310,373	(210,000)	-	-	-	6,650	473,850	580,873
Net change in fund balances	(351,919)	(86,650)	139,751	55,145	254,794	6,690,207	(143,995)	6,557,333
Fund balances, beginning	7,593,373	3,290,605	811,806	477,772	146,440	3,353,491	7,586,007	23,259,494
Fund balances, ending	\$ 7,241,454	\$ 3,203,955	\$ 951,557	\$ 532,917	\$ 401,234	\$ 10,043,698	\$ 7,442,012	\$ 29,816,827

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

KAYSVILLE CITY CORPORATION, UTAH
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances –
Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2023

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

Net change in fund balances - governmental funds		\$ 6,557,333
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial cost of \$4,000 or more are capitalized and the cost is allocated over the asset's estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.

Capital outlay	\$ 9,676,885		
Depreciation expense	<u>(4,017,140)</u>		5,659,745

Governmental assets disposed during the year with the respective gain (loss) on disposal are not shown in governmental funds.

Proceeds	(168,221)		
Gain on disposal of assets	<u>139,361</u>		(28,860)

Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long term liabilities in the statement of net position. Repayment of bond and note principal is an expenditure in the governmental funds, but repayment reduces long term liabilities in the statement of net position. In addition, the change in accrued interest reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds.

Principal paid on bonds	771,000		
Principal paid on notes	<u>245,253</u>		1,016,253

Accrued interest on long-term debt		6,440
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Expenses are recognized in the governmental funds when paid or due; however, the Statement of Activities is presented on the accrual basis and expenses and liabilities are reported when incurred, regardless of when financial resources are available or expenses are paid or due. These adjustments reflect the changes due to compensated absences and pension benefits.

Compensated absences	(241,096)		
Changes in pension liabilities and related deferred outflows and inflows of resources	<u>555,947</u>		<u>314,851</u>

Change in net position of governmental activities		<u>\$ 13,525,762</u>
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The accompanying notes are an integral part of these financial statements.

KAYSVILLE CITY CORPORATION, UTAH
Statement of Net Position – Proprietary Funds
June 30, 2023

	Business-type Activities - Enterprise Funds				
	Water	Electric	Storm Water	Total Nonmajor Funds	Total
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 2,113,164	\$ 7,071,744	\$ 1,829,299	\$ 2,696,531	\$ 13,710,738
Cash and cash equivalents, restricted	1,352,510	2,741,268	-	-	4,093,778
Accounts receivable, net					
Utility customers	284,210	1,343,638	108,454	624,267	2,360,569
Taxes	-	80,888	-	-	80,888
Other	980	117,767	-	-	118,747
Inventories	208,500	1,576,800	-	-	1,785,300
Total current assets	3,959,364	12,932,105	1,937,753	3,320,798	22,150,020
Noncurrent assets:					
Net pension asset	-	-	-	-	-
Capital assets:					
Land	120,094	1,004,307	-	16,322	1,140,723
Water shares	1,211,640	-	-	3,721,850	4,933,490
Construction in progress	729,982	464,503	-	-	1,194,485
Buildings and improvements	1,065,395	733,344	94,700	41,289	1,934,728
Infrastructure	30,519,727	30,996,043	25,223,934	-	86,739,704
Automobiles, machinery and equipment	803,445	2,150,759	701,364	1,842,834	5,498,402
Less: accumulated depreciation	(12,523,272)	(18,196,731)	(13,330,183)	(1,445,818)	(45,496,004)
Total capital assets, net	21,927,011	17,152,225	12,689,815	4,176,477	55,945,528
Total noncurrent assets	21,927,011	17,152,225	12,689,815	4,176,477	55,945,528
Total assets	25,886,375	30,084,330	14,627,568	7,497,275	78,095,548
DEFERRED OUTFLOWS OF RESOURCES					
Pension related	182,626	337,156	126,433	-	646,215
LIABILITIES					
Current liabilities:					
Accounts payable	54,567	1,960,384	119,268	638,359	2,772,578
Compensated absences	104,142	144,770	41,657	-	290,569
Deposits	43,304	133,673	-	-	176,977
Due to other funds	-	80,888	-	-	80,888
Total current liabilities	202,013	2,319,715	160,925	638,359	3,321,012
Noncurrent liabilities:					
Compensated absences	26,036	36,192	10,414	-	72,642
Net pension liability	100,318	185,203	69,451	-	354,972
Total noncurrent liabilities	126,354	221,395	79,865	-	427,614
Total liabilities	328,367	2,541,110	240,790	638,359	3,748,626
DEFERRED INFLOWS OF RESOURCES					
Pension related	1,513	2,794	1,048	-	5,355
NET POSITION					
Net investment in capital assets	21,927,011	17,152,225	12,689,815	4,176,477	55,945,528
Restricted for impact fees	1,352,510	2,741,268	-	-	4,093,778
Unrestricted	2,459,600	7,984,089	1,822,348	2,682,439	14,948,476
Total net position	\$ 25,739,121	\$ 27,877,582	\$ 14,512,163	\$ 6,858,916	\$ 74,987,782
Total liabilities, deferred inflows of resources, and net position	\$ 26,069,001	\$ 30,421,486	\$ 14,754,001	\$ 7,497,275	\$ 78,741,763

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

KAYSVILLE CITY CORPORATION, UTAH
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds
For the Year Ended June 30, 2023

	Business-type Activities - Enterprise Funds				Total
	Water	Electric	Storm Water	Total Nonmajor Funds	
OPERATING REVENUES					
Charges for services:					
Metered sales	\$ 3,443,036	\$ 17,567,205	\$ 1,235,418	\$ -	\$ 22,245,659
Nonreciprocal utility revenue	113,739	263,905	21,718	-	399,362
Treatment and service charges	-	-	-	6,793,966	6,793,966
Energy use tax	-	1,054,123	-	-	1,054,123
Connection fees	36,388	84,698	-	-	121,086
Other user fees and charges	10,421	203,118	1,071	13,290	227,900
Total operating revenues	<u>3,603,584</u>	<u>19,173,049</u>	<u>1,258,207</u>	<u>6,807,256</u>	<u>30,842,096</u>
OPERATING EXPENSES					
Personnel services	1,178,994	2,113,430	797,249	31,571	4,121,244
Contractual services	880,452	16,047,764	193,423	6,236,381	23,358,020
Administrative charges from General Fund	232,018	278,422	92,809	324,825	928,074
Interfund services	125,500	200,500	83,000	5,000	414,000
Maintenance and operations	390,344	378,320	129,533	121,608	1,019,805
Energy sales and use tax charge	-	1,054,123	-	-	1,054,123
Depreciation	810,412	900,868	708,529	45,686	2,465,495
Total operating expenses	<u>3,617,720</u>	<u>20,973,427</u>	<u>2,004,543</u>	<u>6,765,071</u>	<u>33,360,761</u>
Operating income (loss)	<u>(14,136)</u>	<u>(1,800,378)</u>	<u>(746,336)</u>	<u>42,185</u>	<u>(2,518,665)</u>
NONOPERATING REVENUES (EXPENSES)					
Intergovernmental	29,837	12,213	-	-	42,050
Investment earnings	94,221	251,597	54,433	64,683	464,934
Gain on sale of assets	24,313	4,940	177,175	72,200	278,628
Miscellaneous	34,723	10,923	-	-	45,646
Total nonoperating revenues (expenses)	<u>183,094</u>	<u>279,673</u>	<u>231,608</u>	<u>136,883</u>	<u>831,258</u>
Income (loss) before contributions and transfers	168,958	(1,520,705)	(514,728)	179,068	(1,687,407)
Capital contributions	438,018	-	498,228	-	936,246
Capital contributions - impact fees	84,331	479,489	-	-	563,820
Capital contributions - extension fees	-	405,672	-	-	405,672
Transfers out	(113,739)	(263,905)	(21,718)	(13,290)	(412,652)
Change in net position	577,568	(899,449)	(38,218)	165,778	(194,321)
Total net position, beginning	<u>25,161,553</u>	<u>28,777,031</u>	<u>14,550,381</u>	<u>6,693,138</u>	<u>75,182,103</u>
Total net position, ending	<u>\$ 25,739,121</u>	<u>\$ 27,877,582</u>	<u>\$ 14,512,163</u>	<u>\$ 6,858,916</u>	<u>\$ 74,987,782</u>

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

KAYSVILLE CITY CORPORATION, UTAH
Statement of Cash Flows – Proprietary Funds
For the Year Ended June 30, 2023

	Business-type Activities - Enterprise Funds				Total
	Water	Electric	Storm Water	Total Nonmajor Funds	
Cash flows from operating activities					
Receipts from customers and users	\$ 3,584,591	\$ 18,862,324	\$ 1,255,342	\$ 6,747,712	\$ 30,449,969
Payments to suppliers	(1,230,545)	(17,435,459)	(206,037)	(6,317,683)	(25,189,724)
Payments to employees	(1,198,058)	(2,190,888)	(826,928)	(31,571)	(4,247,445)
Payments for interfund services	(357,518)	(478,922)	(175,809)	(329,825)	(1,342,074)
Net cash provided (used) by operating activities	798,470	(1,242,945)	46,568	68,633	(329,274)
Cash flows from noncapital financing activities					
Interfund receivable (payable)		12,750			12,750
Cash received from other funds	-	-	-	(13,290)	(13,290)
Cash paid to other funds	(113,739)	(263,905)	(21,718)	-	(399,362)
Net cash used by noncapital financing activities	(113,739)	(251,155)	(21,718)	(13,290)	(399,902)
Cash flows from capital and related financing activities					
Impact, extension, and other fees	119,054	896,084	-	-	1,015,138
Capital grants	29,837	12,213	-	-	42,050
Cash contribution for water tank project	141,000	-	-	-	141,000
Aquisition of capital assets	(2,758,452)	(1,100,286)	(889,269)	(232,842)	(4,980,849)
Proceeds from sales of capital assets	24,313	4,940	-	-	29,253
Net cash provided by capital and related financing activities	(2,444,248)	(187,049)	(889,269)	(232,842)	(3,753,408)
Cash flows from investing activities					
Interest received	94,221	251,597	54,433	64,683	464,934
Net cash provided by investing activities	94,221	251,597	54,433	64,683	464,934
Net increase (decrease) in cash and cash equivalents	(1,665,296)	(1,429,552)	(809,986)	(112,816)	(4,017,650)
Cash and cash equivalents, beginning of year	5,130,970	11,242,564	2,639,285	2,809,347	21,822,166
Cash and cash equivalents, end of year	\$ 3,465,674	\$ 9,813,012	\$ 1,829,299	\$ 2,696,531	\$ 17,804,516

(Continued)

KAYSVILLE CITY CORPORATION, UTAH
Statement of Cash Flows – Proprietary Funds (Continued)
For the Year Ended June 30, 2023

	Business-type Activities - Enterprise Funds				
	Water	Electric	Storm Water	Total Nonmajor Funds	Total
Reconciliation of operating income (loss) to net cash provided (used) by operating activities					
Operating income (loss)	\$ (14,136)	\$ (1,800,378)	\$ (746,336)	\$ 42,185	\$ (2,518,665)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	810,412	900,868	708,529	45,686	2,465,495
Net pension adjustment	(57,342)	(116,325)	(44,990)	-	(218,657)
Changes in assets and liabilities:					
Accounts receivable	(23,793)	(310,725)	(2,865)	(59,544)	(396,927)
Inventory	3,200	(301,800)	-	-	(298,600)
Accounts payable	37,051	347,298	116,919	40,306	541,574
Deposits	4,800	(750)	-	-	4,050
Compensated absences	38,278	38,867	15,311	-	92,456
Net cash provided (used) by operating activities	\$ 798,470	\$ (1,242,945)	\$ 46,568	\$ 68,633	\$ (329,274)
Noncash investing, capital and financing activities					
Capital contributions - developers	\$ 297,018	\$ -	\$ 498,228	\$ -	\$ 795,246

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

NOTES TO THE
BASIC FINANCIAL STATEMENTS

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The basic financial statements of Kaysville City, Utah (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles.

The City was settled in 1850 and on March 15, 1968 was incorporated. The City operates under a council form of government, with an appointed city manager. The mayor and the five City Council members are elected at large, with staggered terms. The City provides the following services: public safety (police, fire, animal control, and ambulance), public utilities (water, sewer, electric, sanitation, pressure irrigation, and storm water), streets, library endowment, parks, recreation, cemetery, public works, planning and zoning, building inspection, and general administrative services.

Blended Component Units

As required by U.S. GAAP, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The City is considered to be financially accountable for an organization if the City appoints a voting majority of that organization or there is a potential for that organization to provide specific financial benefits to or impose specific financial burdens on the City. The City is also considered to be financially accountable for an organization if that organization is fiscally dependent (i.e., it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval from the City). Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. The component units discussed below are included as part of the City's reporting entity as blended component units.

The Municipal Building Authority of Kaysville City (MBA) and the Redevelopment Agency of Kaysville City (RDA) are considered blended component units of the City. The MBA and RDA are governed by an independent board, comprised of members of the City Council, and are financially dependent upon the City. In conformity with U.S. GAAP, the financial information of both component units has been included in these financial statements as blended component units. Separate financial statements are not issued.

Government-Wide and Fund Financial Statements

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

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 which are clearly identifiable with a specific function or segment. 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 or segment; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, including blended component units, and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City has a total of sixteen funds, including ten governmental funds and six proprietary funds.

The City reports the following major governmental funds:

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

Capital Projects Fund accounts for the acquisition of capital assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

Redevelopment Agency Fund accounts for the redevelopment of project areas throughout the City.

Municipal Building Authority Fund accounts for the construction and finance of certain City buildings.

RAMP Fund accounts for expenditures related to recreational purposes of the City.

Road Fund accounts for the ongoing construction and maintenance of City's roadways.

The government reports the following major enterprise funds:

Water Fund accounts for the activities of the City's water operations, both culinary and secondary water systems.

Electric Fund accounts for the activities of the City's power operations.

Storm Water Fund accounts for the activities of the City's storm drain operations.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due to/from other funds or advances to/from other funds. Further, certain activity occurs during the year involving transfers of resources between funds reported at gross amounts as transfers in/out. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transactions or events.

The government-wide and proprietary fund financial statements are reported using the *economic resources measurement focus* and the accrual basis of accounting. 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.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including any lease liabilities, as well as expenditures related to compensated absences, and claims and judgments, and post-employment benefits are recognized later, based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the City the right to use leased assets, when applicable, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases, when applicable, are reported as other financing sources.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end).

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for each of the funds presented.

The appropriated budget is prepared by fund, function, and department. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the Council. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances technically lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are reappropriated and become part of the subsequent year's budget pursuant to state regulations, and the encumbrances are automatically reestablished in the next year.

Assets, Liabilities, Deferred Inflows and Outflows of Resources and Equity

Cash, Cash Equivalents

The City's cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. For purposes of the statement of cash flows, the City's proprietary funds consider their demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. The Public Treasurers' Investment Fund (PTIF) is considered a cash equivalent since it is readily accessible by the City.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

State of Utah statutes authorize the City to invest in obligations of the U.S. Treasury, commercial paper, and repurchase agreements, as well as the PTIF. Investments are recorded at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension are stated at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction at year end.

Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Advances between funds are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable, available financial resources.

Property taxes are recognized when they are measurable and available. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on June 15 and are due on November 30 of the same calendar year. City property tax revenues are not recognized when levied because they are not expected to be collected within 60 days after the end of the current year and are, therefore, recorded as unavailable revenue.

Inventories and Prepaid Items

Inventories are valued at cost using the replacement value method. The costs of business-type fund inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets of the City are tangible and intangible assets, which include property, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$4,000 and an estimated useful life in excess of five years.

As the City constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed later in these footnotes). The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset's capacity or efficiency or increase its estimated useful life. Donated capital assets, such as developer contributions, are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

Land, water shares, and construction in progress are not depreciated. The other tangible and intangible property, equipment, the right to use leased equipment (when applicable), and infrastructure of the government are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Useful Life</u>
Buildings	60 years
Infrastructure	30 to 50 years
Improvements other than buildings	30 years
Vehicles, machinery and equipment	5 to 7 years

Compensated Absences

The City accrues accumulated unpaid paid time off, and associated employee-related costs when earned (or estimated to be earned) by the employee. Applicable payroll taxes are included in the calculation.

For reporting purposes, the City's proprietary funds report the amounts accrued for all employees as a liability, while the governmental fund financial statements only report a liability for earned compensated absences for terminated employees. The governmental funds liability balance for all employees is maintained separately and represents a reconciling item between the fund and government-wide presentations.

As of the date of this report, management and the City Council is updating its compensated absences policy.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems Pension Plan (URS) including additions to and 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.

Deferred Inflows and Outflows of Resources

In addition to assets, the statement of financial position includes a separate section for *deferred outflows of resources*. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category. It is the deferred amounts related to pension. The deferred amounts related to pension is the difference between estimated and actual investment earnings, changes in actuarial assumptions, and other pension related changes.

In addition to liabilities, the statement of financial position includes a separate section for *deferred inflows of resources*. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category. Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the government-wide financial statements the City reports deferred amounts related to pensions.

Long-term Liabilities

The City reports long-term liabilities at face value in the applicable governmental activities, or business-type activities or Statement of Net Position. Certain other governmental activities liabilities not expected to be financed with current available financial resources are also reported in the Statement of Net Position. Long-term liabilities and other obligations financed by proprietary funds are reported as liabilities in the appropriate funds.

For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as *other financial source* net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. Bonds payable are reported net of the applicable bond premium or discount.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity

Fund balance

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, provide reporting categories for fund balance in governmental funds. The statement applies only to fund financial statements and not to government-wide statements or proprietary fund statements. Proprietary fund equity is classified the same as in the government-wide statements. The fund balance may be classified as follows:

- Nonspendable – Fund balances that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.
- Restricted fund balance – Fund balances are reported as restricted when they are constrained by externally imposed legal restrictions, by law through constitutional provisions or enabling legislation, or restrictions set by creditors, grantors, or contributors.
- Committed fund balance – Fund balances are reported as committed when the Council formally designates the use of resources by ordinance or resolution for a specific purpose and cannot be used for any other purpose unless the City Council likewise formally changes the use through an ordinance or resolution.
- Assigned fund balance – Fund balances are reported as assigned when the City Council intends to use funds for a specific purpose. Normally funds are assigned by the appropriation process of setting the budget. Additionally, funds in special revenue, debt service, and capital project funds are by their nature assigned to the purpose of those respective funds.
- Unassigned fund balance – Fund balances in the general fund are reported as unassigned when they are neither restricted, committed, nor assigned. They may be used for any governmental purpose.

When an expenditure is incurred for purposes for 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.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

Equity is classified as net position and displayed in three components:

- Net Investment in capital assets – Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

Leases

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases*, which establishes criteria for identifying and properly reporting leases for all state and local governments. The Statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an asset.

The City has adopted this standard for the fiscal year ended June 30, 2023. However, an in-depth analysis of the City’s agreements found no lease arrangements which are subject to GASB 87. However, during the fiscal year ended June 30, 2023, the City has incurred approximately \$25,000 in governmental activities and \$15,000 in business-type activities in lease expenses for a total of 3 lease agreements. This obligation is expected to occur for the next 5 and 6 years, respectively.

Lessee: When applicable, the City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities and assets only when the lease term is more than 1 year, and (1) an individual contracted present value calculation exceeds \$75,000, or (2) the total aggregate present value of all leases city-wide exceeds \$300,000.

When applicable, at the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets (as right-to-use assets) and lease liabilities are reported with long-term debt on the statement of net position.

Lessor: The City is not a lessor for any agreements as of June 30, 2023.

Subscription-Based Information Technology Arrangements

In May 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*, which establishes criteria for identifying and properly reporting right-to-use subscription assets, primarily software subscriptions, for all state and local governments. The City has adopted this standard for the fiscal year ended June 30, 2023. However, an in-depth analysis found that no material SBITA liabilities exist for the City.

When applicable, the City recognizes a SBITA liability and an intangible right-to-use asset in the government-wide financial statements. The City recognizes subscription liabilities and assets only when the term is more than 1 year, and (1) an individual contracted present value calculation exceeds \$100,000, or (2) the total aggregate present value of all leases city-wide exceeds \$500,000.

Interfund Transactions

As a rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided, and other charges between the City's enterprise functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Interfund services provided and used are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures and expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as revenues in the fund that is reimbursed.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Program Revenues

Amounts reported as program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided or fines imposed by a given function or segment, and (2) grants and contributions (including developer impact fees) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Restricted Net Position

The following fund balances or net position are considered restricted:

- Power Impact Fees – a capacity impact fee is charged on all new construction permits. The use of these fees is limited by state law to be used for capital outlay in the electric fund. Accordingly, net position has been restricted.
- Water Impact Fees – a water impact fee is charged on all new construction permits. The use of these fees is limited by state law to be used for capital outlay in the water fund. Accordingly, net position has been restricted.
- Other Impact Fees – certain fees are charged on all new construction permits. The use of these fees (park development, public safety, fire, and transportation) is limited by state law. Unexpended balances are used for future developments throughout the City. Accordingly, net position has been restricted.
- Perpetual Cemetery – a part of the fees collected at the time a cemetery lot is sold, which is used for perpetual care.
- Library Endowment – the restriction is imposed by the contributor. The principal portion of the contribution is fully restricted, plus a portion of the interest earned each year. The remaining portion of the interest earned on the principal may be used for other purposes.
- Class C Roads & Active Transportation – all unexpended Class “C” Road and Active Transportation payments at the end of the fiscal year are restricted by state law to be appropriated in the following budget year.
- Capital projects – restricted for use in City projects for capital purposes.
- Debt service – Debt holders require certain funds be held and restricted for use to repay the debts.
- Redevelopment projects – restricted for use by the RDA and its purposes to finance and construct various projects to beautify, rehabilitate and enhance certain targeted areas of the City.
- Beer Tax – all unexpended Beer Tax payments at the end of the fiscal year are restricted by state law to be appropriated in the following budget year.

When both restricted and unrestricted net position are available for use, the City’s policy is to use restricted net position first, then unrestricted as needed.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

2. DEPOSITS AND INVESTMENTS

Investments are recorded at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

The State of Utah Money Management Council has the responsibility to advise the State Treasurer about investment policies and promote measures and rules that will assist in strengthening the banking and credit structure of the state, and review the rules adopted under the authority of the State of Utah Money Management Act that relate to the deposit and investment of public funds.

The City follows the requirements of the Utah Money Management Act (*Utah Code*, Title 51, Chapter 7) in handling its depository and investment transactions. The Act requires the depositing of Kaysville City funds in a qualified depository. The Act defines a qualified depository as any financial institution whose deposits are insured by an agency of the Federal Government, and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

The Money Management Act defines the types of securities authorized as appropriate investments for the City and the conditions for making investment transactions. Investment transactions may be conducted only through qualified depositories, certified dealers, certified investment advisors, or directly with issuers of the investment securities.

Statutes authorize the City to invest in negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as “first tier” by two nationally recognized statistical rating organizations, one of which must be Moody’s Investors Services or Standard & Poor’s; bankers’ acceptances; obligations of the United States Treasury including bills, notes, and bonds; obligations, other than mortgage derivative products, issued by U.S. government sponsored enterprises (U.S. Agencies) such as the Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae); bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed rate corporate obligations and variable rate securities rated “A” or higher, or the equivalent of “A” or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in the Money Management Act; and the Utah State Public Treasurers’ Investment Fund. Investments in pooled accounts are stated at fair value.

The Utah State Treasurer’s Office operates the Public Treasurers’ Investment Fund (PTIF). The PTIF is available for investment of funds administered by any Utah public treasurer and is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Money Management Act (*Utah Code*, Title 51, Chapter 7). The Act established the Money Management Council which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

2. DEPOSITS AND INVESTMENTS (CONTINUED)

The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses of the PTIF, net of administration fees, are allocated based upon the participant's average daily balance. The fair value of the PTIF investment pool is approximately equal to the value of the pool shares.

As of June 30, 2023, the City had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>			
		<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
<u>Cash Equivalent</u>					
Utah Public Treasurer's Investment Fund (PTIF)	\$ 28,473,198	\$ 28,473,198	\$ -	\$ -	\$ -
Money market funds	3,160,387	3,160,387	-	-	-
<u>Investments</u>					
Certificates of deposit	9,092,789	972,897	8,119,892	-	-
Corporate bonds	1,002,661	275,332	727,329	-	-
Government securities	450,129	-	450,129	-	-
	<u>\$ 42,179,164</u>	<u>\$ 32,881,814</u>	<u>\$ 9,297,350</u>	<u>\$ -</u>	<u>\$ -</u>

Fair Value of Investments

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

- Level 1: Valuations based on quoted prices in active markets for identical assets or liabilities that the City can access. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail any significant degree of judgement. Securities classified as Level 1 inputs include U.S. Government securities and certain other U.S. Agency and sovereign government obligations,
- Level 2: Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly. Securities classified as Level 2 include: corporate and municipal bonds, and "brokered" or securitized certificates of deposit; and,
- Level 3: Valuations based on input that are unobservable and significant to the overall fair value measurement.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

2. DEPOSITS AND INVESTMENTS (CONTINUED)

As of June 30, 2023, The City had the following quality rating, each with a recurring fair value measurement of Level 2, except for Corporate Bonds, which are Level 1:

Investment Type	Fair Value	Quality Rating				
		AAA	AA	A	BBB	Unrated
<u>Cash Equivalent</u>						
Utah Public Treasurer's Investment Fund (PTIF)	\$ 28,473,198	\$ -	\$ -	\$ -	\$ -	\$ 28,473,198
Money market funds	3,160,387	114,042	-	-	-	3,046,345
<u>Investments</u>						
Certificates of deposit	9,092,789	-	1,395,453	696,512	225,222	6,775,602
Corporate bonds	1,002,661	-	246,465	756,196	-	-
Government securities	450,129	217,110	-	-	-	233,019
	<u>\$ 42,179,164</u>	<u>\$ 331,152</u>	<u>\$ 1,641,918</u>	<u>\$ 1,452,708</u>	<u>\$ 225,222</u>	<u>\$ 38,528,164</u>

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities.

For securities that generally have market prices from multiple sources, it can be difficult to select the best individual price, and the best source one day may not be the best source on the following day. The solution is to report a "consensus price" or a weighted average price for each security.

The City receives market prices for these securities from a variety of industry standard data providers (e.g., Bloomberg), security master files from large financial institutions, and other third-party sources. Through the help of an investment advisor, The City uses these multiple prices as input into a distribution curve-based algorithm to determine the daily market value:

- U.S. Treasuries, Money Markets, U.S. Agencies: quoted prices for identical securities in markets that are active.

Debt securities classified in Level 2 are valued using the following approaches:

- Corporate and Municipal Bonds and Commercial Paper: quoted prices for similar securities in active markets,
- Repurchase Agreements, Negotiable Certificates of Deposit, and Collateralized Debt Obligations: matrix pricing based on the securities' relationship to benchmark quoted prices,
- Bond Mutual Funds: Published fair value per share (unit) for each fund,
- Utah Public Treasurers' Investment Fund: application of the June 30, 2023, fair value factor, as calculated by the Utah State Treasurer, the Kaysville City's average daily balance in the fund, and,
- Donated Real Estate: recent appraisals of the real estate's value.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

2. DEPOSITS AND INVESTMENTS (CONTINUED)

Interest rate risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City manages its exposure to fair value loss arising from increasing interest rates is to comply with the State’s Money Management Act. Section 51-7-11 of the Money Management 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 on all investments in commercial paper, bankers’ acceptance, fixed rate negotiable deposits, and fixed rate corporate obligations to 270 days – 15 months or less. The Act further limits the remaining term to maturity on all investments in obligations of the United States Treasury; obligations issued by U.S. government sponsored enterprises; and bonds, notes, and other evidence of indebtedness of political subdivisions of the State to 5 years. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding 3 years.

Credit risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City’s policy for reducing its exposure to credit risk is to comply with the State’s Money Management Act as previously discussed. The PTIF is not registered with the SEC as an investment company, and it is also unrated.

Concentration of credit risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investment in a single issuer. The City’s policy for reducing this risk of loss is to comply with the Rules of the Money Management Council. Rule 17 of the Money Management Council limits investments in a single issuer of commercial paper and corporate obligations to 5-10% depending upon the total dollar held in the portfolio. The City’s investment in the Utah Public Treasurers’ Investment Fund has no concentration of credit risk.

As of June 30, 2023, the City does not hold more than 10 percent of total investments in any single security concentration other than U.S. Government Treasuries and Agencies.

Custodial credit risk – Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does not have a formal deposit policy for custodial credit risk. All investments other than bank deposits or funds invested in the state treasurer’s fund are to be held by a third party with securities delivered on a delivery vs. purchase basis. As of June 30, 2023, the City safe kept all investments with a custodian counterparty and all investments which were held by the counterparty’s trust department or agent are registered in the City’s name. Throughout the year the City’s bank balance may fluctuate and there is a credit risk when deposits are above the covered FDIC limits. As of June 30, 2023, \$6,590,479 of the City’s bank balances of \$7,262,456 (which excludes outstanding checks and deposits) was uninsured and uncollateralized.

For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City’s investment in the Utah Public Treasurers’ Investment Fund and Moreton Asset Management has no custodial credit risk.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

2. DEPOSITS AND INVESTMENTS (CONTINUED)

Components of cash, cash equivalents, and investments (including interest earning deposits) as of June 30, 2023, are as follows:

Cash and cash equivalents on hand and on deposit:	
Cash on hand	\$ 250
Cash on deposit and money market	9,115,725
PTIF accounts	28,473,198
	37,589,173
Investments:	
Certificates of deposit	9,092,789
Government securities	450,129
Corporate bonds	1,002,661
	10,545,579
Total	\$ 48,134,752

Cash, cash equivalents, and investments are included in the accompanying combined statement of net position as follows:

Cash and cash equivalents	\$ 18,186,195
Cash and cash equivalents, restricted	19,402,978
Investments	10,404,838
Investments, restricted	140,741
	140,741
Total	\$ 48,134,752

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

3. ACCOUNTS RECEIVABLE

Receivables as of the fiscal year end, including the applicable allowances for uncollectible accounts, are as follows:

Governmental Funds

	General	RAMP	Road	Total
Receivables:				
Property tax	\$ 5,503,191	\$ -	\$ -	\$ 5,503,191
Sales and use	1,400,595	-	473,515	1,874,110
Other taxes	140,520	104,956	-	245,476
Accounts	257,102	-	167,914	425,016
Gross receivables	7,301,408	104,956	641,429	8,047,793
Less: allowance for uncollectibles	-	-	-	-
Net total governmental receivables	<u>\$ 7,301,408</u>	<u>\$ 104,956</u>	<u>\$ 641,429</u>	<u>\$ 8,047,793</u>

Business-type Funds

	Water	Electric	Storm Water	Nonmajor Enterprise	Total
Receivables:					
Utility customers	\$ 285,951	\$ 1,353,447	\$ 109,079	\$ 627,306	\$ 2,375,783
Taxes	-	80,888	-	-	80,888
Other	980	117,767	-	-	118,747
Gross receivables	286,931	1,552,102	109,079	627,306	2,575,418
Less: allowance for uncollectibles	(1,741)	(9,809)	(625)	(3,039)	(15,214)
Net total business-type receivables	<u>\$ 285,190</u>	<u>\$ 1,542,293</u>	<u>\$ 108,454</u>	<u>\$ 624,267</u>	<u>\$ 2,560,204</u>

4. INTERFUND ACTIVITY

Payables as of the fiscal year end are as follows:

Advances from/to other funds:		
Receivable fund	Payable fund	Amount
General	Electric	\$ 80,888
Nonmajor governmental	General	2,470,437
		<u>\$ 2,551,325</u>

Advances To Other Funds in the electric fund represents the energy use tax that the electric fund collects and remits to the general fund.

	Transfers in:		
	Governmental funds		
	General Fund	Nonmajor Governmental Funds	Total
Transfers out:			
General fund	\$ -	\$ 263,850	\$ 263,850
Nonmajor governmental funds	-	210,000	210,000
Water enterprise fund	113,739	-	113,739
Electric enterprise fund	263,905	-	263,905
Storm water enterprise fund	21,718	-	21,718
Nonmajor enterprise funds	13,290	-	13,290
	<u>\$ 412,652</u>	<u>\$ 473,850</u>	<u>\$ 886,502</u>

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

4. INTERFUND ACTIVITY (CONTINUED)

The transfers on the previous page resulted from the normal course of the City's operations. Often, funds are received in a given fund, but those funds are used for a purpose in which the expenditures are made in another fund. The transfer from the General Fund to the Nonmajor Governmental Funds was to make the debt service payments.

5. CAPITAL ASSETS

Capital asset activity in the governmental activities for the year ended June 30, 2023, was as follows:

	07/01/22	Increases	Decreases	06/30/23
Capital assets, not depreciated:				
Land	\$ 28,803,710	\$ -	\$ -	\$ 28,803,710
Construction in progress	372,935	6,430,836	(6,728)	6,797,043
Total capital assets, not depreciated	<u>29,176,645</u>	<u>6,430,836</u>	<u>(6,728)</u>	<u>35,600,753</u>
Capital assets, depreciated:				
Buildings and improvements	26,804,113	417,307	-	27,221,420
Infrastructure	77,644,372	718,879	-	78,363,251
Automobiles, machinery and equipment	11,115,041	2,116,591	(662,250)	12,569,382
Total capital assets, depreciated	<u>115,563,526</u>	<u>3,252,777</u>	<u>(662,250)</u>	<u>118,154,053</u>
Accumulated depreciation:				
Buildings and improvements	(7,961,278)	(672,829)	-	(8,634,107)
Infrastructure	(39,303,776)	(2,452,154)	-	(41,755,930)
Automobiles, machinery and equipment	(7,368,001)	(892,157)	633,390	(7,626,768)
Total accumulated depreciation	<u>(54,633,055)</u>	<u>(4,017,140)</u>	<u>633,390</u>	<u>(58,016,805)</u>
Total capital assets, depreciated (net)	<u>60,930,471</u>	<u>(764,363)</u>	<u>(28,860)</u>	<u>60,137,248</u>
Net governmental capital assets	<u>\$ 90,107,116</u>	<u>\$ 5,666,473</u>	<u>\$ (35,588)</u>	<u>\$ 95,738,001</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 325,539
Public safety	654,048
Community development	13,207
Highways and public improvements	2,565,317
Parks, recreation, and public property	459,029
Total depreciation expense - governmental activities	<u>\$ 4,017,140</u>

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

5. CAPITAL ASSETS (CONTINUED)

Capital asset activity in the business-type activities for the year ended June 30, 2023, was as follows:

	07/01/22	Increases	Decreases	06/30/23
Capital assets, not depreciated:				
Land	\$ 1,140,723	\$ -	\$ -	\$ 1,140,723
Water shares	4,792,490	141,000	-	4,933,490
Construction in progress	84,008	1,136,156	(25,679)	1,194,485
Total capital assets, not depreciated	6,017,221	1,277,156	(25,679)	7,268,698
Capital assets, depreciated:				
Buildings and improvements	1,526,147	408,581	-	1,934,728
Automobiles, machinery and equipment	4,952,896	1,130,218	(584,712)	5,498,402
Infrastructure				
Water system	28,688,791	1,830,936	-	30,519,727
Electric	30,592,084	403,959	-	30,996,043
Storm water system	24,223,635	1,000,299	-	25,223,934
Total capital assets, depreciated	89,983,553	4,773,993	(584,712)	94,172,834
Accumulated depreciation:				
Buildings and improvements	(527,024)	(28,677)	-	(555,701)
Automobiles, machinery and equipment	(4,233,751)	(183,957)	584,712	(3,832,996)
Infrastructure				
Water system	(11,157,314)	(737,230)	-	(11,894,544)
Electric	(15,149,259)	(829,706)	-	(15,978,965)
Storm water system	(12,547,873)	(685,925)	-	(13,233,798)
Total accumulated depreciation	(43,615,221)	(2,465,495)	584,712	(45,496,004)
Total capital assets, depreciated (net)	46,368,332	2,308,498	-	48,676,830
Net business-type capital assets	\$ 52,385,553	\$ 3,585,654	\$ (25,679)	\$ 55,945,528

Depreciation expense was charged to functions as follows:

Business-type activities:	
Water	\$ 836,582
Sewer	688
Electric	880,497
Sanitation	44,998
Storm Water	702,730
Total depreciation expense - business-type activities	\$ 2,465,495

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

5. CAPITAL ASSETS (CONTINUED)

Capital assets by proprietary fund are as follows:

	Major Funds			Nonmajor Funds			Total
	Water	Electric	Storm Water	Sewer	Pressure Irrigation	Sanitation	
Land	\$ 120,094	\$ 1,004,307	\$ -	\$ -	\$ 16,322	\$ -	\$ 1,140,723
Water shares	1,211,640	-	-	-	3,721,850	-	4,933,490
Construction in progress	729,982	464,503	-	-	-	-	1,194,485
Buildings and improvements	1,065,395	733,344	94,700	41,289	-	-	1,934,728
Infrastructure	30,519,727	30,996,043	25,223,934	-	-	-	86,739,704
Automobiles	277,971	1,545,627	592,174	-	-	305,042	2,720,814
Machinery and equipment	525,474	605,132	109,190	-	-	1,537,792	2,777,588
Total	34,450,283	35,348,956	26,019,998	41,289	3,738,172	1,842,834	101,441,532
Accumulated depreciation	(12,523,272)	(18,196,731)	(13,330,183)	(25,461)	-	(1,420,357)	(45,496,004)
Capital assets, net	\$ 21,927,011	\$ 17,152,225	\$ 12,689,815	\$ 15,828	\$ 3,738,172	\$ 422,477	\$ 55,945,528

6. DEPOSITS

General Fund - Deposits in the general fund as of June 30, 2023, are as follows:

Business license bonds	\$ 1,600
Builders' deposits	296,100
Parks and public properties	10,113
Excavation deposits	148,685
Escrow deposits	<u>1,156,413</u>
Total	\$ <u>1,612,911</u>

Capital Projects - Deposits in the capital projects fund as of June 30, 2023, are as follows:

Donations for parks and public properties	<u>\$ 25,471</u>
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Enterprise Funds – Electric utility deposits are recorded in the electric utility fund. Both water utility customer and water meter deposits are recorded in the water utility fund. As of June 30, 2023, deposits are as follows:

Electric utility customer deposits	\$ 133,673
Water utility customer deposits	32,854
Water meter deposits	<u>10,450</u>
Total	\$ <u>176,977</u>

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

7. LONG-TERM DEBT

Notes Payable

Governmental Activities. As of June 30, 2023, the City had three purchase agreements, two for the fire department to obtain a fire truck and an ambulance, one for the parks and recreation department to obtain a large area mower. These purchase agreements do not qualify as leases for accounting purposes and, therefore, have been recorded as notes payable.

The fire truck purchase agreement bears an interest rate of 2.86%. Semi-annual payments are required, with the final payment in July 2024. The remaining payments, for both principal and interest, are as follows:

	Principal	Interest	Totals
2024	\$ 146,752	\$ 5,299	\$ 152,051
2025	74,954	1,072	76,026
	\$ 221,706	\$ 6,371	\$ 228,077

During fiscal year 2021, the City entered into a lease agreement to acquire an Ambulance, that is recorded as a note payable on the government-wide financial statements. The purchase agreement bears an interest rate of 1.650%. Semi-annual payments are required, with the final payment in November 2023. The remaining payments, for both principal and interest, are as follows:

	Principal	Interest	Totals
2024	\$ 82,342	\$ 1,405	\$ 83,747
	\$ 82,342	\$ 1,405	\$ 83,747

The wide area mower lease purchase agreement bears an interest rate of 3.835%. Annual payments are required, with final payment in September 2023. The remaining payments, for both principal and interest, are as follows:

	Principal	Interest	Totals
2024	\$ 19,558	\$ 750	\$ 20,308
	\$ 19,558	\$ 750	\$ 20,308

Business-Type Activities. As of June 30, 2023, the business-type activities did not have any bonds or notes payable.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

7. LONG-TERM DEBT (CONTINUED)

Bonds Payable

Governmental Activities

Sales Tax Revenue Bonds, Series 2017 - Pioneer Park

The City is obligated for the repayment of bonds issued in 2017 in the amount of \$1,330,000, to finance the construction of Pioneer Park on the west side of the City. Interest payments are paid on July 15 and January 15 of each year; principal payments are made on July 15. Interest rate is based on a fixed debt service schedule with an average annual rate of 2.05%. The bonds will mature on July 15, 2024. The amortization of the bond is as follows:

Sales Tax Revenue Bonds, Series 2017

	Principal	Interest	Totals
2024	\$ 198,000	\$ 8,843	\$ 206,843
2025	204,000	3,060	207,060
	<u>\$ 402,000</u>	<u>\$ 11,903</u>	<u>\$ 413,903</u>

MBA Lease Revenue Bonds, Series 2019 - City Hall Remodel

During the year ended June 30, 2020, the MBA issued bonds to finance the remodel and construction of the City Hall. The MBA is obligated for the repayment of these bonds in the amount of \$4,028,000. Interest payments are paid on December 1 and June 1 of each year; principal payments are made on June 1. The Interest rate is based on a fixed debt service schedule, with an annual rate of 2.14%. The bonds mature on June 1, 2034. The amortization of the bond is as follows:

MBA Lease Revenue Bonds, Series 2019

	Principal	Interest	Totals
2024	\$ 266,000	\$ 69,828	\$ 335,828
2025	272,000	64,136	336,136
2026	278,000	58,315	336,315
2027	284,000	52,366	336,366
2028	290,000	46,288	336,288
2029 - 2033	1,544,000	135,719	1,679,719
2034 - 2035	329,000	7,041	336,041
	<u>\$ 3,263,000</u>	<u>\$ 433,693</u>	<u>\$ 3,696,693</u>

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

7. LONG-TERM DEBT (CONTINUED)

MBA Lease Revenue Refunding Bonds, Series 2019B - Police Station

The MBA issued lease revenue refunding bonds in October 2019 to lower the interest rate from 2.857% to 1.620%. The proceeds from this issuance were to decrease the MBA Lease Revenue Bonds, Series 2014. The bonds will mature on June 1, 2031. The amortization of the bonds is as follows:

MBA Lease Revenue Refunding Bonds, Series 2019B

	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2024	\$ 326,000	\$ 46,283	\$ 372,283
2025	335,000	41,002	376,002
2026	343,000	35,575	378,575
2027	352,000	30,019	382,019
2028	360,000	24,316	384,316
2029 - 2032	1,141,000	37,309	1,178,309
	<u>\$ 2,857,000</u>	<u>\$ 214,504</u>	<u>\$ 3,071,504</u>

Activity with long-term liabilities, including bonds, notes payable, and compensated absences for the year ended June 30, 2023, is as follows:

Governmental Activities

	<u>06/30/22</u>	<u>Increases</u>	<u>Decreases</u>	<u>06/30/23</u>	<u>Due in One Year</u>
<u>Governmental activities</u>					
Bonds payable:					
Sales Tax Revenue, Series 2017 (Pioneer Park)	\$ 595,000	\$ -	\$ (193,000)	\$ 402,000	\$ 198,000
MBA Lease Revenue, Series 2019 (City Hall Remodel)	3,523,000	-	(260,000)	3,263,000	266,000
MBA Lease Revenue Refunding, Series 2019B (Police Station)	3,175,000	-	(318,000)	2,857,000	326,000
Total bonds payable	<u>7,293,000</u>	<u>-</u>	<u>(771,000)</u>	<u>6,522,000</u>	<u>790,000</u>
Other long-term liabilities:					
Notes payable:					
Fire Truck	364,351	-	(142,645)	221,706	146,752
Wide-area Mower	38,393	-	(18,835)	19,558	19,558
Ambulance	166,115	-	(83,773)	82,342	82,342
Compensated absences	900,145	1,004,419	(763,323)	1,141,241	912,993
Governmental activities, long-term liabilities	<u>\$ 8,762,004</u>	<u>\$ 1,004,419</u>	<u>\$ (1,779,576)</u>	<u>\$ 7,986,847</u>	<u>\$ 1,951,645</u>

Business-type Activities

	<u>06/30/22</u>	<u>Increases</u>	<u>Decreases</u>	<u>06/30/23</u>	<u>Due in One Year</u>
<u>Business-type activities</u>					
Other long-term liabilities:					
Note payable, Ambulance	\$ 12,565	\$ -	\$ (12,565)	\$ -	\$ -
Compensated absences	270,755	381,068	(288,613)	363,210	290,569
Business-type activities, long-term liabilities	<u>\$ 283,320</u>	<u>\$ 381,068</u>	<u>\$ (301,178)</u>	<u>\$ 363,210</u>	<u>\$ 290,569</u>

For the year ended June 30, 2023, \$152,815 in interest was charged to expenditures in governmental activities.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

8. RETIREMENT SYSTEMS

Kaysville City contributes to the Local Governmental Contributory Retirement System, Local Governmental Noncontributory Retirement System and Public Safety Retirement System for employers with Social Security coverage, which is a cost-sharing multiple-employer defined benefit pension plans administered by the Utah Retirement Systems (Systems). Additional detail and amounts are outlined in this note and in the Schedule of Required Supplementary Information section of this audit.

Defined Contribution Plan – In addition to the Local Government Retirement Systems, the City also provides a 401(k) plan for employees. The plan is adopted and amended by the City Council, administered by the trustees with money management and contract administration provided by The Principal Financial Group.

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:

Defined Benefit Plans

- Public Employees Noncontributory Retirement Systems (Noncontributory System);
- Firefighters Retirement System (Firefighters System) are multiple employer, cost sharing, retirement systems.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System);
- 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.

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

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the System 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.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

8. RETIREMENT SYSTEMS (CONTINUED)

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

System	Final Average Salary	and/or Age Eligible for Benefit	Benefit Percent Per Year of Service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% or 4% depending upon employer
Firefighter 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 4%
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.50% per year all years	Up to 2.50%
Tier 2 Public Safety and Firefighters System	Highest 5 years	25 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.50% per year to June 2020 2.00% per year July 2020 to present	Up to 2.50%

*Actuarial reductions are applied.

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

Contribution Rate Summary - As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the URS Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable) is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of June 30, 2023, are as follows:

	Employee	Employer	Employer 401(k)
Contributory System			
11- Local Governmental Division Tier 1	6.00%	13.96%	N/A
111- Local Governmental Division Tier 2	N/A	16.01%	0.18%
Noncontributory System			
15- Local Governmental Division Tier 1	N/A	17.97%	N/A
Public Safety System			
Contributory			
122- Tier 2 DB Hybrid Public Safety	2.59%	26.99%	N/A
Noncontributory			
43- Other Div A with 4% COLA	N/A	35.71%	N/A
Firefighters Retirement System			
31- Other Division A	15.05%	3.61%	N/A
132- Tier 2 DB Hybrid Firefighters	2.59%	14.08%	N/A
Tier 2 DC Only			
211- Local Government	N/A	6.19%	10.00%
222- Public Safety	N/A	12.99%	14.00%
232- Firefighters	N/A	0.08%	14.00%

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

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

8. RETIREMENT SYSTEMS (CONTINUED)

For fiscal year ended June 30, 2023, the employer and employee contributions to the System were as follows:

<u>System</u>	<u>Employer Contributions</u>	<u>Employee Contributions</u>
Noncontributory System	\$ 599,954	\$ -
Public Safety System	481,979	-
Firefighters System	12,560	52,363
Tier 2 Public Employees System	331,516	-
Tier 2 Public Safety and Firefighter	439,798	50,862
Tier 2 DC Only System	56,583	-
Tier 2 DC Public Safety and Firefighter System	25,180	-
	<u>\$ 1,947,570</u>	<u>\$ 103,225</u>
Total Contributions	<u>\$ 1,947,570</u>	<u>\$ 103,225</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.

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

As of June 30, 2023, we reported a net pension asset of \$224,731 and a net pension liability of \$2,164,368.

	Measurement Date: December 31, 2022				
	<u>Net Pension Asset</u>	<u>Net Pension Liability</u>	<u>Proportionate Share</u>	<u>Proportionate Share December 31, 2021</u>	<u>Change (Decrease)</u>
Noncontributory System	\$ -	\$ 676,913	0.3952201%	0.3968416%	-0.0016215%
Public Safety System	\$ -	\$ 1,344,820	1.0400172%	0.9661640%	0.0738532%
Firefighters System	\$ 224,731	\$ -	0.8653352%	0.7162923%	0.1490429%
Tier 2 Public Employees System	\$ -	\$ 94,766	0.0870296%	0.0817099%	0.0053197%
Tier 2 Public Safety and Firefighter	\$ -	\$ 47,869	0.5737985%	0.5761312%	-0.0023327%
Total Net Pension Asset / Liability	<u>\$ 224,731</u>	<u>\$ 2,164,368</u>			

The net pension asset and liability were measured as of December 31, 2022, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2022, and roll-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the System during the plan year the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2023, the City recognized pension expense of \$1,171,119.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

8. RETIREMENT SYSTEMS (CONTINUED)

As of June 30, 2023, the City 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	\$ 330,306	\$ 20,783
Changes in assumptions	235,979	7,739
Net difference between projected and actual earnings on pension plan investments	906,205	-
Changes in proportion and differences between contributions and proportionate share of contributions	104,194	53,929
Contributions subsequent to the measurement date	<u>975,120</u>	<u>-</u>
Total	<u><u>\$ 2,551,804</u></u>	<u><u>\$ 82,451</u></u>

\$975,120 was reported as deferred outflows of resources related to pension results from contributions made by the City prior to our fiscal year end, but subsequent to the measurement date of December 31, 2022.

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

<u>Year Ended December 31,</u>	<u>Deferred Outflows (Inflows) of Resources</u>
2023	\$ (268,537)
2024	(6,376)
2025	370,406
2026	1,330,851
2027	11,244
Thereafter	56,646

Noncontributory System Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2023, we recognized pension expense of \$339,286.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

8. RETIREMENT SYSTEMS (CONTINUED)

As of June 30, 2023, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 229,599	\$ -
Changes in assumptions	110,937	2,703
Net difference between projected and actual earnings on pension plan investments	446,498	-
Changes in proportion and differences between contributions and proportionate share of contributions	4,095	745
Contributions subsequent to the measurement date	296,187	-
	<u>\$ 1,087,316</u>	<u>\$ 3,448</u>
Total		

\$296,187 reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2022.

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

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2023	\$ (97,451)
2024	20,107
2025	179,342
2026	685,686
2027	-
Thereafter	-

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

For the year ended June 30, 2023, we recognized pension expense of \$521,743.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

8. RETIREMENT SYSTEMS (CONTINUED)

As of June 30, 2023, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,954	\$ -
Changes in assumptions	36,069	-
Net difference between projected and actual earnings on pension plan investments	311,709	-
Changes in proportion and differences between contributions and proportionate share of contributions	65,804	-
Contributions subsequent to the measurement date	<u>238,021</u>	<u>-</u>
Total	<u>\$ 657,557</u>	<u>\$ -</u>

\$238,021 reported as deferred outflows of resources related to pension results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2022.

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

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2023	\$ (165,261)
2024	(53,592)
2025	129,941
2026	508,448
2027	-
Thereafter	-

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

For the year ended June 30, 2023, we recognized pension expense of (\$79,409).

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

8. RETIREMENT SYSTEMS (CONTINUED)

As of June 30, 2023, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 39,654	\$ 1,149
Changes in assumptions	27,933	-
Net difference between projected and actual earnings on pension plan investments	60,125	-
Changes in proportion and differences between contributions and proportionate share of contributions	2,893	41,651
Contributions subsequent to the measurement date	6,231	-
	<hr/>	<hr/>
Total	<u>\$ 136,836</u>	<u>\$ 42,800</u>

\$6,231 reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2022.

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

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
<hr/> 2023	\$ (15,829)
2024	5,860
2025	27,343
2026	70,431
2027	-
Thereafter	-

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

For the year ended June 30, 2023, we recognized pension expense of \$181,687.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

8. RETIREMENT SYSTEMS (CONTINUED)

As of June 30, 2023, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 32,008	\$ 3,760
Changes in assumptions	30,766	241
Net difference between projected and actual earnings on pension plan investments	38,207	-
Changes in proportion and differences between contributions and proportionate share of contributions	17,907	4,193
Contributions subsequent to the measurement date	198,609	-
	<hr/>	<hr/>
Total	<u>\$ 317,497</u>	<u>\$ 8,194</u>

\$198,609 reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2022.

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

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2023	\$ 5,449
2024	11,469
2025	18,215
2026	34,516
2027	8,243
Thereafter	32,803

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

For the year ended June 30, 2023, we recognized pension expense of \$207,812.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

8. RETIREMENT SYSTEMS (CONTINUED)

As of June 30, 2023, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 23,091	\$ 15,874
Changes in assumptions	30,274	4,795
Net difference between projected and actual earnings on pension plan investments	49,666	-
Changes in proportion and differences between contributions and proportionate share of contributions	13,495	7,340
Contributions subsequent to the measurement date	236,072	-
	<hr/>	<hr/>
Total	<u>\$ 352,598</u>	<u>\$ 28,009</u>

\$236,072 reported as deferred outflows of resources related to pension's results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2022.

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

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2023	\$ 4,555
2024	9,780
2025	15,565
2026	31,770
2027	3,001
Thereafter	23,843

Actuarial Assumptions

The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary Increases	3.25 – 9.25 percent, average, including inflation
Investment Rate Return	6.85 percent, net of pension plan investment expense, including inflation

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

8. RETIREMENT SYSTEMS (CONTINUED)

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

The actuarial assumptions used in the January 1, 2022, valuation were based on an experience study of the demographic assumptions as of January 1, 2020, and a review of economic assumptions as of January 1, 2021.

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

Asset Class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
Equity securities	35.00%	6.58%	2.30%
Debt securities	20.00%	1.08%	0.22%
Real assets	18.00%	5.72%	1.03%
Private equity	12.00%	9.80%	1.18%
Absolute return	15.00%	2.91%	0.44%
Cash and cash equivalents	0.00%	-0.11%	0.00%
Totals	100.00%		5.17%
	Inflation		2.50%
	Expected arithmetic nominal return		7.67%

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

Discount rate – The discount rate used to measure the total pension liability was 6.85 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate, and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current, active, and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments, to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced from 6.95% to 6.85% from the prior measurement date.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

8. RETIREMENT SYSTEMS (CONTINUED)

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate: The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.85 percent, as well as what the proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (5.85 percent) or 1 percentage point higher (7.85 percent) than the current rate:

System	1% Decrease (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
Noncontributory System	\$ 4,266,131	\$ 676,913	\$(2,322,068)
Public Safety System	4,331,000	1,344,820	(1,083,648)
Firefighters System	179,115	(224,731)	(552,464)
Tier 2 Public Employees System	414,075	94,766	(151,221)
Tier 2 Public Safety and Firefighter	383,176	47,869	(218,621)
Total	<u>\$ 9,573,497</u>	<u>\$ 1,939,637</u>	<u>\$(4,328,022)</u>

***Pension plan fiduciary net position: Detailed information about the fiduciary net position of the pension plans is available in the separately issued URS financial report.

Defined Contribution Savings Plans – The Defined Contribution Saving Plans are administered by the Utah Retirement System 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 section 401(k), 457(b) and 408 of the Internal Revenue Code. Detailed information regarding plan provisions is available in the separately issued URS financial report.

Kaysville City participates in the 401(k), 457(b), Roth IRA, and Traditional IRA Defined Contribution Savings Plans with the Utah Retirement Systems.

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

401(k) Plan	2023	2022	2021
Employer Contributions	\$ 315,949	\$ 261,981	\$ 226,404
Employee Contributions	134,555	96,713	84,875
457 Plan	2023	2023	2022
Employer Contributions	\$ -	\$ -	\$ 1,794
Employee Contributions	65,786	47,281	40,343
Roth IRA Plan	2023	2023	2022
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$ 38,528	\$ 27,099	\$ 22,885
Traditional IRA	2023	2023	2022
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$ 3,880	\$ 6,211	\$ 3,680

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

9. RISK MANAGEMENT - CLAIMS AND JUDGEMENTS

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters.

The City maintains commercial insurance for all major programs. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

10. PROPERTY TAXES

No revenue is recognized for delinquent taxes as corresponding entries are made to taxes receivable and deferred revenue. Due to the collection process, which is a county function, delinquent property taxes are reported as revenue when received. The County handles the accounting for property tax collections and the collection of delinquencies can take up to five years, at which time property is sold at tax auctions to collect on property tax liens.

11. INVESTMENTS IN POWER PROJECTS AND RELATED CONTRACTS

The power department is a member of Utah Associated Municipal Power Systems (UAMPS). UAMPS, a joint agency and political subdivision of the State of Utah was formed pursuant to the provisions of the Utah Interlocal Cooperation Act. UAMPS is a separate legal entity. No other governmental units exercise significant control over UAMPS and therefore is not considered a component unit. Separate financial statements for UAMPS may be obtained directly from UAMPS.

UAMPS' purpose includes planning, financing, developing, acquiring, constructing, improving, operating and maintaining projects. As a member of UAMPS, Kaysville City participates in various projects through power service contracts as discussed below:

Colorado River Storage Project (CRSP). CRSP is managed by Western Area Power Authority, which is a division of the U.S. Department of Energy. Kaysville City is a preference customer of CRSP. Kaysville's entitlement share is 2.036% (2,573 kW) in the winter season and 1.94% (1,661 kW) in the summer season. The generation is primarily based on hydroelectric from various sources. Plans are in progress to extend the contracts.

Firm Power Project. The Firm Power Project was established to provide for the acquisition of firm power supplies from third parties. UAMPS currently has one long term transaction with Iberdrola Renewables to purchase power from wind generation from the Pleasant Valley Wind Energy Facility in Uintah County, Wyoming, plus multiple forward market purchases. The contract terminates in 2028 and Kaysville's entitlement share is 19.1384%, or 3,000 kW.

Payson Project (Nebo Plant). In March 2003, the City entered into a power sales contract with UAMPS that expires on the later of (1) the date the principal of, premium, if any, and interest on all of the UAMPS Payson Revenue Bonds have been paid, or (2) the date of the final payment of all obligations under the Project Agreements, or (3) April 1, 2026. The energy supplied is produced by natural gas and varies based on need up to Kaysville's Entitlement Share of 16.24%.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

11. INVESTMENTS IN POWER PROJECTS AND RELATED CONTRACTS (CONTINUED)

Horse Butte Wind Project. The Horse Butte Project is energy produced by a wind generation facility in Bonneville County, Idaho, Kaysville's entitlement share is 10.52%, or 6,062 kW.

Veyo Heat Recovery Project. The Veyo Project is a heat recovery system that uses waste heat from the Kern River gas turbine compressors to heat thermal oil that serves as the heat source for the energy converter. The project is carbon free, renewable energy. Kaysville's entitlement share is 10.78%, or 841 kW.

Intermountain Power Project. The City has entered into a power sales contract that expires in June 2027. The coal fire plant is scheduled to be powered by natural gas in 2027. Kaysville City's entitled share is .739% of 1800 MWs. As the plant is re-powered to natural gas, the City's entitled share is .746% of 840 MW's. This resource is not a take or pay contract and is available as needed.

UAMPS Hunter II Project. In June 1985, the City entered into a power sales contract with UAMPS that expires on the later of (1) the date the principal of, premium, if any, and interest on all of the UAMPS Hunter Project Revenue and Refunding Bonds have been paid, or (2) the final shut down date of the Hunter Steam Electric Generating Unit No. 2 (Hunter II), or (3) June 1, 2032. The contract entitles the City to approximately 5.4 percent of the output of the project.

All-In Cost Pool. UAMPS Pool Project Participants formed the "All-In" Pool in a desire to manage member load and resource situations more cooperatively and efficiently. The pool provides an environment that encourages participants to jointly acquire resources as needed, thus taking advantage of economies of scale. Each of the participants in the pool has agreed to sell their excess power to, and purchase additional power needs from, the pool at cost. Any additional power needs for the group may be purchased in one large block at market prices. In addition, any excess power to be sold may be sold in a similar manner.

12. LIBRARY ENDOWMENT

In 1993, the Alan Blood family donated property to the City to be sold, and the proceeds used, to fund an endowment for the Kaysville City Library. The proceeds from this money are to be spent by the Library Endowment Board (LEB) on books for the library. As of June 30, 2023, the non-spendable portion is \$692,141 and the spendable portion is \$35,362. The funds that are spendable can be requested by the Davis County Library. Once funds are requested, they must be approved by the LEB, which is currently the City Council.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2023

13. FEDERAL GRANTS – ECONOMIC RECOVERY

As of June 30, 2023, the City had received a total of \$4,878,378 related to the American Rescue Plan Act (ARPA) of 2021. The City has designated these funds for the fiber infrastructure, public works, and public safety operations. As of June 30, 2023, \$4,309,175 remains unspent.

ARPA mandates that the State distribute these funds, as received from the U.S. Department of Treasury to non-entitlement local governments in Utah. The City is not a subrecipient of the State; the City is responsible for understanding and adhering to all Treasury guidance and regulations, as well as any other applicable federal, state and local regulations governing the use of these funds.

The period of performance for this award ends on December 31, 2026. As set forth in Treasury's implementing regulations, the City may use award funds to cover eligible costs incurred during the period from March 3, 2021 through December 31, 2026.

14. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Compliance

The City is required to have its governing body adopt a budget every fiscal year. Management is required to monitor this budget and propose any necessary amendments to the budget for approval. See *Schedule of Findings in the Utah State Audit Compliance Section*.

15. TAX ABATEMENT

The City does not currently offer any Tax Abatements as of June 30, 2023. The City's Redevelopment Agency (RDA), however, collects property tax revenue for the Flint Street Project Area, as approved by executed Interlocal Agreements with other taxing entities. The RDA collected \$127,165 during the fiscal year.

16. SUBSEQUENT EVENTS

Subsequent events have been evaluated through November 20, 2023, the date that the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

Budget to Actual Schedules:

General Fund

Redevelopment Agency of Kaysville City (RDA) - Special
Revenue Fund

Municipal Building Authority of Kaysville City (MBA) -
Special Revenue Fund

RAMP Fund - Special Revenue Fund

Road Projects Fund - Special Revenue Fund

Pension Related Schedules:

Schedule of the Proportionate Share of the
Net Pension Liability

Schedule of Contributions

Notes to Required Supplementary Information

KAYSVILLE CITY CORPORATION, UTAH
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual – General Fund
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes:				
Property, current	\$ 4,460,345	\$ 4,460,345	\$ 4,456,376	\$ (3,969)
Property, redemptions	125,000	125,000	156,530	31,530
Sales and use tax	7,495,000	7,495,000	7,755,116	260,116
Energy tax	1,325,000	1,325,000	1,872,916	547,916
Telecommunications tax	585,000	585,000	555,862	(29,138)
Other taxes	315,000	315,000	256,360	(58,640)
Total taxes	14,305,345	14,305,345	15,053,160	747,815
Licenses and permits:				
Building permits	600,000	600,000	443,136	(156,864)
Business licenses	65,000	65,000	73,470	8,470
Forfeited construction bonds	-	-	86,200	86,200
Total licenses and permits	665,000	665,000	602,806	(62,194)
Intergovernmental:				
Federal VAWA grant	53,000	53,000	88,805	35,805
Federal VOCA grant	90,000	90,000	81,516	(8,484)
Federal FEMA grant	-	-	14,039	14,039
State liquor allotment	20,000	20,000	28,822	8,822
Other state and local grants	25,000	25,000	10,415	(14,585)
Total intergovernmental	188,000	188,000	223,597	35,597
Charges for services:				
Administrative charges	1,020,881	1,020,881	1,020,881	-
Parks, recreation, and culture	589,000	589,000	671,199	82,199
Ambulance fees	565,000	565,000	617,647	52,647
Fire protection	65,000	65,000	75,032	10,032
GIS/Information system services	310,000	310,000	310,000	-
Law enforcement	285,000	285,000	377,294	92,294
Plan check and zoning fees	165,000	165,000	169,758	4,758
Burial fees	195,000	195,000	195,675	675
Cemetery lots	135,000	135,000	123,750	(11,250)
Fleet mgmt services	86,000	86,000	104,000	18,000
Construction inspection fees	-	-	7,000	7,000
Community events	35,000	35,000	33,912	(1,088)
Excavation permit fees	-	-	36,902	36,902
Transaction service charges	-	-	24,600	24,600
Streets	2,500	2,500	1,500	(1,000)
Miscellaneous charges	5,000	5,000	6,345	1,345
Maps and publications	500	500	-	(500)
Total charges for services	3,458,881	3,458,881	3,775,495	316,614
Fines and forfeitures:				
Court Fines	136,500	136,500	218,320	81,820
Leases and rents:				
Cellular Tower	14,896	14,896	24,883	9,987
Building and Equipment Use	3,104	3,104	5,185	2,081
Total leases and rents	18,000	18,000	30,068	12,068
Interest and dividends	95,000	95,000	427,954	332,954
Payments in lieu of taxes	25,000	25,000	22,337	(2,663)
Donations:				
Community events	2,500	2,500	2,675	175
Miscellaneous:				
Proceeds from auction sales	25,000	25,000	5,570	(19,430)
Proceeds from scrap metal	-	-	22,558	22,558
Other	20,000	20,000	85,346	65,346
Total miscellaneous	45,000	45,000	113,474	68,474
Total revenues	18,914,226	18,914,226	20,469,886	1,533,323

KAYSVILLE CITY CORPORATION, UTAH
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual – General Fund
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>EXPENDITURES</u>				
Current:				
General government:				
City Council	145,625	169,625	161,720	7,905
City Manager	250,606	250,606	210,187	40,419
Administrative Services	1,191,465	1,191,465	1,137,409	54,056
Information Services	784,932	784,932	804,718	(19,786)
Elections	-	-	64	(64)
Legal Services	358,777	358,777	336,234	22,543
Fleet Maintenance	325,898	325,898	290,895	35,003
MBA lease payment (City Hall)	337,000	337,000	337,000	-
Nonreciprocal utility payments	-	-	100,561	(100,561)
Total general government	3,394,303	3,418,303	3,378,788	39,515
Public safety:				
Police	6,371,454	6,371,454	6,122,932	248,522
MBA lease payment (Police Station)	371,000	371,000	371,000	-
Fire and emergency response	3,698,634	3,698,634	3,487,708	210,926
Animal control	95,000	95,000	45,477	49,523
Nonreciprocal utility payments	-	-	47,937	(47,937)
Total public safety	10,536,088	10,536,088	10,075,054	461,034
Community development:				
Planning and zoning	486,367	486,367	440,432	45,935
Building inspection	626,636	626,636	596,816	29,820
Nonreciprocal utility payments	-	-	67,040	(67,040)
Total community development	1,113,003	1,113,003	1,104,288	8,715
Streets and public works:				
General projects	984,746	1,184,746	1,069,907	114,839
Nonreciprocal utility payments	-	-	20,868	(20,868)
Total public works	984,746	1,184,746	1,069,907	114,839
Parks, recreation, and culture:				
Buildings	244,683	244,683	246,614	(1,931)
Parks	1,231,810	1,231,810	1,223,830	7,980
Recreation	1,048,137	1,048,137	1,069,335	(21,198)
Community events	195,618	195,618	181,047	14,571
Cemetery	416,651	416,651	409,165	7,486
Nonreciprocal utility payments	-	-	176,246	(176,246)
Total parks, recreation, and culture	3,136,899	3,136,899	3,306,237	(169,338)
Capital outlay				
General government	437,100	437,100	75,848	361,252
Public safety	227,000	1,293,000	1,387,725	(94,725)
Community development	6,000	6,000	-	6,000
Streets and public works	55,000	361,000	555,970	(194,970)
Parks, recreation, and culture	109,500	109,500	178,361	(68,861)
Total capital outlay	834,600	2,206,600	2,197,904	8,696
Total expenditures	19,999,639	21,595,639	21,132,178	463,461
Excess of revenues over expenditures	(1,085,413)	(2,681,413)	(662,292)	2,019,121
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in (nonreciprocal utility fees)	-	-	412,652	412,652
Transfers out	(263,850)	(263,850)	(263,850)	-
Sale of capital assets	-	-	161,571	161,571
Total other financing sources (uses)	(263,850)	(263,850)	310,373	574,223
Net change in fund balance	(1,349,263)	(2,945,263)	(351,919)	2,593,344
Fund balance, beginning of year	7,593,373	7,593,373	7,593,373	-
Fund balance, end of year	\$ 6,244,110	\$ 4,648,110	\$ 7,241,454	\$ 2,593,344

KAYSVILLE CITY CORPORATION, UTAH
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual – Redevelopment Agency
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUES</u>				
Property taxes	\$ 135,000	\$ 135,000	\$ 127,165	\$ (7,835)
Interest	-	-	21,537	21,537
Total revenues	135,000	135,000	148,702	13,702
<u>EXPENDITURES</u>				
Community Development	135,000	135,000	8,951	126,049
Total expenditures	135,000	135,000	8,951	126,049
Net change in fund balance	-	-	139,751	139,751
Fund balance, beginning of year	811,806	811,806	811,806	-
Fund balance, end of year	\$ 811,806	\$ 811,806	\$ 951,557	\$ 139,751

KAYSVILLE CITY CORPORATION, UTAH
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual – Municipal Building Authority
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUES</u>				
Lease revenue	\$ 708,000	\$ 708,000	\$ 708,000	\$ -
Interest	-	-	24,595	24,595
Miscellaneous	-	-	30,683	30,683
Total revenues	708,000	708,000	763,278	55,278
<u>EXPENDITURES</u>				
Community development	-	-	10	(10)
Debt service:				
Principal	578,000	578,000	578,000	-
Interest and fiscal charges	130,000	130,000	130,123	(123)
Total expenditures	708,000	708,000	708,133	(133)
Deficiency of revenues under expenditures	-	-	55,145	55,145
Net change in fund balance	-	-	55,145	55,145
Fund balance, beginning of year	477,772	477,772	477,772	-
Fund balance, end of year	\$ 477,772	\$ 477,772	\$ 532,917	\$ 55,145

KAYSVILLE CITY CORPORATION, UTAH
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual – RAMP Fund
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUES</u>				
Parks and recreation (RAMP) tax	\$ 300,000	\$ 300,000	\$ 523,811	\$ 223,811
Investment earnings, net	-	-	7,541	7,541
Total revenues	300,000	300,000	531,352	231,352
<u>EXPENDITURES</u>				
Current:				
Parks, recreation and culture	86,000	86,000	17,488	68,512
Capital outlay:				
Parks, recreation and culture	214,000	214,000	259,070	(45,070)
Total expenditures	300,000	300,000	276,558	23,442
Excess of revenues over expenditures	-	-	254,794	254,794
Fund balance, beginning of year	146,440	146,440	146,440	-
Fund balance, end of year	\$ 146,440	\$ 146,440	\$ 401,234	\$ 254,794

KAYSVILLE CITY CORPORATION, UTAH
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual – Road Fund
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUES</u>				
Sales taxes	\$ 660,000	\$ 660,000	\$ 710,095	\$ 50,095
Intergovernmental	1,350,000	10,050,000	10,916,934	866,934
Charges for services	1,175,000	1,175,000	1,180,885	5,885
Investment earnings, net	-	-	138,888	138,888
Special assessments - impact fees	-	-	478,301	478,301
Miscellaneous	60,000	60,000	662	(59,338)
Total revenues	<u>3,245,000</u>	<u>11,945,000</u>	<u>13,425,765</u>	<u>1,480,765</u>
<u>EXPENDITURES</u>				
Current:				
Streets and public works	577,807	577,807	262,730	315,077
Capital outlay:				
Streets and public works	2,910,000	6,910,000	6,479,478	430,522
Total expenditures	<u>3,487,807</u>	<u>7,487,807</u>	<u>6,742,208</u>	<u>745,599</u>
Excess of revenues over expenditures	<u>(242,807)</u>	<u>4,457,193</u>	<u>6,683,557</u>	<u>2,226,364</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	242,807	242,807	-	(242,807)
Sale of general capital assets	-	-	6,650	6,650
Net other financing sources (uses)	<u>242,807</u>	<u>242,807</u>	<u>6,650</u>	<u>(236,157)</u>
Net change in fund balance	-	4,700,000	6,690,207	1,990,207
Fund balance, beginning of year	<u>3,353,491</u>	<u>3,353,491</u>	<u>3,353,491</u>	<u>-</u>
Fund balance, end of year	<u>\$ 3,353,491</u>	<u>\$ 8,053,491</u>	<u>\$ 10,043,698</u>	<u>\$ 1,990,207</u>

KAYSVILLE CITY CORPORATION, UTAH
Schedule of the Proportionate Share of the
Net Pension Liability
(Provided by Utah Retirement Systems)
Last 10 Fiscal Years*

	Noncontributory Retirement System	Public Safety System	Firefighters Retirement System	Tier 2 Public Employees Retirement System	Tier 2 Public Safety and Firefighters Retirement
2023					
Proportion of the net pension liability (asset)	0.3952201%	1.0400172%	0.8653352%	0.0870296%	0.5737985%
Proportionate share of the net pension liability (asset)	\$ 676,913	\$ 1,344,820	\$ (224,731)	\$ 94,766	\$ 47,869
Covered payroll	\$ 3,398,727	\$ 1,335,720	\$ 419,057	\$ 1,897,907	\$ 1,765,452
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	19.92%	100.68%	-53.63%	4.99%	2.71%
Plan fiduciary net position as a percentage of its covered payroll	97.50%	93.60%	108.40%	92.30%	96.40%
2022					
Proportion of the net pension liability (asset)	0.3968416%	0.9661640%	0.7162923%	0.0817099%	0.5761312%
Proportionate share of the net pension liability (asset)	\$ (2,272,754)	\$ (784,663)	\$ (417,753)	\$ (34,583)	\$ (29,119)
Covered payroll	\$ 3,301,776	\$ 1,154,304	\$ 332,305	\$ 1,515,199	\$ 1,377,749
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-68.83%	-67.98%	-125.71%	-2.28%	-2.11%
Plan fiduciary net position as a percentage of its covered payroll	108.70%	104.20%	120.10%	103.80%	102.80%
2021					
Proportion of the net pension liability (asset)	0.3973498%	0.8917801%	0.6868830%	0.0643880%	0.5388504%
Proportionate share of the net pension liability (asset)	\$ 203,818	\$ 740,393	\$ (192,066)	\$ 9,261	\$ 48,332
Covered payroll	\$ 3,413,781	\$ 1,114,673	\$ 308,461	\$ 1,029,240	\$ 1,070,263
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	5.97%	66.42%	-62.27%	0.90%	4.52%
Plan fiduciary net position as a percentage of its covered payroll	99.20%	95.50%	110.50%	98.30%	93.10%
2020					
Proportion of the net pension liability (asset)	0.3894917%	0.8455728%	0.7505180%	0.0735046%	0.4635401%
Proportionate share of the net pension liability (asset)	\$ 1,467,943	\$ 1,357,667	\$ (93,079)	\$ 16,532	\$ 43,603
Covered payroll	\$ 3,276,220	\$ 1,118,008	\$ 319,402	\$ 1,021,651	\$ 763,958
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	44.81%	121.44%	-29.14%	1.62%	5.71%
Plan fiduciary net position as a percentage of its covered payroll	93.70%	90.90%	105.00%	96.50%	89.60%
2019					
Proportion of the net pension liability (asset)	0.3727471%	0.9242781%	0.6664376%	0.0659779%	0.4408629%
Proportionate share of the net pension liability (asset)	\$ 2,744,807	\$ 2,377,784	\$ 86,535	\$ 28,257	\$ 11,046
Covered payroll	\$ 3,121,968	\$ 1,232,867	\$ 280,439	\$ 769,193	\$ 588,935
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	87.92%	192.87%	30.86%	3.67%	1.88%
Plan fiduciary net position as a percentage of its covered payroll	87.00%	84.70%	94.30%	90.80%	95.60%
2018					
Proportion of the net pension liability (asset)	0.3632073%	0.8932410%	0.4995134%	0.0798652%	0.2911591%
Proportionate share of the net pension liability (asset)	\$ 1,591,320	\$ 1,401,190	\$ (31,197)	\$ 7,041	\$ (3,369)
Covered payroll	\$ 3,145,224	\$ 1,222,119	\$ 213,250	\$ 782,125	\$ 307,168
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	50.59%	114.65%	N/A	0.90%	-1.10%
Plan fiduciary net position as a percentage of its covered payroll	91.90%	90.20%	103.00%	97.40%	103.00%
2017					
Proportion of the net pension liability (asset)	0.3782228%	0.9570199%	0.4728736%	0.0695979%	0.3341964%
Proportionate share of the net pension liability (asset)	\$ 2,428,653	\$ 1,942,058	\$ (3,728)	\$ 7,764	\$ (2,901)
Covered payroll	\$ 3,368,213	\$ 1,299,724	\$ 138,720	\$ 570,760	\$ 276,122
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	72.11%	149.42%	N/A	1.36%	-1.05%
Plan fiduciary net position as a percentage of its covered payroll	87.30%	86.50%	100.40%	95.10%	103.60%
2016					
Proportion of the net pension liability (asset)	0.3712689%	0.9028963%	N/A	0.6231040%	0.3267187%
Proportionate share of the net pension liability (asset)	\$ 2,100,820	\$ 1,617,314	N/A	\$ (136)	\$ (4,773)
Covered payroll	\$ 3,142,903	\$ 1,230,772	N/A	\$ 402,584	\$ 194,444
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	66.84%	131.41%	N/A	-0.03%	-2.45%
Plan fiduciary net position as a percentage of its covered payroll	87.80%	87.10%	N/A	100.20%	110.70%
2015					
Proportion of the net pension liability (asset)	0.3498119%	0.8693386%	N/A	0.5576570%	0.1876971%
Proportionate share of the net pension liability (asset)	\$ 1,518,966	\$ 1,093,265	N/A	\$ (1,690)	\$ (2,777)
Covered payroll	\$ 2,975,806	\$ 1,197,771	N/A	\$ 274,011	\$ 77,767
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	51.04%	91.27%	N/A	-0.62%	-3.57%
Plan fiduciary net position as a percentage of its covered payroll	90.20%	90.50%	N/A	103.50%	120.50%

Note:

This schedule usually covers the 10 most recent fiscal years; however, only 8 years have passed since the implementation year of GASB 68. Contributions in Tier 2 include an amortization rate to help fund unfunded liabilities in the Tier 1 systems.

KAYSVILLE CITY CORPORATION, UTAH
Schedule of Contributions
(Provided by Utah Retirement Systems)
Last 10 Fiscal Years*

	As of fiscal year ended June 30,	Actuarial Determined Contributions	Contributions In relation to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered employee payroll
Noncontributory System	2014	\$ 514,845	\$ 514,845	\$ -	\$ 2,978,314	17.29%
	2015	558,516	558,516	-	3,022,674	18.48%
	2016	590,639	590,639	-	3,255,577	18.14%
	2017	582,359	582,359	-	3,252,924	17.90%
	2018	564,975	564,975	-	3,108,701	18.17%
	2019	592,483	592,483	-	3,213,037	18.44%
	2020	613,369	613,369	-	3,337,600	18.38%
	2021	627,435	627,435	-	3,399,099	18.46%
	2022	607,206	607,206	-	3,323,348	18.27%
	2023	599,954	599,954	-	3,407,171	17.61%
Contributory System	2014	\$ 10,886	\$ 10,886	\$ -	\$ 79,263	13.73%
	2015	11,560	11,560	-	79,946	14.46%
	2016	12,194	12,194	-	84,327	14.46%
	2017	12,794	12,794	-	88,481	14.46%
	2018	12,463	12,463	-	86,189	14.46%
	2019	8,918	8,918	-	61,674	14.46%
	2020	-	-	-	-	0.00%
	2021	-	-	-	-	0.00%
	2022	-	-	-	-	0.00%
	2023	-	-	-	-	0.00%
Public Safety System	2014	\$ 401,881	\$ 401,881	\$ -	\$ 1,176,123	34.17%
	2015	435,849	435,849	-	1,220,524	35.71%
	2016	438,678	438,678	-	1,228,445	35.71%
	2017	461,398	461,398	-	1,302,057	35.44%
	2018	439,655	439,655	-	1,231,180	35.71%
	2019	404,912	404,912	-	1,165,896	34.73%
	2020	377,148	377,148	-	1,100,965	34.26%
	2021	393,546	393,546	-	1,135,872	34.65%
	2022	441,945	441,945	-	1,238,687	35.68%
	2023	481,979	481,979	-	1,377,611	34.99%
Firefighters System	2014	\$ -	\$ -	\$ -	\$ -	0.00%
	2015	-	-	-	-	0.00%
	2016	1,279	1,279	-	4,933	25.93%
	2017	6,506	6,506	-	177,237	3.67%
	2018	6,910	6,910	-	246,693	2.80%
	2019	10,601	10,601	-	306,835	3.45%
	2020	10,081	10,081	-	299,356	3.37%
	2021	10,564	10,564	-	315,853	3.34%
	2022	11,979	11,979	-	351,008	3.41%
	2023	12,560	12,560	-	456,835	2.75%
Tier 2 Public Employees System*	2014	\$ 24,454	\$ 24,454	\$ -	\$ 174,798	13.99%
	2015	56,172	56,172	-	373,937	15.02%
	2016	65,140	65,140	-	436,858	14.91%
	2017	110,196	110,196	-	740,427	14.88%
	2018	114,957	114,957	-	759,923	15.13%
	2019	143,216	143,216	-	923,194	15.51%
	2020	160,708	160,708	-	1,028,286	15.63%
	2021	192,752	192,752	-	1,219,949	15.80%
	2022	284,873	284,873	-	1,776,910	16.03%
	2023	331,516	331,516	-	2,070,683	16.01%
Tier 2 Public Safety and Firefighter System*	2014	\$ 10,538	\$ 10,538	\$ -	\$ 47,108	22.37%
	2015	32,028	32,028	-	134,654	23.79%
	2016	56,360	56,360	-	239,685	23.51%
	2017	63,148	63,148	-	266,989	23.65%
	2018	92,454	92,454	-	427,577	21.62%
	2019	136,806	136,806	-	667,211	20.50%
	2020	196,835	196,835	-	933,988	21.07%
	2021	290,058	290,058	-	1,245,290	23.29%
	2022	340,376	340,376	-	1,501,345	22.67%
	2023	439,798	439,798	-	1,968,003	22.35%
Tier 2 Public Employees DC Only System*	2014	\$ -	\$ -	\$ -	\$ -	0.00%
	2015	2,239	2,239	-	148,986	1.50%
	2016	5,391	5,391	-	66,098	8.16%
	2017	4,580	4,580	-	79,437	5.77%
	2018	16,825	16,825	-	251,478	6.69%
	2019	26,520	26,520	-	396,407	6.69%
	2020	30,795	30,795	-	460,297	6.69%
	2021	35,746	35,746	-	534,297	6.69%
	2022	43,146	43,146	-	644,812	6.69%
	2023	56,583	56,583	-	914,095	6.19%
Tier 2 Public Safety and Firefighter DC Only System*	2014	\$ -	\$ -	\$ -	\$ -	0.00%
	2015	-	-	-	-	0.00%
	2016	-	-	-	-	0.00%
	2017	-	-	-	-	0.00%
	2018	5,483	5,483	-	61,885	8.86%
	2019	6,040	6,040	-	138,334	4.37%
	2020	8,445	8,445	-	181,337	4.66%
	2021	17,518	17,518	-	295,992	5.92%
	2022	16,848	16,848	-	347,506	4.85%
	2023	25,180	25,180	-	474,832	5.30%

*Contributions in Tier 2 include an amortization rate to help fund the unfunded liabilities in the Tier 1 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 practices.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Required Supplementary Information
For the Year Ended June 30, 2023

1. BUDGET INFORMATION

Annual budgets are prepared and adopted in accordance with the “Uniform Fiscal Procedures Act for Utah Cities” by the Kaysville City Council on or before June 22nd for the following fiscal year which begins on July 1 for all the funds. Budgets may be increased by resolution of the City Council at any time during the year, following a public hearing. Budgets are adopted at subdepartment levels; however, budget amendments by resolution are generally required only if the department desires to exceed its total budget appropriation.

Budgets for all funds are legally adopted annually on a basis consistent with generally accepted accounting principles.

The City adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

1. On or before the first regular scheduled meeting in May, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means to finance those expenditures.
2. Prior to the formal adoption of the budget, the City Council will hold budget workshop meetings which are open to the public.
3. Prior to budget adoption the City Council sets a date for a public budget hearing at which time taxpayers’ comments are heard. Copies of the proposed budget are made available for public inspection 10 days prior to the budget hearing. At the conclusion of the budget hearing, the budget, as amended, is legally enacted through passage of a resolution or ordinance.
4. Formal budgetary integration is employed as a management control device during the year for all funds.
5. Budgets for the General Fund, Debt Service Fund, the Capital Projects Fund, Redevelopment Agency Fund, Municipal Building Authority Fund, RAMP Fund, ARPA Fund, and Road Fund are adopted on a basis consistent with Generally Accepted Accounting Principles in the United States of America (GAAP). Budgets for the proprietary fund types are prepared using the accrual basis of accounting except that depreciation for all proprietary fund types is not budgeted. Budgeted amounts are as originally adopted, or as amended by the City Council during the 2023 fiscal year.
6. Unencumbered budget appropriations lapse at the end of the fiscal year.
7. Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded for the applicable appropriation, is utilized in the General Fund. For budgetary purposes appropriations lapse at fiscal year end and except for that portion related to encumbered amounts.

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Required Supplementary Information (Continued)
For the Year Ended June 30, 2023

1. BUDGET INFORMATION (CONTINUED)

Summary of Action Required for Budget Changes

1. Transfers of unexpended appropriations from one expenditure account to another in the same department can be made with the consent of the Budget Officer.
2. The Council may, by resolution, transfer unexpended appropriations from one department to another department within the same fund. The budget appropriation for any department may be reduced by resolution.
3. Fund budgets may be increased by resolution after a public hearing. Final amendments to budgets in the current year shall be adopted by the Council by the last day of the fiscal year. Budgets of Enterprise Funds may be increased by resolution of the governing body (public hearing not required).

2. CHANGES IN ASSUMPTIONS FOR INFORMATION PROVIDED BY URS

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

OTHER SUPPLEMENTARY INFORMATION

Nonmajor Governmental Funds:

Combining Balance Sheet

Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance

Budget to Actual Schedules

Nonmajor Enterprise Funds:

Combining Statement of Net Position

Combining Statement of Revenues, Expenditures, and
Changes in Net Position

Combining Statement of Cash Flows

KAYSVILLE CITY CORPORATION, UTAH
Combining Balance Sheet –
Nonmajor Governmental Funds
For the Year Ended June 30, 2023

	Debt Service Fund	ARPA	Permanent		Total Nonmajor Governmental Funds
			Cemetery Peperual Fund	Library Endowment Fund	
ASSETS					
Cash and cash equivalents	\$ 95,472	\$ 1,838,738	\$ -	\$ -	\$ 1,934,210
Cash and cash equivalents, restricted	-	-	2,313,160	586,762	2,899,922
Investments, restricted	-	-	-	140,741	140,741
Due from other funds	-	2,470,437	-	-	2,470,437
Total assets	<u>\$ 95,472</u>	<u>\$ 4,309,175</u>	<u>\$ 2,313,160</u>	<u>\$ 727,503</u>	<u>\$ 7,445,310</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ 3,298	\$ -	\$ 3,298
FUND BALANCES					
Non-Spendable:					
Library endowment	-	-	-	692,141	692,141
Cemetery perpetual care	-	-	1,711,785	-	1,711,785
Restricted:					
Library endowment	-	-	-	35,362	35,362
Cemetery perpetual care	-	-	598,077	-	598,077
Assigned:					
Debt Service	95,472	-	-	-	95,472
Operational and capital projects	-	4,309,175	-	-	4,309,175
Total fund balances	<u>95,472</u>	<u>4,309,175</u>	<u>2,309,862</u>	<u>727,503</u>	<u>7,442,012</u>
Total liabilities and fund balances	<u>\$ 95,472</u>	<u>\$ 4,309,175</u>	<u>\$ 2,313,160</u>	<u>\$ 727,503</u>	<u>\$ 7,445,310</u>

KAYSVILLE CITY CORPORATION, UTAH
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Governmental Funds
For the Year Ended June 30, 2023

	Debt Service Fund	ARPA	Permanent		Total Nonmajor Governmental Funds
			Cemetery Peperual Fund	Library Endowment Fund	
REVENUES					
Charges for services	\$ -	\$ -	\$ 112,430	\$ -	\$ 112,430
Investment earnings	3,692	108,730	58,269	14,830	185,521
Total revenues	3,692	108,730	170,699	14,830	297,951
EXPENDITURES					
Current:					
Public safety	-	125,374	-	-	125,374
Streets and public Works	-	7,088	-	-	7,088
Parks, recreation and culture	-	-	-	20,000	20,000
Debt service:					
Principal	438,253	-	-	-	438,253
Interest and fiscal charges	29,132	-	-	-	29,132
Capital Outlay	-	157,180	138,769	-	295,949
Total expenditures	467,385	289,642	138,769	20,000	915,796
Excess (deficiency) of revenues over expenditures	(463,693)	(180,912)	31,930	(5,170)	(617,845)
OTHER FINANCING SOURCES (USES)					
Transfers In	473,850	-	-	-	473,850
Net change in fund balances	10,157	(180,912)	31,930	(5,170)	(143,995)
Fund balances, beginning	85,315	4,490,087	2,277,932	732,673	7,586,007
Fund balances, ending	\$ 95,472	\$ 4,309,175	\$ 2,309,862	\$ 727,503	\$ 7,442,012

KAYSVILLE CITY CORPORATION, UTAH
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual – Capital Projects Fund
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUES</u>				
Impact Fees:				
Parks, recreation, and culture	\$ 210,000	\$ 210,000	\$ 349,440	\$ 139,440
Public safety	-	-	152,071	152,071
Interest Income	-	-	66,323	66,323
Total revenues	210,000	210,000	567,834	357,834
<u>EXPENDITURES</u>				
Capital outlay:				
Streets and public works	215,000	215,000	170,198	44,802
Parks, recreation, and culture	320,000	320,000	274,286	45,714
Excess of revenues over expenditures	(325,000)	(325,000)	123,350	448,350
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	(210,000)	(210,000)	(210,000)	-
Net change in fund balance	(535,000)	(535,000)	(86,650)	448,350
Fund balance, beginning of year	3,290,605	3,290,605	3,290,605	-
Fund balance, end of year	\$ 2,755,605	\$ 2,755,605	\$ 3,203,955	\$ 448,350

KAYSVILLE CITY CORPORATION, UTAH
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual – Debt Service Fund
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUES</u>				
Interest	\$ -	\$ -	\$ 3,692	\$ 3,692
<u>EXPENDITURES</u>				
Debt Service:				
Principal, bonds payable	195,000	195,000	193,000	2,000
Principal, notes payable	252,850	252,850	245,253	7,597
Interest and fiscal charges	26,000	26,000	29,132	(3,132)
Total expenditures	473,850	473,850	467,385	6,465
Excess (deficiency) of revenues over expenditures	(473,850)	(473,850)	(463,693)	10,157
<u>OTHER FINANCING SOURCES</u>				
Transfers in	473,850	473,850	473,850	-
Net change in fund balance	-	-	10,157	10,157
Fund balance, beginning of year	85,315	85,315	85,315	-
Fund balance, end of year	<u>\$ 85,315</u>	<u>\$ 85,315</u>	<u>\$ 95,472</u>	<u>\$ 10,157</u>

KAYSVILLE CITY CORPORATION, UTAH
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual – ARPA Fund
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUES</u>				
Intergovernmental	\$ 3,300,000	\$ 3,300,000	\$ -	\$ (3,300,000)
Interest Income	-	-	108,730	108,730
Total revenues	<u>3,300,000</u>	<u>3,300,000</u>	<u>108,730</u>	<u>(3,191,270)</u>
<u>EXPENDITURES</u>				
Current:				
Public safety	154,577	154,577	125,374	29,203
Streets and public Works	-	-	7,088	(7,088)
Capital outlay	<u>3,300,000</u>	<u>3,300,000</u>	<u>157,180</u>	<u>3,142,820</u>
Total expenditures	<u>3,454,577</u>	<u>3,454,577</u>	<u>289,642</u>	<u>3,164,935</u>
Net change in fund balance	<u>(154,577)</u>	<u>(154,577)</u>	<u>(180,912)</u>	<u>(26,335)</u>
Fund balance, beginning of year	<u>4,490,087</u>	<u>4,490,087</u>	<u>4,490,087</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 4,335,510</u></u>	<u><u>\$ 4,335,510</u></u>	<u><u>\$ 4,309,175</u></u>	<u><u>\$ (26,335)</u></u>

KAYSVILLE CITY CORPORATION, UTAH
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual – Perpetual Cemetery Fund
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUES</u>				
Charges for Services	\$ 90,000	\$ 90,000	\$ 112,430	\$ 22,430
Interest Income	50,000	50,000	58,269	8,269
Total revenues	140,000	140,000	170,699	30,699
<u>EXPENDITURES</u>				
Administrative	-	-	-	-
Capital outlay	200,000	200,000	138,769	61,231
Total expenditures	200,000	200,000	138,769	61,231
Net change in fund balance	(60,000)	(60,000)	31,930	91,930
Fund balance, beginning of year	2,277,932	2,277,932	2,277,932	-
Fund balance, end of year	\$ 2,217,932	\$ 2,217,932	\$ 2,309,862	\$ 91,930

KAYSVILLE CITY CORPORATION, UTAH
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual – Library Endowment Fund
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUES</u>				
Interest	\$ 10,000	\$ 10,000	\$ 14,830	\$ 4,830
<u>EXPENDITURES</u>				
Noncapital improvements	20,000	20,000	20,000	-
Net change in fund balance	(10,000)	(10,000)	(5,170)	4,830
Fund balance, beginning of year	732,673	732,673	732,673	-
Fund balance, end of year	<u>\$ 722,673</u>	<u>\$ 722,673</u>	<u>\$ 727,503</u>	<u>\$ 4,830</u>

KAYSVILLE CITY CORPORATION, UTAH
Combining Statement of Net Position –
Nonmajor Enterprise Funds
June 30, 2023

	Business-type Activities - Enterprise Funds			Total Nonmajor Funds
	Sewer	Pressure Irrigation	Sanitation	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 959,988	\$ 50,874	\$ 1,685,669	\$ 2,696,531
Accounts receivable, net				
Utility	247,645	146,667	229,955	624,267
Total current assets	<u>1,207,633</u>	<u>197,541</u>	<u>1,915,624</u>	<u>3,320,798</u>
Noncurrent assets:				
Capital assets:				
Land	-	16,322	-	16,322
Water shares	-	3,721,850	-	3,721,850
Buildings and improvements	41,289	-	-	41,289
Automobiles, machinery and equipment	-	-	1,842,834	1,842,834
Less: accumulated depreciation	(25,461)	-	(1,420,357)	(1,445,818)
Total noncurrent assets	<u>15,828</u>	<u>3,738,172</u>	<u>422,477</u>	<u>4,176,477</u>
Total assets	<u>1,223,461</u>	<u>3,935,713</u>	<u>2,338,101</u>	<u>7,497,275</u>
LIABILITIES				
Current liabilities:				
Accounts payable	328,856	131,556	177,947	638,359
Total current liabilities	<u>328,856</u>	<u>131,556</u>	<u>177,947</u>	<u>638,359</u>
Noncurrent liabilities:	-	-	-	-
Total liabilities	<u>328,856</u>	<u>131,556</u>	<u>177,947</u>	<u>638,359</u>
NET POSITION				
Net investment in capital assets	15,828	3,738,172	422,477	4,176,477
Unrestricted	878,777	65,985	1,737,677	2,682,439
Total net position	<u>894,605</u>	<u>3,804,157</u>	<u>2,160,154</u>	<u>6,858,916</u>
Total liabilities and net position	<u>\$ 1,223,461</u>	<u>\$ 3,935,713</u>	<u>\$ 2,338,101</u>	<u>\$ 7,497,275</u>

KAYSVILLE CITY CORPORATION, UTAH
Combining Statement of Revenues, Expenses and Changes in Net Position –
Nonmajor Enterprise Funds
For the Year Ended June 30, 2023

	Business-type Activities - Enterprise Funds			Total Nonmajor Funds
	Sewer	Pressure Irrigation	Sanitation	
OPERATING REVENUES				
Charges for services:				
Treatment and service charges	\$ 2,770,886	\$ 1,477,720	\$ 2,545,360	\$ 6,793,966
Other user fee and charges	5,023	-	8,267	13,290
Total operating revenues	<u>2,775,909</u>	<u>1,477,720</u>	<u>2,553,627</u>	<u>6,807,256</u>
OPERATING EXPENSES				
Personnel services	5,800	92	25,679	31,571
Contractual services	2,670,774	1,418,886	2,146,721	6,236,381
Administrative charges from General Fund	92,807	92,807	139,211	324,825
Interfund services	-	-	5,000	5,000
Supplies, maintenance, and miscellaneous operating	9,931	5,599	106,078	121,608
Depreciation	688	-	44,998	45,686
Total operating expenses	<u>2,780,000</u>	<u>1,517,384</u>	<u>2,467,687</u>	<u>6,765,071</u>
Operating income (loss)	<u>(4,091)</u>	<u>(39,664)</u>	<u>85,940</u>	<u>42,185</u>
NONOPERATING REVENUES				
Investment earnings	22,748	1,757	40,178	64,683
Gain on sale of assets	-	-	72,200	72,200
Total nonoperating revenues	<u>22,748</u>	<u>1,757</u>	<u>112,378</u>	<u>136,883</u>
Income (loss)	18,657	(37,907)	198,318	179,068
Transfers out	(5,023)	-	(8,267)	(13,290)
Change in net position	13,634	(37,907)	190,051	165,778
Total net position, beginning	<u>880,971</u>	<u>3,842,064</u>	<u>1,970,103</u>	<u>6,693,138</u>
Total net position, ending	<u>\$ 894,605</u>	<u>\$ 3,804,157</u>	<u>\$ 2,160,154</u>	<u>\$ 6,858,916</u>

KAYSVILLE CITY CORPORATION, UTAH
Combining Statement of Cash Flows –
Nonmajor Enterprise Funds
For the Year Ended June 30, 2023

	Business-type Activities - Enterprise Funds			Total Nonmajor Enterprise Funds
	Sewer	Pressure Irrigation	Sanitation	
Cash flows from operating activities				
Receipts from customers and users	\$ 2,762,570	\$ 1,444,130	\$ 2,541,012	\$ 6,747,712
Payments to suppliers	(2,664,545)	(1,398,423)	(2,254,715)	(6,317,683)
Payments to employees	(5,800)	(92)	(25,679)	(31,571)
Payments for interfund services	(92,807)	(92,807)	(144,211)	(329,825)
Net cash provided (used) by operating activities	<u>(582)</u>	<u>(47,192)</u>	<u>116,407</u>	<u>68,633</u>
Cash flows from noncapital financing activities				
Cash received from other funds	(5,023)	-	(8,267)	(13,290)
Cash flows from capital and related financing activities				
Aquisition of capital assets	-	-	(232,842)	(232,842)
Cash flows from investing activities				
Interest received	22,748	1,757	40,178	64,683
Net cash provided by investing activities	<u>22,748</u>	<u>1,757</u>	<u>40,178</u>	<u>64,683</u>
Net increase (decrease) in cash and cash equivalents	17,143	(45,435)	(84,524)	(112,816)
Cash and cash equivalents, beginning of year	<u>942,845</u>	<u>96,309</u>	<u>1,770,193</u>	<u>2,809,347</u>
Cash and cash equivalents, end of year	<u>\$ 959,988</u>	<u>\$ 50,874</u>	<u>\$ 1,685,669</u>	<u>\$ 2,696,531</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ (4,091)	\$ (39,664)	\$ 85,940	\$ 42,185
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	688	-	44,998	45,686
Changes in assets and liabilities:				
Accounts receivable	(13,339)	(33,590)	(12,615)	(59,544)
Accounts payable	16,160	26,062	(1,916)	40,306
Net cash provided (used) by operating activities	<u>\$ (582)</u>	<u>\$ (47,192)</u>	<u>\$ 116,407</u>	<u>\$ 68,633</u>

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

STATISTICAL SECTION

KAYSVILLE CITY CORPORATION

Statistical Section

This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

	<u>Page</u>
Financial Trends	108-113
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	
Revenue Capacity	114-121
<i>These schedules contain information to help the reader assess a primary city revenue source, property tax.</i>	
Debt Capacity	122-124
<i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	125-126
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	
Operating Information	127-129
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services it provides and the actives it performs.</i>	

KAYSVILLE CITY CORPORATION
Net Position by Component
June 30,

	(*Restated) 2014	2015	(*Restated) 2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities:										
Net Investment of Capital Assets	\$ 68,417,942	\$ 73,170,909	\$ 72,688,598	\$ 74,851,196	\$ 76,597,865	\$ 15,859,194	\$ 15,418,558	\$ 17,839,025	\$ 82,245,257	\$ 88,425,980
Restricted	5,351,824	5,604,329	5,966,992	5,923,558	7,188,243	4,391,242	7,623,341	6,608,290	8,816,743	15,500,575
Unrestricted	191,422	(1,086,709)	(3,848)	998,674	3,004,914	2,851,317	2,319,564	3,381,178	13,204,662	13,865,869
Total Governmental Activities Net Position	\$ 73,961,188	\$ 77,688,529	\$ 78,651,742	\$ 81,773,428	\$ 86,791,022	\$ 23,101,753	\$ 25,361,463	\$ 27,828,493	\$ 104,266,662	\$ 117,792,424
Business-type Activities:										
Net Investment of Capital Assets	\$ 48,131,444	\$ 48,431,735	\$ 49,482,868	\$ 49,544,446	\$ 48,944,148	\$ 110,935,762	\$ 110,178,187	\$ 115,852,151	\$ 52,385,553	\$ 55,945,528
Restricted	-	202,157	688,524	1,029,394	1,543,974	2,777,780	2,311,185	2,990,640	3,797,899	4,093,778
Unrestricted	10,400,263	11,071,837	12,406,511	14,579,974	13,864,038	16,721,454	15,793,785	17,192,612	18,998,651	14,948,476
Total Business-type Activities Net Position	\$ 58,531,707	\$ 59,705,729	\$ 62,557,903	\$ 65,153,814	\$ 64,352,160	\$ 130,434,996	\$ 128,283,157	\$ 136,035,403	\$ 75,182,103	\$ 74,987,762
Primary Government										
Net Investment in Capital Assets	\$ 116,549,386	\$ 121,602,644	\$ 122,171,466	\$ 124,395,642	\$ 125,542,013	\$ 126,794,956	\$ 125,596,745	\$ 133,691,176	\$ 134,630,810	\$ 144,371,508
Restricted	5,351,824	5,806,486	6,635,516	6,952,952	8,732,217	7,169,022	9,934,526	9,598,930	12,614,642	19,594,353
Unrestricted	10,591,685	9,985,128	12,402,663	15,578,648	16,868,952	19,572,771	18,113,349	20,573,790	32,203,313	28,814,345
Total Primary Government Net Position	\$ 132,492,895	\$ 137,394,258	\$ 141,209,645	\$ 146,927,242	\$ 151,143,182	\$ 153,536,749	\$ 153,644,620	\$ 163,863,896	\$ 179,448,765	\$ 192,780,206

(Accrual Basis of Accounting)

* In FY2019, the Road Utility Fund was formed. During this year the road assets were transferred to the Road Utility Fund from the General Fund

** In FY2022, the City determined that the Road Utility Enterprise Fund and the Ambulance Enterprise Fund were best reported as governmental funds

KAYSVILLE CITY CORPORATION
Changes in Net Position
For the Year Ended June 30,

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Government Activities:										
General Government	\$ 2,383,664	\$ 2,380,314	\$ 2,490,055	\$ 2,446,401	\$ 2,567,656	\$ 3,132,685	\$ 2,504,558	\$ 3,811,104	\$ 3,273,057	\$ 3,614,898
Public Safety - Police	3,064,397	3,496,435	3,817,732	3,874,551	3,695,913	4,643,415	4,942,482	5,623,367	5,421,876	7,172,053
Public Safety - Fire	863,892	833,769	964,668	913,103	849,282	1,076,170	1,365,305	1,897,410	2,557,632	3,533,055
Public Safety - Animal Control	-	-	-	-	-	-	-	95,123	919,241	45,477
Community Development	700,293	686,765	722,417	792,510	724,185	875,965	1,035,615	1,698,458	906,871	3,639,288
Public Works	3,916,960	2,937,745	4,135,628	3,985,500	5,563,214	1,214,306	962,291	992,643	4,511,879	1,319,398
Parks, Recreation and Culture	2,157,669	2,640,781	2,490,851	2,457,360	2,446,321	3,004,775	2,610,749	2,742,405	3,004,995	3,754,035
Perpetual Cemetery	35,347	23,641	23,654	-	-	-	-	-	-	-
Library Endowment	-	-	-	100,000	-	-	-	-	-	-
Nondepartmental	-	-	-	-	-	-	1,113,823	-	-	-
Interest on Long-Term Debt	149,543	235,218	199,427	162,298	203,870	239,382	334,175	217,269	174,335	152,815
Total Governmental Activities Expenses	13,271,765	13,234,668	14,844,432	14,731,723	16,050,441	14,186,698	14,868,998	17,077,779	20,769,886	23,231,019
Business-type Activities:										
Water	2,599,457	2,443,152	2,371,766	2,256,288	3,515,650	4,169,497	3,520,163	3,178,987	3,360,773	3,617,720
Electric	13,137,151	13,814,577	14,006,885	14,698,768	15,888,033	14,734,493	15,489,395	15,689,771	17,010,050	20,973,427
Storm Water	1,044,438	1,418,881	1,610,691	1,214,987	1,643,631	1,739,308	1,866,836	1,521,681	1,553,978	2,004,543
Road Utility	-	-	-	-	-	4,106,071	6,538,721	3,682,801	63,640,648	-
Ambulance	422,391	483,772	541,755	776,868	926,154	980,363	874,406	1,066,837	200,091	-
Sewer	1,822,954	1,876,862	2,195,339	2,193,175	2,251,223	2,293,722	2,674,245	2,686,746	2,690,713	2,780,000
Pressure Irrigation	1,121,653	1,143,314	1,211,994	1,205,904	1,237,799	1,262,153	1,284,053	1,314,563	1,333,155	1,517,384
Sanitation	1,765,134	1,751,666	1,859,482	1,739,010	1,857,858	1,958,416	2,257,050	2,365,716	2,330,173	2,467,687
Total Business-Type Activities Expenses	21,913,178	22,932,224	23,797,912	24,085,000	27,320,348	31,244,023	34,504,869	31,507,102	92,119,581	33,360,761
Total Primary Government Expenses	\$ 35,184,943	\$ 36,166,892	\$ 38,642,344	\$ 38,816,723	\$ 43,370,789	\$ 45,430,721	\$ 49,373,867	\$ 48,584,881	\$ 112,889,467	\$ 56,591,780

KAYSVILLE CITY CORPORATION
Changes in Net Position (Continued)
For the Year Ended June 30,

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Program Revenues										
Government Activities:										
Charges for Services:										
General Government	\$ 770,059	\$ 827,020	\$ 908,174	\$ 945,100	\$ 1,023,800	\$ 1,391,042	\$ 1,125,000	\$ 1,855,515	\$ 1,716,883	\$ 1,951,630
Public Safety	347,003	461,120	474,244	565,839	630,020	633,868	558,874	1,015,021	1,627,832	1,436,256
Community Development	770,321	759,540	750,378	719,877	771,196	748,293	696,268	937,490	1,088,738	841,066
Public Works	1,097,082	1,295,257	1,043,907	1,554,383	1,531,636	1,18,057	23,546	3,609	1,220,154	1,225,673
Parks, Recreation and Culture	1,043,769	1,017,174	784,962	848,275	802,896	838,745	641,542	1,019,316	1,178,379	1,173,379
Perpetual Cemetery	63,850	58,925	57,125	52,785	75,933	122,775	135,941	-	-	-
Nondepartmental	-	-	-	-	75,933	-	1,036,053	-	-	-
Operating Grants and Contributions	19,807	17,363	485,115	19,458	21,528	19,079	1,100,618	1,491,398	430,002	225,822
Capital Grants and Contributions	906,199	3,734,313	2,044,012	3,564,061	4,938,082	555,668	513,257	904,007	71,551,127	11,897,196
Total Governmental Activities Program Revenues	5,018,090	8,170,712	6,557,917	8,269,778	9,795,091	4,427,527	5,831,099	7,226,356	78,812,915	18,751,022
Business-type Activities:										
Charges for Services:										
Water	2,566,353	2,789,065	2,813,194	2,893,746	2,932,922	3,049,993	3,057,567	3,255,067	3,296,041	3,603,584
Electric	14,967,518	14,004,518	14,560,483	14,684,800	14,695,678	15,413,704	15,516,030	16,435,150	17,959,400	19,578,721
Storm Water	1,091,871	1,073,364	1,129,187	1,152,990	1,159,769	1,210,737	1,221,139	1,232,626	1,219,978	1,258,207
Road Utility	-	-	-	-	-	2,909,937	1,150,366	1,155,886	-	-
Ambulance	434,899	486,656	413,301	483,113	455,685	403,381	554,439	506,606	-	-
Sewer	1,880,801	1,875,927	2,177,025	2,219,400	2,234,779	2,329,583	2,678,918	2,694,301	2,718,369	2,775,909
Pressure Irrigation	1,124,747	1,121,755	1,187,426	1,209,698	1,219,522	1,274,415	1,279,859	1,300,429	1,320,699	1,477,720
Sanitation	1,784,714	1,767,879	1,851,658	1,890,425	1,916,031	2,005,253	2,270,433	2,466,404	2,501,393	2,553,627
Grants and Contributions	940,771	905,801	462,803	-	-	-	-	-	-	-
Capital Grants and Contributions	-	-	1,956,069	1,832,732	1,459,122	4,024,933	3,844,368	9,375,244	3,156,232	1,542,116
Total Business-Type Activities Program Revenues	24,791,674	24,024,965	26,551,146	26,366,904	26,073,508	32,621,936	31,573,119	38,421,713	32,172,112	32,789,884
Total Primary Government Program Revenues	\$ 29,809,764	\$ 32,195,677	\$ 33,109,063	\$ 34,636,682	\$ 35,868,599	\$ 37,049,463	\$ 37,404,218	\$ 45,648,069	\$ 110,985,027	\$ 51,540,906
Net (Expense) Revenue										
Governmental Activities	\$ (8,253,675)	\$ (5,063,956)	\$ (8,286,515)	\$ (6,461,945)	\$ (6,255,350)	\$ (9,759,171)	\$ (9,037,999)	\$ (9,851,423)	\$ 58,043,029	\$ (4,479,997)
Business-type Activities	2,878,496	1,092,741	2,753,234	2,281,904	(1,246,840)	1,377,913	(2,931,750)	6,914,611	(59,947,469)	(570,877)
Total Primary Government Net Expense	\$ (5,375,179)	\$ (3,971,215)	\$ (5,533,281)	\$ (4,180,041)	\$ (7,502,190)	\$ (8,381,258)	\$ (11,969,649)	\$ (2,936,812)	\$ (1,904,440)	\$ (5,050,874)

KAYSVILLE CITY CORPORATION
Changes in Net Position (Continued)
For the Year Ended June 30,

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Revenues										
Governmental activities:										
Taxes										
Sales Taxes	\$ 3,471,892	\$ 3,665,634	\$ 4,098,274	\$ 4,483,613	\$ 4,819,011	\$ 4,873,747	\$ 5,581,445	\$ 6,571,051	\$ 7,555,446	\$ 7,755,116
Property Taxes	1,484,074	3,263,780	2,948,599	3,237,023	3,322,726	3,536,836	3,709,251	4,026,569	4,735,065	4,740,071
Energy Sales and Use Charge	1,227,956	1,156,028	1,240,883	1,247,116	1,274,019	1,134,227	1,140,205	1,353,682	1,546,886	1,872,916
Franchise Taxes	592,786	537,744	536,596	551,817	483,614	657,389	579,668	538,149	593,121	555,862
RAMP Taxes	-	-	-	-	-	-	-	-	-	523,811
Motor Vehicle and Other Taxes	-	-	-	-	-	-	265,765	243,207	1,104,305	988,792
Interest on Investments	41,085	69,172	137,272	105,279	179,540	226,397	289,555	82,217	97,144	872,359
Gain on Sale of Assets	-	-	185,713	-	64,423	33,166	44,655	9,376	924,471	139,361
Miscellaneous	124,467	121,289	148,027	153,379	115,047	52,041	58,065	31,752	86,578	144,819
Special Item, Net Insurance Proceeds	-	-	-	-	1,182,870	-	-	-	-	-
Transfers In (Out)	(3,640)	(22,350)	(45,636)	(194,596)	(169,304)	(64,443,901)	(371,000)	(537,550)	1,752,324	412,652
Total governmental activities	6,938,620	8,791,297	9,249,728	9,583,631	11,271,946	(53,930,098)	11,297,609	12,318,453	18,395,140	18,005,759
Business-type Activities:										
Interest on investments	27,026	58,931	36,733	68,970	76,103	183,185	300,618	95,032	72,149	464,934
Gain on sale of capital assets	-	-	-	-	7,749	-	13,653	34,980	734,575	278,628
Miscellaneous	-	-	16,571	50,441	192,030	77,837	94,640	170,073	39,769	45,646
Transfers In (Out)	3,640	22,350	45,636	194,596	169,304	64,443,901	371,000	537,550	(1,752,324)	(412,652)
Total business-type activities	30,666	81,281	98,940	314,007	445,186	64,704,923	779,911	837,635	(905,831)	376,556
Total primary government	\$ 6,969,286	\$ 8,872,578	\$ 9,348,668	\$ 9,897,638	\$ 11,717,132	\$ 10,774,825	\$ 12,077,520	\$ 13,156,088	\$ 17,489,309	\$ 18,382,315
Change in Net Position	\$ (1,315,055)	\$ 3,727,341	\$ 963,213	\$ 3,121,686	\$ 5,016,596	\$ (63,689,269)	\$ 2,259,710	\$ 2,487,030	\$ 76,438,169	\$ 13,525,762
Governmental activities	2,909,162	1,174,022	2,852,174	2,595,911	(801,654)	66,082,836	(2,151,839)	7,752,246	(60,853,300)	(194,321)
Business-type activities	\$ 1,594,107	\$ 4,901,363	\$ 3,815,387	\$ 5,717,597	\$ 4,214,942	\$ 2,393,567	\$ 107,871	\$ 10,219,276	\$ 15,584,869	\$ 13,331,441
(Accrual Basis of Accounting)										

Information from Basic Financial Statements, Government-wide Financial Statement of Activities

KAYSVILLE CITY CORPORATION
Balance Sheet Fund Balances of Governmental Funds
June 30,

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable	\$ 538,944	\$ 691,853	\$ 468,737	\$ 878,006	\$ 1,143,522	\$ 7,660	\$ 710,114	\$ -	\$ 5,470	\$ 5,500
Restricted	1,800,497	1,767,732	2,233,349	3,459,744	4,924,356	4,664,867	4,662,914	5,453,109	178,170	55,082
Unassigned	\$ 2,339,441	\$ 2,459,585	\$ 2,702,086	\$ 4,337,750	\$ 6,067,878	\$ 4,672,527	\$ 5,373,028	\$ 5,507,623	\$ 7,739,813	\$ 7,241,454
Total General Fund	\$ 1,172,747	\$ 1,518,347	\$ 1,964,659	\$ 1,677,481	\$ 766,758	\$ 53,305	\$ 1,697,717	\$ 2,426,205	\$ 1,711,390	\$ 1,831,513
Capital Projects Fund										
Restricted	951,857	696,209	680,083	444,954	2,184,485	1,897,031	-	-	1,579,215	1,372,442
Assigned	\$ 2,124,604	\$ 2,214,556	\$ 2,644,742	\$ 2,122,435	\$ 2,951,243	\$ 1,950,336	\$ 1,697,717	\$ 2,426,205	\$ 3,290,605	\$ 3,203,955
Total Capital Projects Fund	\$ 723,956	\$ 723,956	\$ 251,931	\$ 251,931	\$ 251,931	\$ 465,238	\$ 536,263	\$ 681,324	\$ 811,806	\$ 951,557
Redevelopment Agency										
Nonspendable	379,189	(665,041)	(81,696)	19,570	134,182	465,238	-	-	-	-
Assigned	\$ 1,103,145	\$ 58,915	\$ 170,235	\$ 271,501	\$ 386,113	\$ 465,238	\$ 536,263	\$ 681,324	\$ 811,806	\$ 951,557
Total Redevelopment Agency Fund	\$ 4,322,483	\$ 35,877	\$ 19,914	\$ 13,600	\$ 96	\$ 4,677	\$ 1,840,672	\$ 475,468	\$ 477,772	\$ 532,917
Municipal Building Authority										
Restricted	\$ 4,322,483	\$ 35,877	\$ 19,914	\$ 13,600	\$ 96	\$ 4,677	\$ 1,840,672	\$ 475,468	\$ 477,772	\$ 532,917
Total Municipal Building Authority Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RAMP Fund										
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 401,234
Assigned	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total ARPA Grant Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 401,234
ARPA Grant Fund										
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Assigned	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,490,087	\$ 4,309,175
Total ARPA Grant Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,490,087	\$ 4,309,175
Road Projects Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,353,491	\$ 10,043,698
Total Road Projects Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,353,491	\$ 10,043,698
Debt Service Fund										
Restricted	\$ 62,483	\$ 65,837	\$ 49,279	\$ 50,661	\$ 39,110	\$ 61,706	\$ 72,455	\$ 78,094	\$ 85,315	\$ 95,472
Assigned	\$ 62,483	\$ 65,837	\$ 49,279	\$ 50,661	\$ 39,110	\$ 61,706	\$ 72,455	\$ 78,094	\$ 85,315	\$ 95,472
Total Debt Service Fund	\$ 990,976	\$ 1,049,901	\$ 1,107,026	\$ 1,159,811	\$ 1,223,021	\$ 1,301,306	\$ 1,382,081	\$ 1,492,356	\$ 1,599,355	\$ 1,711,785
Cemetery Perpetual Care										
Nonspendable	623,864	618,476	634,363	650,005	662,728	642,206	667,651	675,348	678,577	598,077
Restricted	\$ 1,614,840	\$ 1,668,377	\$ 1,741,389	\$ 1,809,816	\$ 1,885,749	\$ 1,943,512	\$ 2,049,732	\$ 2,167,704	\$ 2,277,932	\$ 2,309,862
Total Cemetery Perpetual Care Fund	\$ 686,483	\$ 686,950	\$ 687,416	\$ 687,812	\$ 688,299	\$ 689,021	\$ 689,888	\$ 689,888	\$ 689,120	\$ 692,141
Library Endowment Fund										
Nonspendable	227,765	181,964	185,280	89,727	94,111	50,608	26,500	35,093	43,553	35,362
Restricted	\$ 914,248	\$ 868,914	\$ 872,696	\$ 777,539	\$ 782,410	\$ 739,629	\$ 716,388	\$ 724,981	\$ 732,673	\$ 727,503
Total Library Endowment Fund										

KAYSVILLE CITY CORPORATION
Changes in Fund Balance of Governmental Funds
For the Year Ended June 30,

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues:										
Taxes	\$ 6,776,708	\$ 8,623,186	\$ 8,824,352	\$ 9,519,569	\$ 9,899,370	\$ 10,202,199	\$ 11,276,334	\$ 12,732,658	\$ 15,534,623	\$ 16,414,231
Licenses and Permits	601,533	592,227	577,459	513,410	616,293	570,617	552,403	703,531	786,158	602,806
Impact Fees	520,451	665,904	464,765	358,295	463,404	282,380	375,470	900,022	1,529,603	979,812
Intergovernmental	856,993	903,604	1,004,923	1,542,995	4,045,043	163,929	1,138,263	1,495,383	6,617,808	11,140,531
Charges for Services	2,065,694	2,146,183	2,313,642	2,444,173	2,543,223	2,803,833	2,475,919	2,974,405	5,135,342	5,068,810
Donations	150,850	20,000	13,032	126,214	350	-	100,142	-	5,537	2,675
Fines and Forfeitures	58,212	111,532	121,083	146,470	160,234	161,715	127,474	124,188	175,867	218,320
Leases and Rent Revenue	-	-	-	-	-	-	775,375	730,312	734,419	738,068
Community Development Block Grant	-	7,452	-	-	-	-	-	-	58,008	-
Interest Income	41,085	69,172	137,272	105,279	179,540	226,397	289,555	82,217	(107,373)	872,359
Miscellaneous	133,475	133,707	169,022	216,548	199,390	113,402	58,065	31,752	28,570	167,156
Total Revenues	11,205,001	13,272,967	13,625,550	14,972,953	18,106,847	14,524,472	17,169,000	19,774,468	30,498,562	36,204,768
Expenditures:										
General Government	2,353,025	2,692,131	2,472,042	2,292,182	2,520,633	2,613,447	2,386,208	3,903,287	3,208,803	3,378,788
Public Safety	3,702,599	4,230,409	4,506,959	4,408,837	4,528,970	5,139,543	6,041,744	7,492,982	8,673,252	10,200,428
Community Development	677,278	719,025	738,445	743,733	764,506	834,123	1,010,627	1,746,832	981,489	1,113,249
Public Works	2,148,751	1,827,115	2,085,285	1,948,902	2,103,879	973,433	884,481	748,608	2,307,347	1,339,725
Parks, Recreation, and Culture	2,078,976	2,511,420	2,350,488	2,240,657	2,253,277	2,597,636	2,321,302	2,441,251	2,730,057	3,343,725
Nondepartmental	-	-	-	-	-	-	1,113,823	-	-	-
Debt service:										
Principal	428,035	1,386,188	738,384	744,274	406,032	616,376	4,659,303	890,237	995,014	1,016,253
Interest and Fiscal Charges	129,156	257,174	224,241	187,168	226,200	231,325	330,771	221,804	177,803	159,255
Capital Projects	1,673,607	4,820,844	75,468	1,029,641	5,014,148	1,919,107	4,166,130	2,402,798	3,306,810	9,676,885
Total Expenditures	13,191,427	18,444,306	13,191,312	13,595,394	17,817,645	14,924,990	22,914,389	19,847,799	22,380,575	30,228,308
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,986,426)	(5,171,339)	434,238	1,377,559	289,202	(400,518)	(5,745,389)	(73,331)	8,117,987	5,976,460
Other Financing Sources (Uses):										
Sale of Capital Assets	5,711,753	84,506	439,678	-	1,330,000	-	44,655	87,510	1,089,009	168,221
Cash Contributions	-	-	-	-	96,529	86,613	-	-	-	-
Non-reciprocal Utility Transfers	-	-	-	-	-	297,079	286,053	298,515	-	-
Proceeds from debt	-	-	-	-	-	837,865	-	-	238,775	-
Special Item - Insurance Proceeds	-	-	-	-	1,182,870	48,149	8,234,311	-	-	-
Transfers In	1,437,729	967,650	654,864	1,038,904	924,196	991,000	1,386,000	1,236,000	2,269,167	886,502
Transfers Out	(489,463)	(990,000)	(700,500)	(1,233,500)	(1,093,500)	(4,135,162)	(1,757,000)	(1,773,550)	(516,843)	(473,850)
Total Other Financing Sources (Uses)	6,660,019	62,156	384,042	(194,596)	2,440,095	(1,874,456)	8,194,019	(151,525)	3,080,108	580,873
Net change in fund balances	\$ 4,673,593	\$ (5,109,183)	\$ 828,280	\$ 1,182,963	\$ 2,729,297	\$ (2,274,974)	\$ 2,448,630	\$ (224,856)	\$ 11,198,095	\$ 6,557,333
Debt service as a percentage of noncapital expenditures	5.07%	13.63%	7.52%	7.51%	4.48%	6.43%	27.17%	6.37%	6.15%	4.07%

(Modified Accrual Basis of Accounting)

KAYSVILLE CITY CORPORATION
Taxable and Estimated Market Value of Property
Last Ten Years

Calendar Year Ended December 31,	Estimated Market Value	Taxable Value	Ratio of Total Taxable Value to Market Value
2022	\$6,184,446,833	\$3,658,221,127	59.15%
2021	\$4,629,363,355	\$2,760,533,613	59.63%
2020	\$4,017,055,396	\$2,408,680,121	59.96%
2019	\$3,761,209,288	\$1,950,468,715	51.86%
2018	\$3,385,665,809	\$1,784,393,761	52.70%
2017	\$3,088,696,237	\$1,666,973,343	53.97%
2016	\$2,779,008,134	\$1,540,915,428	55.45%
2015	\$2,561,662,045	\$1,477,768,259	57.69%
2014	\$2,459,642,177	\$1,293,450,467	52.59%
2013	\$2,196,793,574	\$1,293,450,467	58.88%

Notes: (1) Information is based on a calendar year - 2022 is the most recent year
(2) Does not include fee-in-lieu property

Source: Davis County Auditor's Office / Kaysville City Finance Department

KAYSVILLE CITY CORPORATION
Property Tax Rates - Direct and Overlapping Governments
Last Ten Years

Calendar Year Ended December 31,	Direct Rate		Overlapping Rates							Total Direct & Overlapping	
	Kaysville City	Davis County	State & Davis School District	Davis County	Weber Basin Water District	Mosquito Abatement	Davis County Library	State A&C	County A&C		Central Davis Sewer District
2022	0.001281	0.001089	0.006424	0.001089	0.000167	0.000099	0.000229	0.000015	0.000129	0.000147	0.009580
2021	0.001663	0.001435	0.007642	0.001435	0.000132	0.000099	0.000289	0.000012	0.000161	0.000147	0.011580
2020	0.001589	0.001435	0.007642	0.001435	0.000132	0.000099	0.000289	0.000012	0.000161	0.000147	0.011506
2019	0.001589	0.001707	0.007670	0.001707	0.000146	0.000110	0.000319	0.000012	0.000177	0.000161	0.011891
2018	0.001589	0.001844	0.007701	0.001844	0.000164	0.000119	0.000349	0.000009	0.000193	0.000178	0.012146
2017	0.001589	0.001844	0.007701	0.001844	0.000174	0.000107	0.000376	0.000010	0.000207	0.000191	0.012199
2016	0.001717	0.002014	0.008125	0.002014	0.000187	0.000116	0.000342	0.000011	0.000224	0.000208	0.012944
2015	0.001782	0.002014	0.008125	0.002014	0.000196	0.000122	0.000361	0.000012	0.000236	0.000216	0.013064
2014	0.001826	0.002153	0.008555	0.002153	0.000199	0.000124	0.000361	0.000013	0.000237	0.000217	0.013685
2013	0.000999	0.002331	0.008710	0.002331	0.000210	0.000103	0.000389	0.000158	0.000112	0.000237	0.013249

Notes: (1) Information is based on a calendar year - 2022 is the most recent year

(2) Overlapping rates are those of local and county governments that apply to property owners within Kaysville City.

Source: Davis County Auditor's Office / Kaysville City Finance Department

KAYSVILLE CITY CORPORATION
Property Tax Levies and Collections
Last Ten Years

Calendar Year	Total Taxable Value	City Tax Rate	Total Taxes Assessed	Current Year Taxes Collected	Percent of Current Tax Collections to Tax Levy	Delinquent Taxes & Interest Collected in Current Year	Total Tax Collections
2022	\$3,658,221,127	0.001281	\$4,706,742	\$4,516,688	95.96%	\$462,349	\$4,979,037
2021	\$2,760,574,308	0.001663	\$4,587,219	\$4,369,721	95.30%	\$470,582	\$4,840,303
2020	\$2,408,680,121	0.001589	\$3,827,392	\$3,638,993	95.08%	\$411,117	\$4,030,772
2019	\$2,169,066,423	0.001589	\$3,577,482	\$3,419,961	95.60%	\$414,778	\$3,834,739
2018	\$1,950,468,715	0.001589	\$3,225,039	\$3,095,969	96.00%	\$339,748	\$3,435,717
2017	\$1,784,393,761	0.001589	\$2,952,493	\$2,842,886	96.29%	\$283,640	\$3,126,526
2016	\$1,666,973,343	0.001717	\$2,864,378	\$2,746,871	95.90%	\$360,072	\$3,106,943
2015	\$1,540,915,428	0.001782	\$2,747,330	\$2,605,079	94.82%	\$330,624	\$2,935,703
2014	\$1,477,768,259	0.001826	\$2,672,007	\$2,777,056	103.93%	\$361,797	\$3,138,853
2013	\$1,293,450,467	0.000999	\$1,327,613	\$1,314,904	99.04%	\$37,778	\$1,352,682

Notes:

- (1) Information is based on a calendar year - 2022 is the most recent year
- (2) All taxable property is assessed and taxed on the basis of its fair market value. Utah law requires that the fair market value of property is assessed by the County Assessor, using a comparable sales or a cost appraisal method, excluding expenses related to property sales transactions. For tax purposes, the fair market value of primary residential property is reduced by 45% under present law. Taxable value is net of Redevelopment Agency value.
- (3) Delinquent taxes & interest collected in current year is not broken out by year collected. This detailed information is not easily accessible from the County.

Source: Davis County Auditor's Office / Kaysville City Finance Department

KAYSVILLE CITY CORPORATION
Governmental Tax Revenues by Source
Last Ten Fiscal Years

Fiscal Year Ended June 30,	(1) General Property Tax	Sales Tax	Utility License & Excise Tax	Energy Sales and Use Tax	(2) Parks & Recreation (RAMP) Tax	Total Tax Revenue
2023	\$4,740,071	\$7,755,116	\$966,455	\$1,872,916	\$523,811	\$15,858,369
2022	\$4,735,065	\$7,555,446	\$593,121	\$1,546,686	\$146,440	\$14,576,758
2021	\$4,127,455	\$6,571,051	\$538,149	\$1,353,682		\$12,590,337
2020	\$3,709,251	\$5,581,445	\$845,433	\$1,140,205		\$11,276,334
2019	\$3,536,836	\$4,959,025	\$657,389	\$1,134,227		\$10,287,477
2018	\$3,322,726	\$4,819,011	\$483,614	\$1,274,019		\$9,899,370
2017	\$3,237,023	\$4,483,613	\$551,817	\$1,247,116		\$9,519,569
2016	\$2,948,599	\$4,098,274	\$536,596	\$1,240,883		\$8,824,352
2015	\$3,263,780	\$3,665,634	\$537,744	\$1,156,028		\$8,623,186
2014	\$1,484,074	\$3,471,892	\$592,786	\$1,227,956		\$6,776,708

Notes: (1) General Property tax includes: property taxes current and delinquent, and motor vehicle in-lieu tax
(2) Recreation, Arts, Museum and Parks Tax approved by voters in FY2022

Source: Kaysville City Finance Department

KAYSVILLE CITY CORPORATION
Sales Tax Revenue Trends
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Population Distribution	Point of Sale	Administrative Fees	Total Distribution
2023	\$4,951,710	\$3,002,513	(\$199,107)	\$7,755,116
2022	\$4,782,994	\$2,911,665	(\$139,213)	\$7,555,446
2021	\$4,193,199	\$2,507,379	(\$129,532)	\$6,571,046
2020	\$3,570,835	\$2,127,945	(\$117,335)	\$5,581,445
2019	\$3,354,839	\$1,691,143	(\$86,957)	\$4,959,025
2018	\$3,206,689	\$1,667,794	(\$55,472)	\$4,819,011
2017	\$2,971,161	\$1,576,799	(\$64,484)	\$4,483,476
2016	\$2,752,757	\$1,414,314	(\$68,798)	\$4,098,273
2015	\$2,620,126	\$1,119,260	(\$73,752)	\$3,665,634
2014	\$2,471,594	\$1,074,550	(\$74,252)	\$3,471,892

Note: Administrative Fees are charged by the Utah State Tax Commission for the collection and distribution of Sales Tax.

KAYSVILLE CITY CORPORATION
Sales Tax Rates and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Local Sales & Use	State Sales & Use	Supplemental State Sales & Use	County Option Transit	Mass Transit	Additional Mass Transit	Transportation Infrastructure *	Recreation, Arts, Museum and Parks **	County Option Sales	Total Sales Tax Rate
2023	1.0%	4.85%	0.05%	0.25%	0.25%	0.25%	0.25%	0.10%	0.25%	7.25%
2022	1.0%	4.85%	0.05%	0.25%	0.25%	0.25%	0.25%	0.10%	0.25%	7.25%
2021	1.0%	4.85%	0.05%	0.25%	0.25%	0.25%	0.25%		0.25%	7.15%
2020	1.0%	4.85%	0.05%	0.25%	0.25%	0.25%	0.25%		0.25%	7.15%
2019	1.0%	4.85%	0.05%	0.00%	0.25%	0.25%	0.25%		0.25%	6.90%
2018	1.0%	4.70%	0.05%	0.00%	0.25%	0.25%	0.25%		0.25%	6.75%
2017	1.0%	4.70%	0.05%	0.00%	0.25%	0.25%	0.25%		0.25%	6.75%
2016	1.0%	4.70%	0.05%	0.00%	0.25%	0.25%	0.25%		0.25%	6.75%
2015	1.0%	4.70%	0.05%	0.00%	0.25%	0.25%	0.25%		0.25%	6.50%
2014	1.0%	4.70%	0.05%	0.00%	0.25%	0.25%	0.25%		0.25%	6.50%

Note: Rates are given as of the second quarter of each year.

Source: Utah State Tax Commission- Sales Tax Division

* Transportation Infrastructure tax implemented FY2016, as part of house bill 362

** Kaysville City voters approved a Recreation, Arts, Museum and Parks Tax in FY2021

KAYSVILLE CITY CORPORATION
Estimated Market Value of Taxable Property
June 30, 2022

Calendar Year Ended December 31,	Estimated Market Value	Residential	Commercial	Agricultural	State	Personal Property
2022	\$ 6,184,446,832	\$ 5,760,337,497	\$ 318,950,550	\$ 1,629,288	\$ 47,444,213	\$ 56,085,284
2021	\$ 4,629,363,355	\$ 4,246,010,195	\$ 283,420,059	\$ 2,072,132	\$ 47,228,231	\$ 50,632,738
2020	\$ 4,017,055,396	\$ 3,655,979,766	\$ 264,990,507	\$ 2,291,823	\$ 47,745,542	\$ 46,047,758
2019	\$ 3,761,209,288	\$ 3,424,458,154	\$ 250,872,366	\$ 2,319,582	\$ 39,014,316	\$ 44,544,870
2018	\$ 3,385,665,809	\$ 3,087,865,112	\$ 215,310,270	\$ 2,375,652	\$ 38,687,302	\$ 41,427,473
2017	\$ 3,088,696,236	\$ 2,817,369,311	\$ 198,262,778	\$ 2,109,589	\$ 32,064,001	\$ 38,890,557
2016	\$ 2,779,008,134	\$ 2,529,123,157	\$ 183,037,905	\$ 2,013,734	\$ 30,211,726	\$ 34,621,612
2015	\$ 2,561,662,044	\$ 2,328,463,676	\$ 169,462,144	\$ 2,012,395	\$ 28,545,295	\$ 33,178,534
2014	\$ 2,459,642,176	\$ 2,237,093,465	\$ 162,733,524	\$ 1,136,191	\$ 25,807,805	\$ 32,871,191
2013	\$ 2,196,793,575	\$ 1,979,360,952	\$ 156,423,648	\$ 1,260,221	\$ 24,360,045	\$ 35,388,709

Notes: (1) Information is based on a calendar year - 2022 is the most recent year
(2) Does not include fee-in-lieu property

Source: Davis County Auditor's Office / Kaysville City Finance Department

KAYSVILLE CITY CORPORATION
Property Value of Construction in Kaysville
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Commercial Construction Number of Permits	Estimated Value	Residential Construction Number of Permits	Estimated Value	Estimated Increase of Property Value
2022	25	\$ 24,729,726	351	\$ 71,398,709	\$ 96,128,435
2021	19	\$ 5,498,801	343	\$ 70,738,899	\$ 82,764,511
2020	20	\$ 7,777,003	263	\$ 43,332,278	\$ 51,109,281
2019	29	\$ 9,010,300	273	\$ 52,363,299	\$ 61,373,599
2018	25	\$ 22,112,458	333	\$ 69,353,896	\$ 91,466,354
2017	30	\$ 9,866,065	290	\$ 53,715,858	\$ 63,581,923
2016	28	\$ 9,520,056	346	\$ 62,867,836	\$ 72,387,892
2015	14	\$ 4,776,742	310	\$ 58,424,952	\$ 63,201,694
2014	13	\$ 15,810,021	296	\$ 57,098,737	\$ 72,908,758
2013	17	\$ 9,165,906	242	\$ 51,374,918	\$ 60,540,824

Notes: (1) Number of Permits includes all permits including remodels and additions
Based on Calendar Year - 2022 - 143 Single Family Homes

Source: Davis County Department of Community and Economic Development
2022 Construction Monitor

KAYSVILLE CITY CORPORATION
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income	Personal Income (AGI)	Per Capita
	General Obligation Bonds	Revenue Bonds	Notes Payable	Capital Leases	Revenue Bonds	Notes Payable	Capital Leases	Total Primary Government				
2023	\$ -	\$ 6,552,000	\$ 323,606	\$ -	\$ -	\$ -	\$ -	\$ 6,875,606	0.5704%	\$ 1,205,307,161	\$ 201	
2022	\$ -	\$ 7,293,000	\$ 568,859	\$ -	\$ -	\$ -	\$ -	\$ 7,861,859	0.6812%	\$ 1,154,113,646	\$ 237	
2021	\$ -	\$ 8,046,000	\$ 559,533	\$ -	\$ -	\$ 12,565	\$ -	\$ 8,618,098	0.7075%	\$ 1,218,137,355	\$ 260	
2020	\$ -	\$ 8,784,000	\$ 711,770	\$ -	\$ -	\$ -	\$ -	\$ 9,495,770	0.7795%	\$ 1,133,919,201	\$ 288	
2019	\$ -	\$ 5,152,000	\$ 768,762	\$ -	\$ -	\$ -	\$ 172,733	\$ 6,093,495	0.5374%	\$ 1,110,622,475	\$ 183	
2018	\$ -	\$ 5,581,000	\$ -	\$ 88,273	\$ -	\$ -	\$ 173,864	\$ 5,843,137	0.5261%	\$ 1,029,344,241	\$ 180	
2017	\$ -	\$ 4,557,000	\$ -	\$ 246,196	\$ -	\$ -	\$ 325,593	\$ 5,128,789	0.4983%	\$ 975,777,428	\$ 162	
2016	\$ -	\$ 4,829,000	\$ 317,302	\$ 401,168	\$ -	\$ -	\$ 501,428	\$ 6,048,898	0.6199%	\$ 919,409,210	\$ 201	
2015	\$ -	\$ 5,098,000	\$ 634,604	\$ 553,252	\$ -	\$ -	\$ 297,244	\$ 6,583,100	0.7160%	\$ 874,581,542	\$ 224	
2014	\$ -	\$ 5,750,000	\$ 1,216,659	\$ 627,154	\$ -	\$ -	\$ 573,529	\$ 8,167,342	0.9339%	\$ 833,105,779	\$ 285	

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

KAYSVILLE CITY CORPORATION
Computation of Direct and Overlapping Debt
June 30, 2023

Entity	2022		Kaysville City's Portion of Valuation	Kaysville City's Percentage	Entity's Outstanding Debt	Kaysville City Overlapping Debt
	Taxable Valuation	Portion of Valuation				
Direct:						
Kaysville City	\$ 3,658,221,127	\$ 3,658,221,127	100.00%	\$	6,845,606	\$ 6,845,606
Overlapping:						
Davis County	\$ 41,327,830,264	\$ 3,658,221,127	8.85%	\$	89,189,866	\$ 7,894,831
Davis County School District	\$ 41,327,830,264	\$ 3,658,221,127	8.85%	\$	463,417,000	\$ 41,020,345
State of Utah	\$ 489,246,347,582	\$ 3,658,221,127	0.75%	\$	2,162,715,000	\$ 16,171,178
Weber Basin Water District	\$ 110,482,114,177	\$ 3,658,221,127	3.31%	\$	9,300,000	\$ 307,936
					Total - Overlapping Debt	\$ 65,394,291
					Total - Direct and Overlapping Debt	\$ 72,239,897

Note: The percentage of overlapping debt (bonds payable only) applicable is estimated using taxable assessed property values. Applicable percentages were estimated by taking Kaysville's taxable property value and dividing by the governmental unit's taxable property value.

Source: Davis County Auditor's Office / Kaysville City Finance Department

KAYSVILLE CITY CORPORATION
Computation of Legal Debt Margin
June 30, 2023

Taxable Value	\$3,658,221,127
Estimated Market Value	\$6,184,446,832
Debt Limit - Four Percent of Market Value	\$247,377,873
Less: Outstanding General Obligation Bonds	\$0
Revenue Bonded Debt	\$6,845,606
Legal Debt Margin - Additional Debt Capacity	\$241,257,873

Notes: The general obligation bonded debt of the City is limited by the Utah Constitution (Section 14, Paragraph 4) to 12% of the the "reasonable fair cash value" of property. Of this percent, a maximum of 4% may be used for general purposes. The remaining 8% and any unused portion of the 4% available for general purposes up to the maximum 12% may be use for water and/or sewer purposes.

Source: Davis County Auditor's Office / Kaysville City Finance Department

KAYSVILLE CITY CORPORATION
Demographic & Economic Statistics
Last Ten Fiscal Years

Calendar Year Ended December 31,	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2022	33,940	\$1,205,307,161	\$ 35,513	2.0%
2021	33,439	\$1,154,113,646	\$ 34,514	2.0%
2020	32,945	\$1,218,137,355	\$ 36,975	2.7%
2019	33,263	\$1,133,919,201	\$ 34,090	2.8%
2018	32,452	\$1,110,622,475	\$ 34,224	3.0%
2017	31,660	\$1,029,344,241	\$ 32,512	3.4%
2016	30,888	\$975,777,428	\$ 31,591	4.0%
2015	30,135	\$919,409,210	\$ 30,510	3.6%
2014	29,400	\$874,581,542	\$ 29,748	3.6%
2013	28,683	\$833,105,779	\$ 29,045	4.6%

KAYSVILLE CITY CORPORATION
Principal Property Tax Payers with Comparison
Current Year and Ten Years Ago

	2022				2012			
	Taxpayer	Type of Business	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Access Park (Columbia Utah Kays LLC)	Investment Properties		\$15,145,970	1	0.62%	\$3,730,028	7	0.30%
Perry Homes	Land Development		\$5,139,035	2	0.39%			
Smiths Food & Drug Center	Grocery Store		\$16,108,276	3	0.37%			
Symphony Homes	Land Development		\$9,521,250	4	0.26%			
Boondocks Properties LLC	Recreational		\$5,393,407	5	0.21%	\$6,137,255	1	0.49%
Amsource VF Kaysville LLC	Shopping Center		\$7,410,000	6	0.21%			
JBT Third Avenue	Gymnasium / Sports Training		\$6,656,017	7	0.19%			
Silver Creek Engineering	Land Development		\$5,635,052	8	0.19%			
JB Journey, LLC and Crosjo LLC	Recreational Sales		\$5,365,350	9	0.16%	\$4,318,859	3	0.35%
Lotus Kaysville Plaza	Retail Space		\$5,608,900	10	0.15%			
KBP Office Group & Warehouse	Wholesale Distribution					\$4,822,956	2	0.39%
Zions First National Bank	Bank					\$4,243,947	4	0.34%
Park Place I, LC	Investment Properties					\$4,060,197	5	0.32%
Associated Fresh Markets	Grocery Store					\$3,749,019	6	0.30%
Bates Sportsplex, LLC	Tax Software Provider					\$3,614,283	8	0.29%
M2 Properties Inc	Real Estate					\$3,547,582	9	0.28%
Kaysville Sportsplex II, LLC	Recreation					\$3,450,316	10	0.28%
			<u>\$81,983,257</u>		<u>2.75%</u>	<u>\$41,674,442</u>		<u>3.34%</u>

Source: Davis County Auditor / Kaysville City Finance Department
(Excludes Public Utilities)

KAYSVILLE CITY CORPORATION
Miscellaneous Statistical Data - Insurance Summary
June 30, 2022

Coverage	Company	Term	Limits	Deductible
Property	The Utah Local Government Trust	07/01/2023 - 06/30/2024	\$ 10,000,000	\$ 5,000
General Liability	The Utah Local Government Trust	07/01/2023 - 06/30/2024	\$ 10,000,000	\$ -
Worker's Compensation	The Utah Local Government Trust	07/01/2023 - 06/30/2024	\$ 10,000,000	\$ -
Automobile Physical & Liability	The Utah Local Government Trust	07/01/2023 - 06/30/2024	\$ 10,000,000	\$ 1,000
Treasurer Bond/ Deputy Treasurer Bond	The Utah Local Government Trust	07/01/2023 - 06/30/2024	Included with General Liability Coverage	

KAYSVILLE CITY CORPORATION
Population Growth
Since 1970

Fiscal Year	Population	Change	Percentage Increase
2023	34,279	339	1.00%
2022	33,940	501	1.50%
2021	33,439	494	1.50%
2020**	32,945	(318)	-0.96%
2019	33,263	811	2.50%
2018	32,452	792	2.50%
2017	31,660	772	2.50%
2016	30,888	753	2.50%
2015	30,135	735	2.50%
2014	29,400	717	2.50%
2013	28,683	700	2.50%
2012	27,983	683	2.50%
2011	27,300	415	1.54%
2010**	26,885	783	3.00%
2009	26,102	760	3.00%
2008	25,342	738	3.00%
2007	24,604	716	3.00%
2006	23,888	695	3.00%
2005	23,193	730	3.25%
2004	22,463	548	2.50%
2003	21,915	535	2.50%
2002	21,380	521	2.50%
2001	20,859	508	2.50%
2000**	20,351	564	2.85%
1999	19,787	669	3.50%
1998	19,118	239	1.27%
1997	18,879	535	2.92%
1996	18,344	598	3.37%
1995	17,746	665	3.89%
1994	17,081	943	5.84%
1993	16,138	810	5.28%
1992	15,328	640	4.36%
1991	14,688	727	5.21%
1990**	13,961	1,047	8.11%
1989	12,914	343	2.73%
1988	12,571	352	3.41%
1980**	10,331	4,139	66.84%
1970**	6,192	2,584	71.62%

Notes: ** Census year population are from the US Bureau of the Census provided by the Utah State Office of Planning and Budget

Non-Census year population estimates are provided by Kaysville City and Wasatch Front Regional (

KAYSVILLE CITY CORPORATION
Miscellaneous Statistical Data
Last Ten Fiscal Years, as of June 30

Date of Incorporation:	March 15, 1868									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Form of Government:	Council - Manager									
Area in Square Miles	11	11	11	11	11	11	11	11	11	11
Miles of Streets	142	140	140	137	137	137	135	135	135	118
Fire Protection:										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of full time	23	23	12	11	11	10	5	5	2	2
Number of PTVolunteer firefighters	16	16	10	25	25	28	33	33	38	32
Police Protection:										
Number of sworn officers	32	32	32	31	28	28	27	26	25	23
Number of other employees	4	3	3	3	3	3	3	3	3	3
Parks and Recreation:										
Number of Parks	12	12	12	12	12	11	11	11	11	11
Number of Acres Available	373	373	373	373	373	370	370	370	370	370
Number of Acres Developed	159	159	159	159	159	137	137	137	137	137
Education:										
Number of high schools	1	1	1	1	1	1	1	1	1	1
Number of junior high schools	3	3	3	3	3	3	3	3	3	3
Number of elementaries	9	9	9	9	9	8	8	8	8	8
Public Utilities:										
Number of water customers	9,338	9,044	9,006	8,902	8,858	8,733	8,562	8,433	8,238	8,033
Annual water usage (gallons)	958,461,000	944,699,000	849,348,000	853,077,918	791,492,079	780,413,145	753,589,090	687,219,759	756,951,873	861,327,270
Miles of water Lines	167	166	164	162	160	157	155	145	124	138
Number of power customers	10,726	10,377	10,278	10,032	9,890	9,738	9,522	9,333	9,275	8,945
Annual kwh usage	170,228,338	157,049,006	156,122,050	147,174,222	148,487,431	149,581,186	146,859,559	140,574,780	138,681,528	138,670,161
Miles of power lines	166	165	163	161	158	157	155	147	147	145
Number of street lights	1089	1075	1043	1097	947	947	944	944	917	856
City Employees at June 30, :										
Elected	6	6	6	6	6	6	6	6	6	6
Full-time	140	136	115	113	108	108	97	95	90	81
General Governmental	18	16	14	14	14	14	13	13	13	11
Police	38	36	35	34	31	31	30	29	28	26
Fire/ Ambulance	23	23	12	11	11	11	5	5	2	2
Community Development	8	8	8	8	8	8	8	8	8	8
Public Works	24	24	21	21	19	19	16	16	16	15
Parks & Cemetery	13	13	9	9	9	9	9	8	7	4
Electrical	16	16	16	16	16	16	16	16	16	15
Part-time/Temporary/Seasonal	30-35	30-35	30-35	30-35	30-35	30-35	30-35	30-35	30-35	30-35

COMPLIANCE SECTION



COMMITTED. EXPERIENCED. TRUSTED.

MICHAEL L. SMITH, CPA
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ROBERT D. WOOD, CPA
AARON R. HIXSON, CPA
TED C. GARDINER, CPA
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JESSE S. MALMROSE, EA

SHAWN F. MARTIN, CPA
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NATHAN E. ERICKSON, EA

**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**

Independent Auditor’s Report

Honorable Mayor and Members of the City Council
Kaysville City, Utah

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Kaysville City (the City) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated November 20, 2023.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City’s internal control over financial reporting (internal control) 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’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’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 a 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

FOUNDERS

E. LYNN HANSEN, CPA
CLARKE R. BRADSHAW, CPA
GARY E. MALMROSE, CPA
EDWIN L. ERICKSON, CPA

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from 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 instances of noncompliance with the *State Audit Compliance Guide* that are required to be reported under *Government Auditing Standards*, as items 2022-1 through 2022-3.

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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

NBMC, LLC

November 20, 2023



COMMITTED. EXPERIENCED. TRUSTED.

MICHAEL L. SMITH, CPA
JASON L. TANNER, CPA
ROBERT D. WOOD, CPA
AARON R. HIXSON, CPA
TED C. GARDINER, CPA
JEFFREY B. MILES, CPA
JESSE S. MALMROSE, EA

SHAWN F. MARTIN, CPA
MONTANA T. HADLEY, CPA
NATHAN E. ERICKSON, EA

INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY THE STATE COMPLIANCE AUDIT GUIDE

Honorable Mayor and Members of the City Council
Kaysville City, Utah

Report on Compliance

We have audited Kaysville City’s (the City) compliance with the applicable state compliance requirements described in the *Utah State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, for the year ended June 30, 2023.

State compliance requirements were tested for the year ended June 30, 2023, in the following areas:

- | | |
|--------------------------------|--------------------------------|
| Budgetary Compliance Fund | Government Fees Impact Fees |
| Balance | Utah Retirement Systems Public |
| Justice Courts | Treasurer’s Bond |
| Restricted Taxes and Related | |
| Revenues Fraud Risk Assessment | |

Management’s Responsibility

Management is responsible for compliance with the general state requirements referred to above.

Auditor’s Responsibility

Our responsibility is to express an opinion on the City’s compliance based on our audit of the compliance requirements referred to above. 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 *Utah State Compliance Audit Guide*. Those standards and the *Utah State Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the state compliance requirements referred to above that could have a direct and material effect on a state compliance requirement 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 on compliance for each state compliance requirement listed above. However, our audit does not provide a legal determination of the City’s compliance with those requirements.

FOUNDERS

E. LYNN HANSEN, CPA
CLARKE R. BRADSHAW, CPA
GARY E. MALMROSE, CPA
EDWIN L. ERICKSON, CPA

Opinion on Compliance

In our opinion, Kaysville City complied, in all material respects, with the compliance requirements referred to above for the year ended June 30, 2023.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the State Compliance Audit Guide and which are described in the accompanying schedule of findings as items 2022-1 through 2022-3. Our opinion on compliance is not modified with respect to these matters.

The City's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 of compliance, we considered the City's internal control over compliance with the state compliance requirements referred to above to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with those state compliance requirements and to test and report on internal control over compliance in accordance with the Utah State Compliance Audit Guide, 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 over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a state compliance requirement 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 state compliance requirement will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a state compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of This Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control and compliance and the results of that testing based on the requirements of the Utah State Compliance Audit Guide. Accordingly, this report is not suitable for any other purpose.

ABMC, LLC

November 20, 2023

KAYSVILLE CITY CORPORATION, UTAH
Schedule of Findings (Continued)
For the Year Ended June 30, 2023

State Compliance Audit Guide Findings

2023-1:

Budgetary Compliance

Statement of Condition

During testing procedures, the auditors noted that for the year ended June 30, 2023, the following funds had actual expenditures that exceeded final appropriated expenditures:

<u>Fund</u>	<u>Department</u>	<u>Amount</u>
General Fund	Parks, recreation, and culture	\$169,338
MBA Fund	Debt service – interest	\$123

Criteria

Utah State Code 10-6-123, *Expenditures or Encumbrances in Excess of Appropriations Prohibited -- Processing Claims*, stipulates that City officers and employees may not make or incur expenditures in excess of total appropriations for any fund or department, in the budget, as adopted or as subsequently amended.

Cause

These overages were a result of the City not sufficiently amending the adopted budgets during the fiscal year in the noted department and fund.

Effect

By not regularly monitoring and amending each fund's adopted budgets during the fiscal year, the City is out of compliance with state law.

Recommendation

The City should monitor the status of expenditures as compared to the budget throughout the year and amend the budget as necessary to ensure compliance with Utah State Code.

Management's Response

During the fiscal year, management made several changes to the accounting system and presentation of financial information. During this process, certain areas exceeded the appropriated expenditures. Management will continue to monitor the budgets and make necessary amendments.

KAYSVILLE CITY CORPORATION, UTAH
Schedule of Findings (Continued)
For the Year Ended June 30, 2023

Prior Year State Compliance Audit Guide Findings

2022-1:

Fund Balance Compliance

Statement of Condition

For the year ended June 30, 2023, the calculated percentage of the General Fund was:

Unrestricted General Fund Balance:	\$7,556,173
Total General Fund Revenue:	\$21,028,330
Percentage of Total Revenue:	35.93%

Criteria

Utah Code 10-6-116-(2), as interpreted by the Utah State Auditor's Office, requires that the accumulation of unrestricted fund balance in the City's General Fund may not exceed 35% of the total operating revenue of the City's General Fund for the current fiscal period.

Cause

The overage was due to an unanticipated sale of property at the demand of UDOT, with proceeds of \$1,089,009. Without this transaction, the calculated percentage would be 32.4%.

Effect

By not regularly monitoring and amending each fund's adopted budgets during the fiscal year, the City is out of compliance with state law.

Recommendation

The City should monitor the status of the referenced calculation and amend the budget as necessary, to ensure this percentage stays below 35%, in accordance with state law.

Management's Response

The City considers this issue to be unusual and isolated. During the fiscal year, the City received unexpected revenues affecting total general fund revenues. The City intends to transfer funds in FY2023 to the Capital Projects Fund for ongoing planned projects.

Current Year Status

Condition fully satisfied.

KAYSVILLE CITY CORPORATION, UTAH
Schedule of Findings (Continued)
For the Year Ended June 30, 2023

2022-2:

Budgetary Compliance

Statement of Condition

During testing procedures, the auditors noted that for the year ended June 30, 2022, the following funds had actual expenditures that exceeded final appropriated expenditures:

<u>Fund</u>	<u>Department</u>	<u>Amount</u>
General Fund	Capital outlay (general government)	\$128,768
Road Fund	Streets and public works	\$90,565

Criteria

Utah State Code 10-6-123, *Expenditures or Encumbrances in Excess of Appropriations Prohibited -- Processing Claims*, stipulates that City officers and employees may not make or incur expenditures in excess of total appropriations for any fund or department, in the budget, as adopted or as subsequently amended.

Cause

These overages were a result of the City not sufficiently amending the adopted budgets during the fiscal year in the noted department and fund.

Effect

By not regularly monitoring and amending each fund's adopted budgets during the fiscal year, the City is out of compliance with state law.

Recommendation

The City should monitor the status of expenditures as compared to the budget throughout the year and amend the budget as necessary to ensure compliance with Utah State Code.

Management's Response

During the fiscal year, management made several changes to the accounting system and presentation of financial information, including the reclassification of enterprise funds to governmental funds. During this process, certain areas exceeded the appropriated expenditures. Management will continue to monitor the budgets and make necessary amendments.

Current Year Status

Similar finding was issued in the current year. See finding 2023-1.

KAYSVILLE CITY COUNCIL
October 19, 2023

Minutes of a regular Kaysville City Council meeting held on October 19, 2023 at 7:00 p.m. in the Council Chambers in Kaysville City Hall at 23 East Center Street, Kaysville, UT.

Council Members present: Mayor Tamara Tran, Council Member John Swan Adams, Council Member Mike Blackham, Council Member Abbigayle Hunt, Council Member Nate Jackson, and Council Member Perry Oaks

Others Present: City Manager Jaysen Christensen, City Attorney Nic Mills, City Recorder Annemarie Plaizier, Information Systems Manager Ryan Judd, Zoning Administrator Dan Jessop, Val Starkey, Laurene Starkey, Jill Dredge, Linda Gardner, Darlene Schons, Flemming Hyllested, Robin Stout

OPENING

Council Member Jackson opened the meeting with a prayer and led the audience in the Pledge of Allegiance.

CALL TO THE PUBLIC

Val Starkey expressed concern regarding homelessness in our area, and the agenda item regarding the building of a billboard in the city. Mr. Starkey said that he understands some of the pressures that cities are receiving from the State for helping the homeless. Kaysville is a beautiful place and the citizens of Kaysville are good people. We can do better for the homeless than what they have done in Seattle or San Francisco. Mr. Starkey also asked the city to be clear on how agenda items are titled.

Jill Dredge expressed concern about rapid changes in the country and state, and posed several questions to the council. She inquired about the roles of Envision Utah and the Utah League of Cities and Towns (ULCT), whether they influence state changes, and why the UN is not so prevalent in Utah. Ms. Dredge mentioned Governor Cox's recent warning to cities to comply with legislative desires or face enforcement through new state bills. There has also been mention of a push for the appointment of an attorney general. The topic of Utah becoming a sanctuary state has been brought up, and there are reports that illegal immigrants are being asked where they are going when crossing the border and many are saying Utah. Is this why more density housing and homeless shelters are being required of cities? The Utah Workforce Services recently reported that Utah's family sizes are declining. Ms. Dredge questioned the discrepancy between declining family sizes and the push for high-density housing, wondering if it stems from the ULCT and Envision Utah. She raised concerns about the feasibility of walkable cities, especially for elderly or young mothers during the winter. Ms. Dredge also posed questions regarding special districts with separate taxation powers and negative sentiments towards single-family homes. Mrs. Dredge also posted a question on whether the city and state representatives are staying true to fundamental

goals and representative responsibilities. She also highlighted Kaysville’s commitment to preserving its small-town feel.

DECLARATION OF ANY CONFLICTS OF INTEREST

No conflicts were disclosed.

CONSENT ITEMS

Council Member Hunt made a motion to approve the following consent item:

- a) Approval of Minutes of September 7, 2023.
- b) Approval of Minutes of September 21, 2023.

Council Member Oaks seconded the motion.

The vote on the motion was as follows:

- Council Member Adams, yea
- Council Member Hunt, yea
- Council Member Oaks, yea
- Council Member Jackson, yea
- Council Member Blackham, yea

The motion passed unanimously.

WORK ITEMS

BILLBOARD SIGN DISCUSSION

Mayor Tran stated that she had requested to put this item on the agenda because she serves on the Davis County Task Force, and a discussion was brought up in regards to the required homeless shelter that the State is requiring every county to provide within their county boundaries. The Davis County Task Force has identified a property located in Clearfield that appears to be an ideal location for a permanent Davis County Shelter. The property is currently owned by the Saunders Billboard Company and the family would be interested in negotiating and selling this property if the cities along I-15 would be willing to allow them to put a billboard along I-15 within their city limits. Many cities in the county do not have county-owned property within their city and many already have ordinances in place prohibiting billboards within city limits. Each city would need to discuss the potential to negotiate for billboards. The County has considered using the senior center, adjacent to Kaysville City Hall, and the emissions testing center, adjacent to the Deseret Mill, as possible permanent winter shelters in Kaysville. Staff does not view either of these locations, or any location in Kaysville, to be suitable for a homeless shelter for a number of reasons, including a lack of public transportation and other resources to support a shelter. Staff has also expressed concern about a homeless shelter being located so close to an elementary school, which would be the case if the shelter were put in the senior center. Other cities have similar concerns about potential locations located within their own cities. Should the senior center be used, it would

only be used as a temporary shelter during the evening, as it would still be used as a senior center during the day. Having people bussed to a location to sleep overnight is not going to fix the homelessness issue. Homelessness is a Utah problem, and there are legal issues with creating an ordinance only allowing one billboard within city limits.

City Attorney Nic Mills said that billboards are a highly litigated issue and would require special noticing requirements if the city were to consider allowing them. It is anticipated that every city enacting a billboard ordinance would likely receive an influx of billboard applications. The city would not be legally allowed to state that we would only allow billboards from one company. Every city enacting a billboard ordinance would likely face some kind of litigation. Billboards are such a high commodity that it is common for billboard companies to litigate them.

Mayor Tran said that when the Task Force had their initial discussions about this item, many members seemed open to considering this proposal. That has since changed as cities have had further discussion with legal staff and city managers.

Council Member Oaks said that there are many unanswered questions. What areas of the county are experiencing homelessness? Kaysville does not seem to have a homeless problem in our city, and by creating a homeless shelter here, we would just be bringing in problems that do not currently exist. We need to create solutions in areas where there are homeless issues. We are a Christian community and we want to help others. Besides trying to provide a homeless shelter, what other ways will the homeless be provided support so they can better their lives so they are not homeless anymore? How are we trying to solve the problem, rather than just giving handouts that the taxpayers have to pay for?

Mayor Tran said that the county would like to see a permanent facility built which would provide additional resources for the homeless. There are currently private companies that provide such a thing and they do it well. Mayor Tran agreed that homelessness needs to be addressed in areas of the county where there are current issues with it, rather than bringing problems to another city.

Council Member Blackham commented that the city has never allowed off-premise signs in the past and if we allow one, we will see ten more put up. We will not be able to have a say in what is on the billboards. The Task Force has only presented one proposed site for a homeless shelter, and those property owners are trying to write in their future.

Council Member Jackson said that homelessness exists within the county, and there are many mental health issues with those young kids among the homeless. There are ways the county can be compassionate towards the homeless and provide needed services. Council Member Jackson said that he is appalled that this billboard company seems to be using extortion to sell their property and ask that a billboard be put up in every city along I-15. If the County were suggesting that our senior center should be turned into a homeless center, it would be doing a disservice to our senior residents. Council Member Jackson said that he shares concern with others about having a homeless shelter located across the street from an elementary school, and every parent of a student at that school should speak up against it. Council Member Jackson expressed frustration that the State places these mandates on counties, but provides no resources for them. There are different types of homeless shelters, and there has not been enough information provided to determine what

would be best for our county. Homeless shelters should ideally be located near medical and mental health resources, as well as mass transit. Council Member Jackson added that he would never support the allowing of billboards in the city.

Council Member Hunt asked if an ordinance were written allowing billboards, could the number be limited.

Nic Mills responded that it would have to be written very tightly and would have to specify a limitation on billboards.

Council Member Hunt said that she would not be in support of allowing billboards in the city. Many billboards have derogatory or explicit ads, and there would be nothing to stop that if billboards were allowed in the city. Council Member Hunt added there is a large number of homeless kids in Davis County it is an issue that must be addressed. People deserve getting help to get back on their feet. There needs to be certain resources available for those who are homeless, and those are resources we do not have in Kaysville. We don't have many mental health resources available for them. We don't have a transit hub in Kaysville, which would not be conducive for those seeking employment and will need a way to travel to and from work. In addition, not all homeless people are dangerous; however, there is a certain level of dangerousness when you have a homeless center near a school. Council Member Hunt said that she would need further information before she felt comfortable making a decision on this.

Council Member Adams said he felt that the billboard company's property would be a good location for a homeless shelter, and he hopes that the owners would be given a fair price for their land. However, he does not like the feeling that the billboard company is trying to tie the City's hands.

Mayor Tran said that the County is considering many of their own properties because it will be a less expensive option. Mayor Tran added that it might be better for the County to consider investing in a new building because it will be more permanent and we need to be considering long-term solutions.

Council Member Jackson suggested having discussions with surrounding cities, religious entities in our area, businesses, and residents to see if they have any ideas for this matter. We need to come together to come up with a plan to help these displaced families and individuals.

MUTTON HOLLOW ANNEXATION PLAN DISCUSSION

City Manager Jaysen Christensen explained that earlier this year, residents of the Mutton Hollow Township area petitioned Davis County in a letter for help to get Kaysville to annex their area into Kaysville City. The County approached Layton City about the annexation request, and they expressed no interest. Despite Mutton Hollow's interest and the apparent interest of Davis County in Kaysville annexing this area, Staff feels it is not in the best interest of Kaysville to do so. One primary concern in relation to annexing is the cost of upgrading Mutton Hollow infrastructure, such as water, streets, and sidewalks, to Kaysville City standards. It is anticipated that the cost to do so would be millions of dollars, and would likely be heavily subsidized by current Kaysville

taxpayers. The estimated property tax revenue that would be generated from Mutton Hollow is \$130,000 per year, which is insufficient to address the infrastructure needs, let alone the ongoing cost of providing services and maintaining infrastructure. Additionally, Mutton Hollow receives some of its utilities from other providers, such as North Davis Sewer District and Rocky Mountain Power, which would not be an ideal arrangement for Kaysville. Because of this annexation inquiry, it was questioned as to why the Mutton Hollow Township area was still being included in Kaysville's Annexation Plan. The Mutton Hollow Township has been included in the Kaysville Annexation Plan for many years, including the most recently updated Plan in 2017. The updated Plan includes criteria to guide future annexation decisions, and Staff feels that an annexation of this area would not meet the criteria. If the Council agrees that annexing this area would not be in the City's best interest, Staff will start the process of removing the Mutton Hollow Township from our City Annexation Plan.

Mayor Tran added that she attended a meeting with the County, along with the City's Public Works Director and City Engineer, and discussed the issue of infrastructure improvement costs. The city was offered a couple of million dollars, but that would not be enough to cover costs. If the city does not intend to annex this area, it should just be removed from our plan.

Council Member Blackham made a motion to move the amendment of the Kaysville City Annexation Plan to an action item so that the Mutton Hollow area could be removed from the Plan, seconded by Council Member Adams.

Council Member Hunt added that she wishes that we could annex this area into the city, but the city cannot justify annexing this area when doing so would place the financial burden of upgrading the infrastructure upon our residents.

The vote on the motion was as follows:

Council Member Hunt, yea
Council Member Oaks, yea
Council Member Jackson, yea
Council Member Blackham, yea
Council Member Adams, yea

The motion passed unanimously.

COUNCIL MEMBERS REPORTS

Council Member Hunt said that the Utah State Institute for Land, Water and Air made a presentation to the Governor earlier that day, and she appreciated being able to participate in that. It is great that this group is trying to get policy makers to do research with them on these environmental issues so that they are able to make better decisions for the State of Utah. The report can be found online for anyone interested.

Council Member Blackham gave an update on the Burton Lane roundabout construction project, and the connector road project.

Council Member Adams said that his neighborhood is located in west Kaysville and they have seen a sudden problem with coyotes within the neighborhood, with some having killed neighborhood pets. Some of his neighbors have asked if they would be allowed to hunt the coyotes. Council Member Adams said that he had reached out to Chief Oberg who said that the city ordinances would have to be changed to allow for hunting in that area, but it would need to be controlled if it were allowed.

Council Member Oaks asked if Animal Control would help with the coyote problem.

Council Member Adams said that they had spoken with Animal Control and with the Division of Wildlife and neither were willing to help.

Nic Mills said that he could do research and ask other cities on how they have dealt with similar issues.

Council Member Adams commented that recently Governor Cox spoke about the housing crisis and he expressed that it was adamant that cities handle it. Governor Cox had stated that cities are delaying homes from being built, thereby contributing to the increased cost of homes. Council Member Adams said that he is unsure how cities would be able to have any control of the cost of homes in the city. The City Council has not been presented with any affordable housing projects to consider approving. Council Member Adams suggested that the city come up with something that would allow an application for an affordable housing project to be processed by the city more quickly than usual, as long as it meets city ordinances.

Jaysen Christensen said it is definitely something the city could consider, but it might become more complicated with projects that may only have a portion of their project as affordable housing.

Council Member Adams said that cities are not the ones building homes or dictating their affordability, and the burden needs to be placed back on developers.

Council Member Jackson stated that he would not be in favor of allowing hunting in the area. All cities within the county contract for animal services with the County and they should be part of resolving the issue. Council Member Jackson added that he would like to see a developer come before the council with a plan that included affordable starter homes. Every year the State Legislature is coming out with more legislation to force cities to comply with legislation or the State will withhold funds from the cities. Every community in Davis County has complied with the housing mandates that have been put forth. This fact was mentioned to the Governor and some of the legislatures and there was no acknowledgement of it. Their response was that cities are still not doing enough and that the state has the right to come in and take in city's abilities and powers away for zoning and development. This goes against everything we believe in as Americans and Utahns. The legislature needs to put forth a policy that cities can deliberate with.

CITY MANAGER REPORT

City Manager Jaysen Christensen said that the Alchemy Group, who has been involved in

renovating the old Kaysville Library building, has been making progress on starting construction, and have planned a soft target opening for July 4th of 2024. They will soon be starting environmental abatement and interior demolition. A concern that has been brought up about the building is regards to the roof as it is not seismically sound. It is also not the original roof, and would not be worth preserving. Alchemy Group would like to replace the entire roof to be able to meet seismic codes, and to be able build it in a way to hide the mechanical equipment located on the roof. The new roof will look like the original roof, and they would change the asphalt shingles to match the roofs of the other city buildings on this block. With the new roof, the new trusses will increase the vertical space inside of the building. Staff feels roof replacement will be a great improvement for the building. Mr. Christensen added that the Mayor had the idea of lighting the Kaysville star to show support for Israel and peace for that region, and it would be lit this upcoming Monday evening for the night.

ADJOURNMENT

Council Member Oaks made a motion to adjourn the city council meeting at 8:02 p.m. The motion was seconded by Council Member Jackson and passed unanimously.

KAYSVILLE BUSINESS PARK
ARCHITECTURAL REVIEW COMMITTEE MEETING
October 19, 2023

Minutes of a Kaysville Business Park Architectural Review Committee Meeting held on October 19, 2023 at 8:07 p.m. in the City Council Chambers of the Kaysville City Municipal Center at 23 East Center Street, Kaysville, UT.

Committee Members present: Chairperson Tamara Tran, John Swan Adams, Mike Blackham, and Abbigayle Hunt, Nate Jackson and Perry Oaks

Others Present: City Manager Jaysen Christensen, City Attorney Nic Mills, City Recorder Annemarie Plaizier, Information Systems Manager Ryan Judd, Zoning Administrator Dan Jessop, Robin Stout

OPENING

Chairperson Tran opened the meeting by welcoming those present.

CONSIDERATION OF A MONUMENT SIGN FOR READING HORIZONS LOCATED AT 1194 WEST FLINT MEADOW DRIVE

Zoning Administrator Dan Jessop explained that Reading Horizons has made application to build a monument sign on their property at 1194 West Flint Meadow Drive. The proposed sign is a total of twenty-four square feet and is four feet tall and six feet wide. The sign will sit ten feet behind the property line. The submitted sign plans are in compliance with the design guidelines of the Kaysville Business Park. The Architectural Review Committee must approve signs that are proposed within the Kaysville Business Park. Staff recommends approval of the proposed sign.

Chairperson Tran asked if it would be a lighted sign.

Robin Stout, representing the sign contractor, said that it would be lit with twelve-volt LEDs.

Committee Member Adams made a motion to approve a monument sign for Reading Horizons located at 1194 West Flint Meadow Drive, seconded by Committee Member Jackson.

The vote on the motion was as follows:

- Committee Member Blackham, yea
- Committee Member Oaks, yea
- Committee Member Jackson, yea
- Committee Member Adams, yea
- Committee Member Hunt, yea

The motion passed unanimously.

ADJOURNMENT

Committee Member Adams made a motion to adjourn the Kaysville Business Park Architectural Review Committee Meeting at 8:11 p.m. seconded by Committee Member Hunt and passed unanimously.

DRAFT

CITY COUNCIL STAFF REPORT



MEETING DATE: December 7, 2023

TYPE OF ITEM: Consent Items

PRESENTED BY: Chief Oberg

SUBJECT/AGENDA TITLE: Authorizing the purchase of body cameras, dash cameras, and associated equipment for the City's Police Department

EXECUTIVE SUMMARY:

This purchase request is for a body camera and dash camera system, including hardware, software, and storage.

Our current body camera and dash camera system is at its end of life and no longer supported by its parent company, Motorola. This will require replacing all of our hardware as well as the storage for the digital content.

Motorola and the other body/dash camera companies we contacted have moved to a subscription-based model. The model would provide for storage, warranty, and new equipment over the course of the 5-year agreement.

Motorola's bid was \$33,409 more than the lowest bid, which would be a \$6,681 increase per year. The cost for this program would total \$465,574 over five years with the first payment due in July. We have approximately \$83,000 in beer tax money to apply to the first year cost of \$93,018 and have applied for an additional \$15,000 to offset the remaining costs. This would cover the first year's cost.

The remaining 4 years would cost \$93,018 each year, of which we could apply \$25,000-\$28,000 in beer tax funding to, each year. This application of beer tax money to in-car cameras is consistent with what we have expended it on in the past and should not take away from other programs or services.

We generally spend anywhere from \$5,000 to \$40,000 annually on our current in-car camera and body camera program. These costs would be eliminated with this proposed program as it includes replacement hardware for broken equipment and provides entirely new equipment periodically throughout the contract.

This program also includes digital storage for video content and would replace the server we are currently using. Our current server needs to be replaced and would cost about \$20,000.

By staying with Motorola, we would not need to transfer our data as it would remain with the same provider that we have used for the past 15+ years. This would enable us to continue our operations seamlessly without additional training requirement that going to a new system would necessitate.

This system provides more services that the lowest bidder is able to provide and would also provide additional benefits through interoperability as our computer-aided dispatch system and radios are also Motorola products.

The first payment would not be due until July 1, 2024, however; the agreement would need to be formalized before Dec. 22, 2023.

Although this purchase does not impact the current budget, it would impact future budgets by entering into the agreement now. Due to that and in the spirit of the city's purchasing plan, I ask that you consider this purchase request at this time.

City Council Options:

Approve or deny

Staff Recommendation:

Approve purchase

Fiscal Impact:

\$465,574 over 5 years

ATTACHMENTS:

1. Resolution Authorizing Purchase
 2. Motorola Quote
-

RESOLUTION 23-XX-XX

AUTHORIZING THE PURCHASE OF BODY AND DASH CAMERAS AND ASSOCIATED EQUIPMENT FOR THE CITY'S POLICE DEPARTMENT

WHEREAS, Kaysville City (hereinafter "City") has issued cameras to police officers that have been deployed on the officer's person and in their car; and

WHEREAS, the company supplying the current cameras no longer supports these cameras; and

WHEREAS, the City, believes that it is in the best interest of the public to authorize the purchase of a new police camera system.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF KAYSVILLE, UTAH:

1. The City Manager, or his designee, are directed to conduct negotiations for a purchase agreement for a new police camera system. These cameras shall be purchased in compliance with the City's purchasing policy. The Agreement shall include such other provisions as are deemed necessary to accomplish the purposes of the City in entering an agreement for the purchase of the cameras. This resolution does not authorize purchases which materially exceed that mentioned in the associated staff report.

2. The City Manager, or his designee, are authorized to purchase police cameras and incur the associated expenses without further City Council authorization.

3. At such time as the Agreements are in a form acceptable to the City Manager and City Attorney and after the merchants have properly executed said Agreement, the City Manager is authorized to execute the Agreement on behalf of the City. Execution of the Agreement by the City Manager shall constitute the City's acceptance of the offer by the applicable merchants and the formal purchase of the cameras pursuant to the terms and conditions of the Agreement.

PASSED AND ADOPTED by the City Council of Kaysville, Utah, this 7th day of December, 2023.

Tamara Tran, Mayor

ATTEST:

Annemarie Plaizier, City Recorder



Kaysville City Police Department

VaaS (27) M500 3-Camera+(35) V700+3-User1-TB CCE Plus+Aware+LPR & IDP

11/09/2023

11/09/2023

Kaysville City Police Department
58 E 100 N
KAYSVILLE, UT 84037

RE: Motorola Quote for VaaS (27) M500 3-Camera+(35) V700+3-User1-TB CCE Plus+Aware+LPR & IDP
Dear Assistant Chief Seth Ellington,

Motorola Solutions is pleased to present Kaysville City Police Department with this quote for quality communications equipment and services. The development of this quote provided us the opportunity to evaluate your requirements and propose a solution to best fulfill your communications needs.

This information is provided to assist you in your evaluation process. Our goal is to provide Kaysville City Police Department with the best products and services available in the communications industry. Please direct any questions to David McNulty at David.McNulty@motorolasolutions.com.

We thank you for the opportunity to provide you with premier communications and look forward to your review and feedback regarding this quote.

Sincerely,

David McNulty

Billing Address:
 KAYSVILLE CITY POLICE DEPT
 58 E 100 N
 KAYSVILLE, UT 84037
 US

Quote Date:11/09/2023
 Expiration Date:01/08/2024
 Quote Created By:
 David McNulty
 David.McNulty@
 motorolasolutions.com

End Customer:
 Kaysville City Police Department
 Assistant Chief Seth Ellington
 sellinton@kaysvillecity.com
 801-547-7527

Payment Terms:30 NET

Summary:

Any sales transaction resulting from Motorola's quote is based on and subject to the applicable Motorola Standard Terms and Conditions, notwithstanding terms and conditions on purchase orders or other Customer ordering documents. Motorola Standard Terms and Conditions are found at www.motorolasolutions.com/product-terms.

Manufacturers' Representative:

[Greg Steed](#) - Government Solutions Specialist Day Wireless - (801) 360-0127 - gsteed@daywireless.com

Line #	Item Number	Description	Qty	Term	Sale Price	Ext. Sale Price	Refresh Duration
Video as a Service							
1	WGW00122-301	MOBILE VIDEO DEPLOYMENT SERVICES	3500 7		\$1.00	\$35,007.00	
2	WGA00640-KIT1	V300, USB DOCK, D300, DESK CHGR/UPLD KIT	27		\$200.00	\$5,400.00	
3	WGP02950	V700 BATTERY, 3.8V, 4180MAH, REMOVABLE	27		\$110.00	\$2,970.00	
4	WGP02798C	CENTER MOUNT ASSY VG700, BLACK	4		\$69.00	\$276.00	
5	WCM000111-020	INTEGRATION VIDEOMANAGER EL WITH MOTOROLA CAD/RMS	1		\$0.00	\$0.00	
6	WGW00502	M500 EXTENDED WARRANTY	27	5 YEAR	Included	Included	
7	WGP01394-001	CBL, WIFI VHCL ANT MNT, NMO, 17'L	27		Included	Included	



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 Motorola Solutions, Inc.: 500 West Monroe, United States - 60661 ~ #: 36-1115800

Line #	Item Number	Description	Qty	Term	Sale Price	Ext. Sale Price	Refresh Duration
8	WGC02001-VAAS	VIDEOMANAGER EL CLOUD, ANNUAL UNLIMITED STORAGE PER BODY WORN CAMERA VAAS	27	5 YEAR	Included	Included	
9	WGC02002-VAAS	VIDEOMANAGER EL CLOUD, ANNUAL UNLIMITED STORAGE PER IN-CAR VIDEO SYSTEM WITH 2 CAMERAS VAAS	27	5 YEAR	Included	Included	
10	SSV00S01450B	LEARNER LXP SUBSCRIPTION	27	5 YEAR	\$0.00	\$0.00	
11	WGB-0189A	MTIK CONF KIT,802.11AC,M500POE,5 GHZANT	27		Included	Included	
12	WGP02798-KIT	V700 MAGNETIC MOUNT WITH BWC BOX	27		Included	Included	
13	WGB-0741A	V700 BODY WORN CAMERA FIRSTNET READY	27		Included	Included	3 YEAR
14	LSV07S03512A	ESSENTIAL SERVICE WITH ACCIDENTAL DAMAGE AND ADVANCED REPLACEMENT	27	5 YEAR	Included	Included	
15	SWV07S03593A	SOFTWARE ENHANCEMENTS	27	5 YEAR	Included	Included	
16	AAS-M5-3CAM-BWC	M500 3-CAMERA IN-CAR SYSTEM WITH BODY WORN CAMERA AND VIDEO MANAGER EL CLOUD- 5 YEARS VIDEO- AS-A-SERVICE	27	5 YEAR	\$15,600.00	\$421,200.00	
17	WGB-0708A	M500 ICV SYSTEM W/ RCAM V300 WIFI DCK,SPS*	27		Included	Included	



Line #	Item Number	Description	Qty	Term	Sale Price	Ext. Sale Price	Refresh Duration
18	WGC02003-VAAS	VIDEOMANAGER EL CLOUD, ANNUAL UNLIMITED STORAGE FOR IN-CAR VIDEO SYSTEM PER ADDITIONAL CAMERA VAAS	27	5 YEAR	Included	Included	
Video as a Service							
19	AAS-BWC-5YR-001	BODY WORN CAMERA AND VIDEO MANAGER EL CLOUD - 5 YEARS VIDEO-AS-A-SERVICE	8	5 YEAR	\$4,140.00	\$33,120.00	
20	WGA00640-KIT1	V300, USB DOCK, D300, DESK CHGR/UPLD KIT	8		\$200.00	\$1,600.00	
21	WGP02950	V700 BATTERY, 3.8V, 4180MAH, REMOVABLE	8		\$110.00	\$880.00	
22	WGW00122-302	BODY WORN CAMERA CONFIGURATION SERVICE	8		\$80.00	\$640.00	
23	WGP02798C	CENTER MOUNT ASSY VG700, BLACK	1		\$69.00	\$69.00	
24	SSV00S01450B	LEARNER LXP SUBSCRIPTION	8	5 YEAR	\$0.00	\$0.00	
25	WGC02001-VAAS	VIDEOMANAGER EL CLOUD, ANNUAL UNLIMITED STORAGE PER BODY WORN CAMERA VAAS	8	5 YEAR	Included	Included	
26	WGP02798-KIT	V700 MAGNETIC MOUNT WITH BWC BOX	8		Included	Included	
27	WGB-0741A	V700 BODY WORN CAMERA FIRSTNET READY	8		Included	Included	3 YEAR
28	LSV07S03512A	ESSENTIAL SERVICE WITH ACCIDENTAL DAMAGE AND ADVANCED REPLACEMENT	8	5 YEAR	Included	Included	
29	SWV07S03593A	SOFTWARE ENHANCEMENTS	8	5 YEAR	Included	Included	



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Motorola Solutions, Inc.: 500 West Monroe, United States - 60661 ~ #: 36-1115800

Line #	Item Number	Description	Qty	Term	Sale Price	Ext. Sale Price	Refresh Duration
CommandCentral Evidence							
30	SSV00S02601A	COMMANDCENTRAL EVIDENCE PLUS	1	5 YEAR	\$7,020.00	\$7,020.00	
31	ISV00S01459A	DIGITAL EVIDENCE DELIVERY SERVICES	1		\$5,189.41	\$5,189.41	
32	SSV00S02783A	COMMANDCENTRAL STORAGE GB	1000	5 YEAR	\$3.75	\$3,750.00	
33	SSV00S03751A	INTEGRATION: VIDEO MANAGER EL (CLOUD) TO EVIDENCE	1	5 YEAR	\$0.00	\$0.00	
34	SSV00S01450B	LEARNER LXP SUBSCRIPTION	3	5 YEAR	\$0.00	\$0.00	
35	SSV00S03389A	INTEGRATION: FLEX RMS	1	5 YEAR	\$0.00	\$0.00	
36	SSV00S03748A	INTEGRATION: AWARE TO EVIDENCE	1	5 YEAR	\$0.00	\$0.00	
37	SSV00S02604A	FIELD RESPONSE APPLICATION	1	5 YEAR	Included	Included	
38	SSV00S02605A	RECORDS MANAGEMENT	1	5 YEAR	Included	Included	
39	SSV00S02606A	OPTIMIZED DIGITAL EVIDENCE	1	5 YEAR	\$0.00	\$0.00	
40	SSV00S03682A	INTEGRATION: CC EVIDENCE TO COMMUNITY	1	5 YEAR	\$0.00	\$0.00	
41	SSV00S02782A	COMMUNITY INTERACTION TOOL	1	5 YEAR	\$0.00	\$0.00	
Vigilant							
42	DDN3421A	M500 BASIC ALPR VAAS	17		\$516.00	\$8,772.00	
43	TT4130A	FULL SUPPORT SERVICES FOR WG ADVANCED LPR	1		\$5,000.00	\$5,000.00	
44	TT4149A	INVESTIGATIVE DATA PLATFORM - ANNUAL SUBSCRIPTION FOR UP TO 25 SWORN - STATE AND LOCAL	1		\$4,250.00	\$4,250.00	



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 Motorola Solutions, Inc.: 500 West Monroe, United States - 60661 ~ #: 36-1115800

Line #	Item Number	Description	Qty	Term	Sale Price	Ext. Sale Price	Refresh Duration
45	Incentive	Expiration Date: 12/22/2023	1		-\$69,569.00	-\$69,569.00	

Grand Total **\$465,574.41(USD)**

Pricing Metric :
 Price is indicative of the following -
 # of Named Users for CommandCentral Evidence - 3

Pricing Summary

	Sale Price	
Upfront Costs for Hardware, Accessories and Implementation (if applicable), plus Subscription Fee	\$93,502.41	\$0.00
Year 2 Subscription Fee	\$93,018.00	\$0.00
Year 3 Subscription Fee	\$93,018.00	\$0.00
Year 4 Subscription Fee	\$93,018.00	\$0.00
Year 5 Subscription Fee	\$93,018.00	\$0.00
Grand Total System Price	\$465,574.41	\$0.00

Notes:

- Additional information is required for one or more items on the quote for an order.



- Incentive: Motorola Solutions, Inc. (MSI) is offering Kaysville City Police Department a \$69.569 (~13%) incentive/ discount to issue an order by 12/22/2023 by "e-Signing" the:
 - Notice To Proceed (NTP)
 - Online Terms Agreement (OTA)This incentive/discount offer expires after 12/22/2023

Approximate Product & Services Delivery Lead Times:

Body-Worn Cameras (BWC) & In-Car Video Systems (ICV) Shipment After Receipt of Order (ARO): 6-12 weeks

Deployment & Commissioning (after receipt of product shipment): 12-16 weeks

Total Lead Time: 18-28 weeks ARO

- Unless otherwise noted, this quote excludes sales tax or other applicable taxes (such as Goods and Services Tax, sales tax, Value Added Tax and other taxes of a similar nature). Any tax the customer is subject to will be added to invoices.
- Unless otherwise noted in this quote / order, installation of equipment is not included.
- Please refer to the ALPR Solution Attachment for further details



 **MOTOROLA SOLUTIONS**
VIDEO-AS-A-SERVICE OVERVIEW

QUOTE-2413088
VaaS (27) M500 3-Camera+(35)
V700+3-User1-TB CCE
Plus+Aware+LPR & IDP

Video-as-a-Service (VaaS) is a subscription-based solution that provides agencies with Motorola's industry-leading evidence collection and management tools. VaaS includes access to high definition camera systems and the VideoManager EL Cloud evidence management platform.

VideoManager EL Cloud automates data maintenance and facilitates administration of your department's devices in a Government cloud-based storage solution. Agencies can capture, record, store, and efficiently manage all evidentiary data with VideoManager.

In addition, the VaaS solution can be expanded with CommandCentral Evidence to provide a single, streamlined workflow in the industry's only end-to-end digital evidence management ecosystem.



When combined into a single solution, these tools enable officers in the field to easily capture, record, and upload evidence, as well as efficiently manage and share that evidentiary data. Because Video-as-a-Service requires no up-front purchase of equipment or software, it provides a simple way to quickly deploy and begin using a complete camera and evidence management solution for a per device charge, billed quarterly.



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 **MOTOROLA SOLUTIONS**
VIDEOMANAGER EL CLOUD SOLUTION DESCRIPTION

QUOTE-2413088
VaaS (27) M500 3-Camera+(35)
V700+3-User1-TB CCE
Plus+Aware+LPR & IDP

VideoManager EL Cloud simplifies evidence management, automates data maintenance, and facilitates management of your department's devices, all in a cloud-based, off-premises storage solution.

It is compatible with V300 and VISTA body-worn cameras, as well as M500 and 4RE in-car video systems, enabling you to upload video evidence quickly and securely. It also allows live-streaming capabilities through the optional SmartControl and SmartConnect applications.

VIDEO EVIDENCE MANAGEMENT

Using VideoManager EL Cloud delivers benefits to all aspects of video evidence management. From streamlining the evidence review process to automatically maintaining your stored data, VideoManager EL Cloud makes evidence management as efficient as possible. With VideoManager EL Cloud, you minimize the amount of time spent manually managing evidence, allowing your team to spend more time in the field.



Simplified Evidence Review

VideoManager EL Cloud makes evidence review easier by allowing users to upload evidence into cloud storage from their in-field devices. When evidence is uploaded, important information is sorted, which groups relevant evidence together. This information includes a recording's date and time, device used to capture, event ID, officer name, and event type. This allows you to view recordings of an incident that were taken from several devices simultaneously, eliminating the task of reviewing irrelevant footage during review.

Its built-in media player includes a visual display of incident data, allowing you to tag moments of interest, such as when lights, sirens, or brakes were activated during the event timeline.

Other relevant files, such as PDFs, spreadsheets, reports, third-party videos, audio recordings, pictures, and drawings, can also be grouped together and stored under a specific case entry, allowing all pertinent information to be stored together in VideoManager EL.

Easy Evidence Sharing

VideoManager EL Cloud allows you to easily share information in the evidence review or judiciary sharing process by exporting evidence data as MP4 files.

You can also find relevant evidence data using audit log filters, including criteria such as import, export, playback, download, share, and modify dates.

Automatic Data Maintenance

VideoManager EL Cloud lets you automatically organize the evidence data you store, allowing you to save time that would be spent manually managing it. It can schedule the automatic movement or purging of events on a daily, weekly, or monthly basis, based on how the user wants to configure the system.

Security groups and permissions are easily set-up in VideoManager EL Cloud, allowing you to grant individuals access to evidence on an as-needed basis.



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Integration with In-Car and Body-Worn Cameras

Officers on the road are able to automatically upload encrypted video from in-car systems and body cameras. This eliminates the need for trips to and from the station solely for uploading data into the system.

Video and audio captured by the M500, V300, 4RE and VISTA camera systems are automatically linked in VideoManager EL Cloud based on time and location. You can then utilize synchronized playback and export of video and audio from multiple devices in the same recording group, where video and audio streams can be matched together.

Optional Live Video Streaming

VideoManager EL Cloud integrates with SmartControl, an optional mobile application for Android or iOS that allows officers to complete evidence review work normally completed at their desk from their smartphone.

SmartControl also allows officers to categorize recordings using event tags, stream live video from, and change camera settings, such as adjusting field of view, brightness, and audio levels.

SmartConnect, an optional smartphone application, provides VISTA body-worn camera users with immediate in-field access to their body cameras. SmartConnect includes the ability to pair with VISTA cameras, adjust officer preferences, categorize recordings with incident IDs and case numbers, and play back recordings.

DEVICE MANAGEMENT

Agencies using VideoManager EL Cloud are able to assign users to devices, track them, and streamline shift changes. You can easily manage, configure, update firmware, and deploy in-car and body-worn cameras. Individual preference settings can be configured based on user profiles, allowing quick device transactions within a pooled device system. VideoManager EL Cloud also tracks devices and enables them to be quickly exchanged between officers during shift changes. This minimizes the amount of devices needed for your fleet.

Device Tracking

You can easily manage, configure, and deploy their in-car and body-worn cameras in VideoManager EL Cloud. Devices can be assigned to personnel within VideoManager EL Cloud and tracked, helping agencies keep track of which users have specific devices.

Faster Shift Changes

VideoManager EL Cloud's Rapid Checkout Kiosk feature allows agencies to take advantage of a pooled camera system to utilize fewer cameras. Rapid Checkout Kiosk feature allows agencies using a pooled camera system to use fewer cameras. Cameras can be checked out at the start of a shift using an easy-to-use interface. At the end of the shift, the camera can be returned to its dock, where the video is automatically uploaded and the camera is made ready to be checked out and used for the next shift.

Devices can also be configured to remember individual preference settings for each user, including volume level, screen brightness and camera aim. These settings are applied whenever a device is assigned to a specific officer. A variety of settings within VideoManager EL Cloud also enable you to configure devices to operate in alignment with your agency's policies and procedures.



M500 IN-CAR VIDEO SYSTEM LICENSE PLATE RECOGNITION (LPR) – SOLUTION DESCRIPTION

DESCRIPTION

Safety is your primary concern. You have to ensure that every officer has the best possible information before engaging with a suspect. And a vehicle’s license plate can unlock critical data to inform your response to a situation.

The M500 in-car video system has powerful License Plate Recognition (LPR) capabilities, and is carefully integrated with our market-leading Vigilant LEARN LPR platform. The M500’s 120-degree 4K front camera can capture license plate and vehicle make/model information in up to three lanes of traffic simultaneously, while moving at up to 70mph. The process is completely automated, with no requirement for interaction with the camera or software. Officers can concentrate on other important tasks, while the M500 continuously scans its environment.

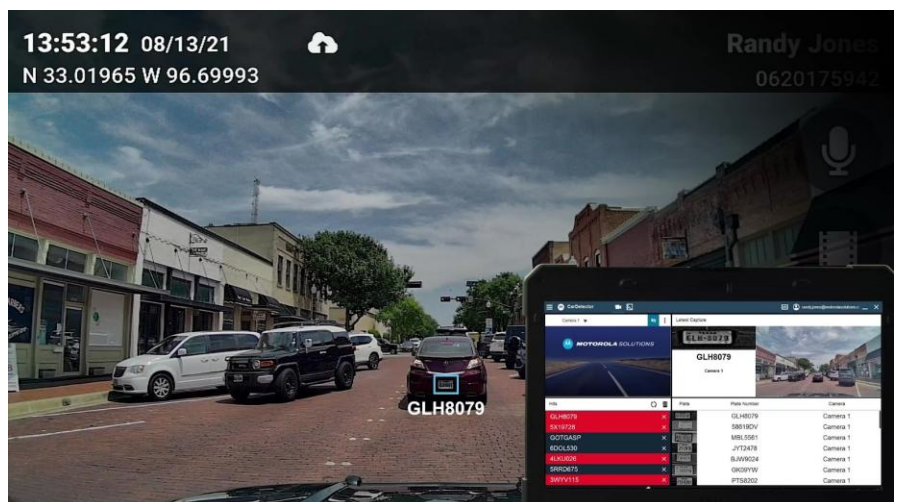
DETAILS

The M500 in-car video system is designed around a high-power processing core optimized for AI applications such as LPR. Using a high-accuracy OCR algorithm, the 4K front camera sensor can capture multiple license plates moving at normal highway speeds from up to 40 feet away.

The M500 is not recommended for high-speed (>70 mph), long-range or high-throughput LPR applications, or where target vehicles will not be visible through the front windshield. For these situations we offer our L5M purpose-designed mobile LPR camera.

The M500 system connects to CarDetector Mobile (CDM) software running on your in-car Mobile Data Terminal (MDT). CDM gives officers a convenient dashboard, showing the video stream(s), recently-captured license plates and recent “hits”. It can be configured to give visible and audible alerts whenever a plate matches an entry on a hotlist. Hotlists can be agency-owned or shared.

You also have access to the market-leading Vigilant PlateSearch application, for analysis of LPR data captured by agency cameras. Optionally, you can extend this to include LPR data from neighboring agencies and commercial customers.



MOBILE VIDEO PRODUCTS NEW SYSTEM STATEMENT OF WORK

OVERVIEW

This Statement of Work (SOW) outlines the responsibilities of Motorola Solutions, Inc. (Motorola) and the Customer for the implementation of purchased body-worn camera(s) and/or in-car video system(s) and your digital evidence management solution. For the purpose of this SOW, the term "Motorola" may refer to our affiliates, subcontractors, and third-party partners. The third-party partner(s) will work on Motorola's behalf to install your in-car video system(s).

This SOW addresses the responsibilities of Motorola and the Customer that are relevant to the implementation of the hardware and software components listed in the Solution Description. Any changes or deviations from this SOW must be mutually agreed upon by Motorola and the Customer and will be addressed in accordance with the change provisions of the Agreement. The Customer acknowledges any changes or deviations from the SOW may incur additional cost.

Motorola and the Customer will work to complete their respective responsibilities in accordance with the Project Schedule. Any changes to the Project Schedule must be mutually agreed upon by both parties in accordance with the change provisions of the Contract.

Unless specifically stated, Motorola will perform the work remotely. The Customer will provide Motorola personnel with access to their network and facilities so Motorola is able to fulfill its obligations. All work will be performed during normal business hours (Monday through Friday from 8:00 a.m. to 5:00 p.m.).

The number and type of software subscription licenses, products, or services provided by Motorola and its subcontractors are specifically listed in the Contract and referenced in the SOW.

AWARD, ADMINISTRATION, AND PROJECT INITIATION

Project Initiation and Planning will begin following the Execution of the Contract between Motorola and the Customer. At the conclusion of Project Planning, the Motorola's Project Manager (PM) will begin status meetings and provide status reports on a regular cadence with the Customer's PM. The status report will provide a summary of activities completed, activities planned, project progress against the project schedule, items of concern requiring attention, as well as potential project risks and agreed upon mitigation actions.

Motorola utilizes Google Meet as its teleconference tool. If the Customer desires to use an alternative teleconferencing tool, any costs incurred for the use of the alternate teleconferencing tool will be the responsibility of the Customer.

CJIS INFORMATION

Motorola will provide state of residency and fingerprint cards for any employee requiring physical or logical access to unencrypted NCIC/III or CHRI data so Customer can conduct a criminal background investigation. A criminal background investigation is also required for Motorola employees who need access to Criminal Justice Information Systems (CJIS) containing unencrypted NCIC/III or CHRI data.

If the Customer requires a different method for a Motorola employee to access CJIS, Motorola will work with the Customer to complete this documentation in a timely manner.



COMPLETION CRITERIA

The project is considered complete once Motorola has completed all responsibilities listed in this SOW. Customer's task completion will occur based on the Project Schedule to ensure Motorola is able to complete all tasks without delays. Motorola will not be held liable for project delays due to incomplete Customer tasks.

The Customer must provide Motorola with written notification if they do not accept the completion of Motorola responsibilities. The written notification must be provided to Motorola within ten (10) business days of task completion.

SUBSCRIPTION SERVICE PERIOD

If the contracted system includes a subscription, the subscription service period will begin upon the Customer's receipt of credentials for access. In the absence of written notification for non-acceptance, beneficial use will occur thirty (30) days after functional demonstration of the system.

PROJECT ROLES AND RESPONSIBILITIES OVERVIEW

Motorola Project Roles and Responsibilities

The Motorola Project Team will be assigned to the project under the direction of the Motorola's PM. Each team member will be engaged in different phases of the project as necessary. Some team members will be multi-disciplinary and may fulfill more than one role.

In order to maximize effectiveness, the Motorola Project Team will provide various services remotely by teleconference, web-conference, or other remote method in order to fulfill our commitments as outlined in this SOW.

Our experience has shown customers who assume ownership of the system early and take an active role in the delivery and educational process realize user adoption sooner and achieve higher levels of success with system operation.

The subsections below provide an overview of the Project Team Members.

Project Manager (PM)

The PM will be the principal business representative and point of contact for Motorola. The PM's responsibilities may include but are not limited to:

- Manage Motorola responsibilities related to the delivery of the project.
- Maintain the Project Schedule, and manage assigned Motorola personnel, subcontractors, and suppliers as applicable.
- Coordinate schedules of assigned Motorola personnel, subcontractors, and suppliers as applicable.
- Conduct equipment inventory.
- Maintain project communications with the Customer.
- Identify and manage project risks.
- Coordinate collaboration of Customer resources to minimize project delays.
- Evaluate project status against Project Schedule.
- Conduct status meetings on mutually agreed upon dates to discuss project status.
- Provide timely responses to Customer inquiries and issues related to project progress.



- Conduct daily status calls with the Customer during Go-Live.

Post Sales Engineer

The Post Sales Engineer will work with the Customer's Project Team on:

- System provisioning.
- Contracted data migration between two disparate digital evidence management systems (if applicable).

System Technologist (ST)

The ST will work with the Customer's Project Team on:

- The installation and configuration of system devices.
- Provide instructions to the Customer on the installation and configuration of system devices.
- Review equipment setup with the Customer.
- Develop and submit a Trip Report to the Customer.

Professional Services Engineer (if applicable)

The Professional Services Engineer is engaged on projects that include integration between Motorola evidence management system and the Customer's third-party software application. Their responsibilities include:

- Delivery of the interface between Motorola evidence management system and the Customer's third-party software (e.g. CAD).
- Work with the Customer to access required systems/data.

Application Specialist (if applicable)

The Application Specialist will work with the Customer Project Team on system provisioning and education. The Application Specialist's responsibilities include but are not limited to:

- Deliver provisioning education and guidance to the Customer for operating and maintaining their system.
- Provide product education as defined by this SOW and described in the Education Plan.

Technical Trainer / Instructor

The Technical Trainer / Instructor provides training on-site or remote depending on the training topic and deployment services purchased.

Customer Support Services Team

The Customer Support Services Team will provide on-going support to the Customer following Go-Live and final acceptance of the project.

Customer Project Roles and Responsibilities

Motorola has defined key resources that are critical to this project and must participate in all the activities defined in this SOW. During the Project Planning phase, the Customer will be required to provide names and contact information for the roles listed below. It is critical that these resources are empowered to make decisions based on the Customer's operational and administration needs. The Customer Project Team will be engaged from Project Initiation through Beneficial Use of the system. In the event the Customer is unable to provide the resources identified in this section, Motorola may be able to supplement these resources at an additional cost.



Project Manager

The PM will act as the primary point of contact for the duration of the project. In the event the project involves multiple locations, Motorola will work exclusively with the Customer's primary PM. The PM's list of responsibilities include the following:

- Communicate and coordinate with other project participants.
- Manage the Customer Project Team including subcontractors and third-party vendors. This includes timely facilitation of tasks and activities.
- Maintain project communications with the Motorola PM.
- Identify the tasks required of Customer staff that are outlined in this SOW and the Project Schedule.
- Consolidate all project inquiries from Customer staff to present to the Motorola PM.
- Approve a deployment date offered by Motorola.
- Review the Project Schedule with the Motorola PM and finalize tasks, dates, and responsibilities.
- Measure and evaluate progress against the Project Schedule.
- Monitor the project to ensure resources are available as required.
- Attend status meetings.
- Provide timely responses to issues related to project progress.
- Liaise and coordinate with other agencies, Customer vendors, contractors, and common carriers.
- Review and administer change control procedures, hardware and software certification, and all related project tasks required to meet the deployment date.
- Ensure Customer vendors' readiness ahead of the deployment date.
- Assign one or more personnel to work with Motorola staff as needed for the duration of the project, including one or more representatives from the IT department.
- Identify a resource with authority to formally acknowledge and approve milestone recognition certificates, as well as, approve and release payments in a timely manner.
- Provide Motorola personnel with access to all Customer facilities where system equipment is to be installed. Temporary identification cards are to be issued to Motorola personnel, if required for access.
- Ensure remote network connectivity and access for Motorola resources.
- Assume the responsibility for all fees pertaining to licenses, inspections and any delays associated with inspections due to required permits as applicable to this project.
- Provide reasonable care to prevent equipment exposure from contaminants that may cause damage to the equipment or interruption of service.
- Ensure a safe work environment for Motorola personnel.
- Identify and manage project risks.
- Provide signature(s) of Motorola-provided milestone recognition certificate(s) within ten (10) business days of receipt.

IT Support

IT Support manages the technical efforts and ongoing activities of the Customer's system. IT Support will be responsible for managing Customer provisioning and providing Motorola with the required information for LAN, WAN, server and client infrastructure. IT Support must be familiar with connectivity to internal, external and third-party systems where the proposed system will interface.

The IT Support Team responsibilities include but are not limited to:

- Participate in delivery and training activities to understand the software, interfaces and functionality of the system.



- Participate along with Customer Subject Matter Experts (SMEs) during the provisioning process and associated training.
- Authorize global provisioning decisions and be the Point of Contact (POC) for reporting and verifying problems.
- Maintain provisioning.
- Implement changes to Customer infrastructure in support of the proposed system.

Video Management Point of Contact (POC)

The Video Manager POC will educate officers on digital media policy, participate in Discovery tasks, and complete the Video Management Administration training.

Subject Matter Experts (SMEs)

SMEs are a core group of users involved with the analysis, training and provisioning process, including making decisions on global provisioning. The SMEs should be experienced users in their own respective field (evidence, dispatch, patrol, etc.) and should be empowered by the Customer to make decisions based on provisioning, workflows, and department policies related to the proposed system.

Training POC

The Training POC will act as the course facilitator and is considered the Customer's educational monitor. The Training POC will work with the Motorola team when policy and procedural questions arise. They will be responsible for developing any agency specific training material(s) and configuring new users on the Motorola Learning eXperience Portal (LXP) system. This role will serve as the first line of support during Go-Live for the Customer's end users.

General Customer Responsibilities

In addition to the Customer responsibilities listed above, the Customer is responsible for the following (if applicable):

- All Customer-provided equipment, including third-party hardware and software needed for the proposed system but not listed as a Motorola deliverable. Examples include end user workstations, network equipment, etc.
- Configure, test, and maintain third-party system(s) the Customer will interface with the proposed system.
- Establish an Application Programming Interface (API) for applicable third-party system(s) and provide documentation that describes the integration to the Motorola system.
- Coordinate and facilitate communication between Motorola and Customer third-party vendor(s) as required.
- Third-party installers must be certified through Motorola LXP for remote or in person installation training. The Customer will be responsible for work performed by non-certified installers.
- Upgrades to Customer's existing system(s) in order to support the proposed system.
- Mitigate the impact of upgrading Customer third-party system(s) that will integrate with the proposed system. Motorola strongly recommends working with the Motorola Project Team to understand the impact of such upgrades prior to taking action.
- Active participation of Customer SMEs during the course of the project.
- Electronic versions of any documentation associated with business processes identified.
- Providing a facility with the required computer and audio-visual equipment for training and work sessions.
- Ability to participate in remote project meetings using Google Meet or a mutually agreed upon Customer-provided remote conferencing tool.



Motorola is not responsible for any delays that arise from Customer's failure to perform the responsibilities outlined in this SOW or delays caused by Customer's third-party vendor(s) or subcontractor(s).

NETWORK AND HARDWARE REQUIREMENTS

The following requirements must be met by the Customer prior to Motorola installing the proposed system:

- Provide network connectivity for the transfer and exchange of data for the proposed system.
- Provide Virtual Private Network (VPN) remote access for Motorola personnel to configure the system and conduct diagnostics.
- Provide Internet access to server(s).
- Provide devices such as workstations, tablets, and smartphones with Internet access for system usage. Chrome is the recommended browser for optimal performance. The workstations must support MS Windows 11 Enterprise.
- Provide and install antivirus software for workstation(s).
- Provide Motorola with administrative rights to Active Directory for the purpose of installation, configuration, and support.
- Provide all environmental conditions such as power, uninterruptible power sources (UPS), HVAC, firewall and network requirements.
- Ensure required traffic is routed through Customer's firewall.

PROJECT PLANNING

A clear understanding of the needs and expectations of Motorola and the Customer is critical to fostering a collaborative environment of trust and mutual respect. Project Planning requires the gathering of specific information to set clear project expectations and guidelines, as well as lay the foundation for a successful implementation.

PROJECT PLANNING SESSION

A Project Planning Session will be scheduled after the Contract has been executed. The Project Planning Session is an opportunity for the Motorola and Customer PM to meet prior to the Project Kickoff Meeting and review key elements of the project and expectations of each other. Dependent upon solutions purchased, the agenda will typically include:

- A high level review of the following project elements:
 - Contract documents.
 - A summary of contracted applications and equipment as purchased.
 - Customer's involvement in project activities to confirm understanding of scope and required time commitments.
 - A high level Project Schedule with milestones and dates.
- Confirm CJIS background investigations and fingerprint requirements for Motorola employees and/or subcontractors.
- Determine Customer location for Motorola to ship their equipment for installation.

Motorola Responsibilities

- Schedule the remote Project Planning Session.



- Request the assignment of Customer Project Team and any additional Customer resources that are instrumental to the project's success.
- Provide the initial Project Schedule.
- Baseline the Project Schedule.
- Review Motorola's delivery approach and its reliance on Customer-provided remote access.
- Document mutually agreed upon Project Kickoff Meeting Agenda.
- Request user information required to establish the Customer in the Motorola LXP.

Customer Responsibilities

- Identify Customer Project Team and any additional Customer resources that are instrumental to the project's success.
- Acknowledge the mutually agreed upon Project Kickoff Meeting Agenda.
- Provide approval to proceed with the Project Kickoff Meeting.

Motorola Deliverables

- Project Kickoff Meeting Agenda.

PROJECT KICKOFF

Motorola will work with the Customer to understand the impact of introducing a new solution and the preparedness needed for successful implementation of the solution.

Note – The IT Questionnaire is completed during the pre-sales process and prior to Contract award. The IT Questionnaire is given to Motorola at time of offer acceptance. Delay in completing the IT Questionnaire will delay shipment of equipment.

Motorola Responsibilities

- Review Contract documents including project delivery requirements as described in this SOW.
- Discuss the deployment start date and deliver the Deployment Checklist.
- Discuss vehicle equipment installation activities and responsibilities.
- Discuss equipment inventory process.
- Discuss project team participants and their role(s) in the project with fulfilling the obligations of this SOW.
- Review resource and scheduling requirements.
- Discuss Motorola remote system access requirements (24-hour access to a secured two-way Internet connection through the Customer's firewall for the purposes of deployment and maintenance).
- Discuss and deliver the Business Process Review (BPR) Workbook.
- Complete all necessary documentation (i.e. fingerprints, background checks, card keys, etc.) required for Motorola resources to gain access to Customer facilities.
- Discuss the LXP training approach.
- Provide designated Customer administrator with access to LXP.
- Review and agree on completion criteria and the process for transitioning to support.

Customer Responsibilities

- Provide feedback on project delivery requirements.
- Review the Deployment Checklist.
- Review the roles of project participants to identify decision-making authority.



- Provide VPN access to Motorola personnel to facilitate delivery of services described in this SOW.
- Validate non-disclosure agreements, approvals, and other related items are complete when applicable.
- Provide all documentation (i.e. fingerprints, background checks, card keys, etc.) required for Motorola resources to gain access to Customer facilities.
- Provide Motorola with names and contact information to the designated LXP Administrator(s).

Motorola Deliverables

- Project Kickoff Meeting Minutes.
- BPR Workbook.
- Deployment Checklist.

DISCOVERY TELECONFERENCE

During the Discovery Teleconference, Motorola will meet with the Customer to define system configuration, as well as, agency recording and retention policies. This information will be documented in the Business Process Review (BPR) Workbook, which is used as a guide for configuration and provisioning decisions.

Motorola Responsibilities

- Facilitate Discovery Teleconference(s).
- Review and complete BPR Workbook with the Customer.
- Confirm Customer-provided configuration inputs.

Customer Responsibilities

- Gather and review information required to complete the BPR Workbook during the Discovery Teleconference.
- Schedule Customer Project Team and SMEs to attend the Discovery Teleconference. SMEs should be present to weigh-in on hardware, software and network components. Customer attendees should be empowered to convey policies and make modifications to policies as necessary.
- Return completed BPR Workbook no more than five (5) business days after the conclusion of the Discovery Teleconference.

Motorola Deliverables

- Completed BPR Workbook.

PROJECT EXECUTION

EQUIPMENT PROCUREMENT AND INSTALLATION

Motorola will procure contracted equipment as part of the ordering process. The equipment will be configured with a basic profile in line with the information provided by the IT Questionnaire or Discovery Teleconference to enable installation and configuration of the system. The Customer is responsible for providing an installation environment that meets manufacturer's specifications for the equipment, which includes but is not limited to:

- Power
- Heating/Cooling
- Network Connectivity
- Access and Security
- Conduit and Cabling



If Motorola and/or its subcontractors are responsible for the installation, the responsibilities outlined below will apply to Motorola and the Customer.

Motorola Responsibilities

- Procure contracted equipment and ship to the Customer's designated location.
- Inventory equipment after arrival at Customer location.
- Install backend equipment (server) in the Customer's designated area.
- Conduct a power-on test to validate the installed hardware and software are ready for configuration.
- Verify remote connection to equipment.
- If applicable, for an on-site deployment, Motorola will be responsible for verifying the body-worn camera Transfer Stations are connected to the Customer's network. The Customer is responsible for ensuring Motorola has the correct IP address(es) for configuring the Transfer Stations, and the Customer's network is operational.
- If applicable, install Access Point(s) (APs).
- If applicable, verify APs are properly installed and connected to the network.
- Provide a Trip Report outlining the activities completed during installation.

Customer Responsibilities (if applicable)

- Procure Customer-provided equipment and make it available at the installation location.
- Confirm the server room complies with environmental requirements (i.e. power, uninterruptible power, surge protection, heating/cooling, etc.).
- Verify the server is connected to the Customer's network.
- Provide, install, and maintain antivirus software for server(s) and/or workstation(s).
- Enable outgoing network connection (external firewall) to the CommandCentral cloud by utilizing the Customer's Internet connection.
- If applicable, install Customer-supplied Access Point(s) (APs).
- If applicable, verify APs are properly installed and connected to the network.
- For remote deployments, the Customer is responsible for verifying the body-worn camera Transfer Stations are connected to their network.
- Confirm access to installed software on Customer-provided workstation(s).
- For body-worn cameras, the Customer will verify whether the Transfer Station(s) are connected to their network.

If the Customer and/or its subcontractors are responsible for the installation, the responsibilities outlined below will apply to Motorola and the Customer.

Motorola Deliverables

- Contracted Equipment.
- Equipment Inventory.

In-Car Video System (if applicable)

The Motorola-certified installer will complete the installation of the in-car video (ICV) system(s) in Customer-provided vehicle(s) per Motorola installation guidelines. The installer may also be responsible for installing cellular routers or WiFi radios inside the vehicle(s) for wireless upload of video to the Customer's evidence management system.



Note – The Pricing Page will reflect in-car video installation services by Motorola if Motorola is responsible for the vehicle installations.

Motorola Responsibilities

- Setup server for ICV digital video recorder (DVR) configuration.
- Create configuration USB used to complete ICV hardware installation.
- Travel to the Customer site to conduct on-site installation activities.
- Complete ICV configuration on a single vehicle and validate the configuration with the Customer.
- Receive Customer approval to proceed with remaining ICV configurations.
- Complete remaining contracted vehicle installations.
- Test a subset of completed ICV hardware installations.
- Complete installation of cellular modem and confirm placement of antenna mounting with Customer.
- Install Customer-provided SIM card into cellular modem and connect modem to ICV system.
- Install Car Detector Mobile MDC Software on Customer-provided mobile data terminal (MDT) within the vehicle.
- Configure MDC Network Card.

Customer Responsibilities

- Provide Motorola with remote connection and access credentials to complete ICV hardware installation.
- Notify Motorola of the vehicle installation location.
- Coordinate and schedule date and time for vehicle installation(s).
- Make ICV hardware available to Motorola for installation in accordance with the vehicle installation schedule.
- Provide cellular SIM Card for Internet connectivity to installer at time of vehicle installation.

Motorola Deliverables

- Complete Functional Validation Plan as it applies to the proposed solution.

NOTE - The Customer is responsible for having all vehicles and devices available for installation per the Project Schedule. All cellular data fees and Internet connectivity charges are the responsibility of the Customer. If applicable, for license plate recognition (LPR) installations, an MDT is required for all vehicles. Motorola is not responsible for any delays associated with the Customer fulfilling their obligations per this SOW.

Body Worn Camera Configuration (if applicable)

The Transfer Station will be utilized to configure each body-worn camera according to the Business Process Review. In order for this process to be successfully completed, the Transfer Station must be connected to the evidence management system.

Motorola Responsibilities

- Configure Transfer Station(s) for connectivity to the evidence management system.
- Verify the Transfer Station(s) is configured properly and connected to the network.
- Configure body-worn camera(s) within the evidence management system.
- Check out body-worn camera(s) and create a test recording.
- Verify completion of upload from body-worn camera(s) after it is docked back in a Transfer Station or USB dock.



- Install and provide a demonstration of client software as part of the same on-site engagement as Go-Live, unless otherwise outlined in this SOW.

Customer Responsibilities

- Select physical location(s) for Transfer Station(s).
- Provide and install workstation hardware.
- Complete installation of client software on remaining workstations and mobile devices.
- Validate functionality of components and solution utilizing the Deployment Checklist.
- Provide Motorola remote connection information and necessary credentials.

If the body-worn camera(s) and Transfer Station(s) are part of a remote deployment, the following responsibilities will apply to Motorola and the Customer.

License Plate Recognition Commissioning (if applicable)

This section highlights the responsibilities of Motorola and the Customer when an in-car video system interfaces with the Law Enforcement Archival Report Network (LEARN or PlateSearch) database.

Motorola Responsibilities

- Create a Customer account in the LEARN system with user(s) emails.
- Verify the Customer has installed and launched the Vigilant Car Detector Mobile Software per the Vigilant LEARN Quickstart Guide.
- Provide Mobile LPR - Officer Safety Basic and Advanced Pre-Installation Checklist.
- Provide Agency Manager with Training Materials and Car Detector Mobile MDC software installation guide.
- Advise Agency Manager of different options available to add new users.
- Confirm Agency Manager is aware of registration required for Hotlists.
- Confirm Agency Manager understands how to set up data-sharing.

Customer Responsibilities

- Identify the Agency Manager.
- Register to receive access to Hotlist.

SOFTWARE INSTALLATION AND CONFIGURATION

Motorola will install VideoManager Evidence Library (EL) software on a specified number of workstations dictated by the Contract. The Customer will be responsible for installing the software on the remaining workstations. Provisioning of VideoManager EL software will be done in accordance with the information contained in the BPR Workbook.

Installation of VideoManager EL software consists of the following activities:

- If applicable, delivery and installation of server hardware.
- Network discovery.
- Operating system and software installation.
- Onboarding user / group identity set up.
- Provide access to the application.



VideoManager EL (if applicable)

The VideoManager EL software is an on-premise solution that requires an onsite server and supports both body worn cameras and in-car video systems.

Motorola Responsibilities

- Install software on a specified number of customer workstations / mobile devices.
- Use information provided in the BPR Workbook to configure VideoManager EL software.
- Test software using applicable portions of the Functional Validation Plan.
- Provide instruction on client software USB utility.

Customer Responsibilities

- Provide a network environment that conforms to the requirements presented in the Solution Description.
- Procure and install server and storage hardware at desired location in accordance with Solution Description requirements.
- Perform a power on test with Motorola.
- Provide assigned Motorola System Administrator with access to SQL database for installation purposes (Motorola's access will be revoked upon conclusion of the installation).
- If applicable, for Active Directory integration, provide domain user (service account), security group (for application administrators including service account), and domain read access.
- Provide workstation and/or mobile device hardware in accordance with specifications listed in the Solution Description.
- Complete online training.
- Complete installation of client software on remaining workstations and/or mobile devices.

VideoManager ELC (if applicable)

VideoManager ELC software is a cloud solution that does not require an onsite server and supports both body-worn cameras and in-car video systems.

Motorola Responsibilities

- Use information provided in BPR Workbook to configure VideoManager ELC software.
- Create users, groups, and setup permissions.
- Create event categories.
- Set retention policies.
- Test software using applicable portions of the Functional Validation Plan.
- Ensure training POC can access the system.

Customer Responsibilities

- Verify traffic can be routed through Customer's firewall and reaches end user workstations.

CloudConnect Installation and Configuration

Motorola Responsibilities

- Verify remote access capability.
- Remotely configure CloudConnect Virtual Machine within the Cloud Anchor Server.
- Configure network connectivity and test connection to the CloudConnect Virtual Machine.



- Provide Customer with the information for setting up the IPSEC tunnel.
- Create an IPSEC tunnel.

Customer Responsibilities

- Provide Motorola with two static IP addresses, corresponding subnet masks/default gateway, and available NTP and DNS IP to the components.
- Confirm with Motorola the network performance requirements are met.
- Configure firewall to allow traffic from IPSEC tunnel.

Completion Criteria

- CloudConnect Virtual Machine configuration is complete.

CommandCentral Evidence (if applicable)

Motorola will work with the Customer to determine best industry practices, current operations environment, and subsystem integration to ensure the optimal configuration of your CommandCentral Evidence solution.

Motorola Responsibilities

- Use the CommandCentral Admin Portal to provision users, groups, and rules based on Customer Active Directory data.
- Guide the Customer in the configuration of CommandCentral Evidence.

Customer Responsibilities

- Supply access and credentials to Customer's Active Directory for the purpose of Motorola conducting CommandCentral Evidence provisioning.
- Respond to Motorola's inquiries regarding users, groups and agency mapping to CommandCentral Evidence.
- Provision policies, procedures, and user permissions.
- Configure evidence as directed by Motorola.

DATA MIGRATION SERVICES (IF APPLICABLE)

The Customer is responsible for partitioning data to be converted from a legacy or on-prem evidence management system to an on-cloud solution as part of this offer. The Customer will have ten (10) business days to provide feedback after Motorola validates the migrated data. If feedback is not received on or before ten (10) business days, Motorola will assume the migration is complete.

Motorola Responsibilities

- Receive access to Customer video data.
- Perform contracted data migration and validation.

Customer Responsibilities

- Provide remote access to partitioned data to be migrated.
- Validate migrated dataset and provide Motorola with feedback within ten (10) business days.

Completion Criteria

- A migrated dataset as defined in the Contract.



DEMS INTEGRATIONS AND THIRD-PARTY INTERFACES (IF APPLICABLE)

The integration between Motorola's evidence management system and the Customer's third-party system may consist of an iterative series of activities depending upon the complexity with accessing the third-party system. Interfaces will be installed and configured in accordance with the Project Schedule. The Customer is responsible for engaging third-party vendors as required to facilitate connectivity and testing of the interface(s).

Motorola Responsibilities

- Develop interface(s) in accordance with the Solution Description.
- Establish and validate connectivity between Motorola and third-party systems.
- Configure interface(s) to support the functionality described in the Solution Description.
- Perform functional demonstration to confirm the interface(s) can transmit and receive data to the applicable system.

Customer Responsibilities

- Act as liaison between Motorola and third-party vendor(s) as required to establish connectivity to the evidence management system.
- Provide personnel authorized to make changes to the network and third-party systems to support Motorola's integration efforts.
- Provide network connectivity between evidence management system and the third-party system(s).
- Provide information on API, SDKs, data scheme, and any documentation necessary to establish interfaces with all local and remote systems. This information should be provided within 10 business days of the Interface Engagement Meeting.

NOTE - At the time of initial design, unknown circumstances, requirements or anomalies may present difficulties with interfacing Motorola products to a third-party application. These difficulties could result in a poorly performing or a non-functional interface. By providing Motorola with this information early in the deployment process, will put us in the best position to mitigate these potential issues. If the resolution requires additional third-party integration, application upgrades, APIs, and/or additional software licenses, the Customer is responsible for addressing these issues at their cost. Motorola is not responsible for any delays or costs associated with third-party applications or Customer-provided third-party hardware or software.

SYSTEM TRAINING

The objective of this section is to prepare for and deliver training. Motorola training consists of computer-based (online) and instructor-led (on-site or remote). Our training delivery methods will vary depending on course content. Training will be delivered in accordance with the Education Plan. As part of our training delivery, Motorola will provide user guides and training materials in an electronic format.

ONLINE TRAINING (IF APPLICABLE)

Online training is made available to the Customer through Motorola's LXP. This subscription service provides customers with unlimited access to our online training content and provides users with the flexibility of learning the content at their own pace. Training content is added and updated on a regular basis to keep information current.

Through LXP, a list of available online training courses, Motorola User Guides, and Training Material are accessible in electronic format.



Motorola Responsibilities

- Designate a LXP Administrator to work with the Customer.
- Establish an accessible instance of LXP for the Customer.
- Configure a Customer-specific portal view.
- Organize content to align with the Customer's selected technologies.
- Create initial Customer user accounts and a single Primary Administrator account.
- During on boarding, assist the Customer with LXP usage.
- Create and maintain user role Learning Paths defined by the Customer.
- Provide technical support for user account and access issues, LXP functionality, and Motorola managed content.
- Provide instruction to Customer LXP Administrator on building groups.

Customer Responsibilities

- Provide user information for the initial creation of accounts.
- Complete LXP Administrator training.
- Ensure network and Internet connectivity for Customer access to LXP.
- Customer's primary LXP Administrator is required to complete the following self-paced training: LXP Introduction (LXP0001), LXP Primary Site Administrator Overview (LXP0002), and LXP Group Administrator Overview (LXP0003).
- Advise users on the availability of training through LXP.
- Ensure users complete LXP training in accordance with the Project Schedule.
- Build groups as needed.
- Request additional subscriptions to access LXP by providing user credential information.

INSTRUCTOR-LED TRAINING (ON-SITE AND REMOTE, IF APPLICABLE)

Instructor-led courses are based on products purchased and the Customer's Education Plan.

Motorola Responsibilities

- Deliver User Guides and training materials in an electronic format.
- Perform training in accordance with the Education Plan.
- Provide the Customer with training attendance rosters and summarize any pertinent information that may impact end user training.

Customer Responsibilities

- Supply classroom(s) based on the requirements listed in the Education Plan.
- Designate training representatives who will work with the Motorola trainer(s) to deliver the training content.
- Facilitate training of all Customer end users in accordance with the Customer's Education Plan.

Motorola Deliverables

- Electronic versions of User Guides and training materials.
- Attendance rosters.



PROJECT GO-LIVE, CLOSURE, AND HANDOVER TO SUPPORT

Motorola will utilize the Deployment Checklist throughout the deployment process to verify features and functionality are in line with installation and configuration requirements. The Customer will witness the ST demonstrating the Deployment Checklist and provide feedback as features and functionality are demonstrated. The Customer is considered Live on the system after the equipment has been installed, configured, and made available for use and training has been delivered or made available to the Customer.

Upon the conclusion of Go-Live, the project is prepared for closure. Project closure is defined as the completion of tasks and the Customer's receipt of contracted components. The Deployment Checklist serves as the artifact that memorializes a project closure. A System Acceptance Certificate will be provided to the Customer for signature to formally close out the project. Upon project closure, the Customer will engage with Technical Support for on-going needs in accordance with the Customer's specific terms and conditions of support.

Motorola Responsibilities

- Provide the Customer with Motorola Technical Support engagement process and contact information.
- Provide Technical Support with the contact information of Customer users who are authorized to engage Technical Support.
- Ensure Deployment Checklist is complete.
- Obtain Customer signature on the System Acceptance Certificate.
- Provide Customer survey upon closure of the project.

Customer Responsibilities

- Provide signatory approval on the System Acceptance Certificate signifying project closure.
- Provide Motorola with the contact information of users who are authorized to engage Motorola's Technical Support.
- Engage Technical Support as needed.

Motorola Completion Criteria

Provide Customer with survey upon closure of the project.



VIDEO EVIDENCE STATEMENT OF WORK

Overview

In accordance with the terms and conditions of the Agreement, this Statement of Work (“SOW”) defines the principal activities and responsibilities of all parties for the delivery of the Motorola Solutions, Inc. (“Motorola”) system as presented in this offer to the Customer (hereinafter referred to as “Customer”). For the purposes of this SOW, Motorola may include our affiliates, subcontractors, and third-party partners, as the case may be.

Deviations and changes to this SOW are subject to mutual agreement between Motorola and the Customer and will be addressed in accordance with the change provisions of the Agreement.

Unless specifically stated, Motorola work will be performed remotely. Customer will provide Motorola resources with direct network access sufficient to enable Motorola to fulfill its delivery obligations.

The number and type of software or subscription licenses, products, or services provided by or on behalf of Motorola are specifically listed in the Agreement and any reference within this SOW, as well as subcontractors’ SOWs (if applicable), does not imply or convey a software or subscription license or service that is not explicitly listed in the Agreement.

AWARD, ADMINISTRATION, AND PROJECT INITIATION

Project Initiation and Planning will begin following execution of the Agreement.

Following the conclusion of the Welcome/IT Call, Motorola project personnel will communicate additional project information via email, phone call, or additional ad-hoc meetings.

Motorola utilizes Google Meet as its teleconference tool. If Customer desires a different teleconference tool, Customer may provide a mutually agreeable alternate tool at Customer expense.

PROJECT MANAGEMENT TERMS

The following project management terms are used in this SOW. Since these terms may be used differently in other settings, these definitions are provided for clarity.

Deployment Date(s) refers to any date or range of dates when implementation, configuration, and training will occur. The deployment date(s) is subject to change based on equipment or resource availability and Customer readiness.

COMPLETION CRITERIA

Motorola Integration Services are complete upon Motorola performing the last task listed in a series of responsibilities or as specifically stated in the deployment checklist. Certain Customer tasks, such as hardware installation activities identified in Section 1.9 of this SOW, must be completed prior to Motorola commencing with its delivery obligations. Customer will provide Motorola written notification that it does not accept the completion of Motorola responsibilities or rejects a Motorola service deliverable within five business days of task completion or receipt of a deliverable, whichever may be applicable.



Service completion will be acknowledged in accordance with the terms of the Agreement and the Service Completion Date will be memorialized by Motorola and Customer in a writing signed by both parties.

PROJECT ROLES AND RESPONSIBILITIES OVERVIEW

MOTOROLA PROJECT ROLES AND RESPONSIBILITIES

A Motorola team, made up of specialized personnel, will be assigned to the project under the direction of the Motorola Project Manager. Team members will be multi-disciplinary and may fill more than one role. Team members will be engaged in different phases of the project as necessary.

In order to maximize efficiencies, Motorola's project team will provide services remotely via teleconference, web-conference, or other remote method in fulfilling its commitments as outlined in this SOW.

The personnel role descriptions noted below provide an overview of typical project team members. One or more resources of the same type may be engaged as needed throughout the project. There may be other personnel engaged in the project at the discretion of and under the direction of the Project Manager.

Motorola's project management approach has been developed and refined based on lessons learned in the execution of hundreds of system implementations. Using experienced and dedicated people, industry-leading processes, and integrated software tools for effective project execution and control, we have developed and refined practices that support the design, production, and testing required to deliver a high-quality, feature-rich system.

Project Manager

A Motorola Project Manager will be assigned as the principal business representative and point of contact for Motorola. The Project Manager's responsibilities include the following:

- Host the Welcome/IT Call.
- Manage the Motorola responsibilities related to the delivery of the project.
- Coordinate schedules of the assigned Motorola personnel and applicable subcontractors/supplier resources.
- Manage the Change Order process per the Agreement.
- Maintain project communications with the Customer.
- Identify and manage project risks.
- Collaborative coordination of Customer resources to minimize and avoid project delays.
- Conduct remote status meetings on mutually agreed dates to discuss project status.
- Provide timely responses to issues related to project progress.

System Technologists

The Motorola System Technologists (ST) will work with the Customer project team on system provisioning. ST responsibilities include the following:

- Provide consultation services to the Customer regarding the provisioning and operation of the Motorola system.
- Provide provisioning and training to the Customer to set up and maintain the system.
- Complete the provisioning ownership handoff to the Customer.



- Complete the project-defined tasks as defined in this SOW.
- Confirmation that the delivered technical elements meet contracted requirements.
- Engagement throughout the duration of the delivery.

Technical Trainer / Instructor

The Motorola Technical Trainer / Instructor provides training either on-site or remote (virtual) depending on the training topic and deployment type purchased. Responsibilities include:

- Review the role of the Learning eXperience Portal (“LXP”) in the delivery and provide Customer Username and Access Information.

CUSTOMER PROJECT ROLES AND RESPONSIBILITIES OVERVIEW

The success of the project is dependent on early assignment of key Customer resources. In many cases, the Customer will provide project roles that correspond with Motorola’s project roles. It is critical that these resources are empowered to make decisions based on the Customer’s operational and administration needs. The Customer’s project team should be engaged from project initiation through beneficial use of the system. The continued involvement in the project and use of the system will convey the required knowledge to maintain the system post-completion of the project. In some cases, one person may fill multiple project roles. The project team must be committed to participate in activities for a successful implementation. In the event the Customer is unable to provide the roles identified in this section, Motorola may be able to supplement Customer resources at an additional price.

Project Manager

The Project Manager will act as the primary Customer point of contact for the duration of the project. The Project Manager is responsible for management of any third-party vendors that are the Customer’s subcontractors. In the event the project involves multiple locations, Motorola will work exclusively with a single Customer-assigned Project Manager (the primary Project Manager). The Project Manager’s responsibilities include the following:

- Communicate and coordinate with other project participants.
- Manage the Customer project team, including timely facilitation of efforts, tasks, and activities.
- Maintain project communications with the Motorola Project Manager.
- Identify the efforts required of Customer staff to meet the task requirements in this SOW and identified in the Welcome/IT Call.
- Consolidate all project-related questions and queries from Customer staff to present to the Motorola Project Manager.
- Approve a deployment date offered by Motorola.
- Monitor the project to ensure resources are available as required.
- Attend status meetings.
- Provide timely responses to issues related to project progress.
- Liaise and coordinate with other agencies, Customer vendors, contractors, and common carriers.
- Review and administer change control procedures, hardware and software certification, and all related project tasks required to meet the deployment date.
- Ensure Customer vendors’ readiness ahead of the deployment date.
- Assign one or more personnel who will work with Motorola staff as needed for the duration of the project, including at least one Application Administrator for the system and one or more representative(s) from the IT department.

- Identify the resource with authority to formally acknowledge and approve change orders, completion of work, and payments in a timely manner.
- Provide building access to Motorola personnel to all Customer facilities where system equipment is to be installed during the project. Temporary identification cards are to be issued to Motorola personnel, if required for access to facilities.
- Ensure remote network connectivity and access to Motorola resources.
- Provide reasonable care to prevent equipment exposure to contaminants that cause damage to the equipment or interruption of service.
- Ensure a safe work environment for Motorola personnel.
- Identify and manage project risks.
- Point of contact to work with the Motorola System Technologists to facilitate the training plan.

IT Support Team

The IT Support Team (or Customer designee) manages the technical efforts and ongoing tasks and activities of their system. Manage the Customer-owned provisioning maintenance and provide required information related to LAN, WAN, wireless networks, server, and client infrastructure. They must also be familiar with connectivity to internal, external, and third-party systems to which the Motorola system will interface.

The IT Support Team responsibilities include the following:

- Participate in overall delivery and training activities to understand the software, interfaces, and functionality of the system.
- Participate with the Customer subject matter experts during the provisioning process and training.
- Authorize global provisioning choices and decisions, and be the point(s) of contact for reporting and verifying problems and maintaining provisioning.
- Obtain inputs from other user agency stakeholders related to business processes and provisioning.
- Implement changes to Customer owned and maintained infrastructure in support of the Evidence Management System installation.

Subject Matter Experts

The Subject Matter Experts (SME or Super Users) are the core group of users involved with delivery analysis, training, and the provisioning process, including making global provisioning choices and decisions. These members should be experienced users in the working area(s) they represent (dispatch, patrol, etc.), and should be empowered to make decisions related to provisioning elements, workflows, and department policies related to the Evidence Management System.

General Customer Responsibilities

In addition to the Customer Responsibilities stated elsewhere in this SOW, the Customer is responsible for the following:

- All Customer-provided equipment, including hardware and third-party software, necessary for delivery of the System not specifically listed as a Motorola deliverable. This will include end user workstations, network equipment, camera equipment and the like.
- Configuration, maintenance, testing, and supporting the third-party systems the Customer operates which will be interfaced to as part of this project.
- Communication between Motorola and Customer's third-party vendors, as required, to enable Motorola to perform its duties.



- Active participation of Customer SMEs in project delivery meetings and working sessions during the course of the project. Customer SMEs will possess requisite knowledge of Customer operations and legacy system(s) and possess skills and abilities to operate and manage the system.
- Electronic versions of any documentation associated with the business processes identified.
- Providing a facility with the required computer and audio-visual equipment for training and work sessions.
- Ability to participate in remote project meeting sessions using Google Meet or a mutually agreeable, Customer-provided, alternate remote conferencing solution.

PROJECT PLANNING

A clear understanding of the needs and expectations of both Motorola and the Customer are critical to fostering a collaborative environment of trust and mutual respect. Project Planning requires the gathering of project-specific information in order to set clear project expectations and guidelines, and set the foundation for a successful implementation.

WELCOME/IT CALL - TELECONFERENCE/WEB MEETING

A Project Planning Session teleconference will be scheduled after the Agreement has been executed. The agenda will include the following:

- Review the Agreement documents.
- Review project delivery requirements as described in this SOW.
- Provide shipping information for all purchased equipment.
- Discuss deployment date activities.
- Provide assigned technician information.
- Review IT questionnaire and customer infrastructure.
- Discuss which tasks will be conducted by Motorola resources.
- Discuss Customer involvement in provisioning and data gathering to confirm understanding of the scope and required time commitments.
- Review the initial project tasks and incorporate Customer feedback.
- Confirm CJIS background investigations and fingerprint requirements for Motorola employees and/or contractors. Required fingerprints will be submitted on Motorola provided FBI FD-258 Fingerprint cards.
- Review the On-line Training system role in project delivery and provide Customer User Name and Access Information.
- Discuss Motorola remote access requirements (24-hour access to a secured two-way Internet connection to the Motorola system firewalls for the purposes of deployment, maintenance, and monitoring).
- Discuss Customer obligation to manage change among the stakeholder and user communities.
- Review deployment completion criteria and the process for transitioning to support.

Motorola Responsibilities

- Host Welcome/IT Call.
- Request the attendance of any additional Customer resources that are instrumental in the project's success, as needed.
- Review Motorola's delivery approach and its reliance on Customer-provided remote access.
- Provide Customers with steps to follow to register for Online Training.
- Request user information required to establish the Customer in the LXP.



Customer Responsibilities

Complete the Online Training registration form and provide it to Motorola within ten business days of the Project Planning Session.

- Review the received (as part of order) and completed IT questionnaire.
- Provide a customer point of contact for the project.
- Provide data for completing the policy validation form.
- Provide LXP user information as requested by Motorola.
- Verify Customer Administrator(s) have access to the LXP.

Motorola Deliverables

- Welcome Call presentation and key meeting notes
- Send an email confirming deployment date and ST assigned email
- Communicate with the Customer via email confirming shipment and tracking information.
- Instruct the Customer on How to Register for Training email.
- Provide and review the Training Plan.

SOLUTION PROVISIONING

Solution provisioning includes the configuration of user configurable parameters (unit names, personnel, and status codes). The system will be provisioned using Motorola standard provisioning parameters and will incorporate Customer-specific provisioning.

IN-CAR VIDEO PROVISIONING SCENARIO

If in-car video is a part of the system, the Motorola Application Specialist will complete the following provisioning tasks.

Motorola Responsibilities

- Conduct a remote review of the standard provisioning database with the Customer prior to the start of provisioning.
- Provide and review the Provisioning Export Worksheets with the Customer.
- Conduct a conference call with the Customer to review the completeness of the Provisioning Export Worksheets prior to the start of provisioning.

BODY WORN CAMERA PROVISIONING SCENARIO

If body worn cameras are a part of the system, the provisioning of the in-car system will generally follow the completion of the base in-car video provisioning.

Motorola Responsibilities

Configure transfer stations for connectivity to the evidence management server.

- Configure devices within the evidence management system.
- Check out devices and create a test recording.



- Verify successful upload from devices after docking back into the transfer station or USB dock.

INFRASTRUCTURE VALIDATION

Hardware will be installed on the network to facilitate provisioning, testing, and will be used to provide instruction to Customer personnel after the complete software installation.

Motorola Responsibilities

- Verify that the server is properly racked and connected to the network.
- Verify that access points are properly installed and connected to the network.
- Verify that transfer stations are connected to the network and configured.

Customer Responsibilities

- Verify that the server network has access to the internet for software installation and updates.
- Verify that the network routing is correct for the transfer stations and access points to communicate with the server.
- Verify that the client computers can access the server on the required ports.

HARDWARE INSTALLATION

Physical installation of hardware (i.e. servers, cameras, Access Points, WiFi docs, etc.) is not included in the standard scope of the solution. If a custom quote for installations is included in this purchase, Motorola will manage the subcontractor and their deliverables as part of this SOW. Customers who perform or procure their own installations assume all installation responsibilities including cost, oversight and risk.

SYSTEM TRAINING

Motorola training consists of both computer-based (online) and instructor-led (on-site or remote). Training delivery methods vary depending on course content. Self-paced online training courses, additional live training, documentation, and resources can be accessed and registered for on the Motorola's LXP.

ONLINE TRAINING

Online training is made available to the Customer via Motorola's LXP. This subscription service provides the Customer with continual access to our library of online learning content and allows users the benefit of learning at times convenient to them. Content is added and updated on a regular basis to keep information current. This training modality allows the Customer to engage in training when convenient.

A list of available online training courses can be found in the Training Plan.

Motorola Responsibilities

- Designate a LXP Administrator to work with the Customer.
- Establish an accessible instance of the LXP for the Customer.
- Organize content to align with the Customer's selected technologies.
- Create initial Customer user accounts and a single Primary Administrator account.



- During on-boarding, assist the Customer with LXP usage by providing training and job aids as needed.
- Create and maintain user role Learning Paths defined by the Customer.
- Install security patches when available.
- Provide technical support for user account and access issues, base system functionality, and Motorola Solutions-managed content.
- Monitor the Learning Subscription server. Provide support for server incidents.

Customer Responsibilities

- Provide user information for the initial creation of accounts.
- Provide network and internet connectivity for the Customer's users to access the LXP.
- The customer's primary LXP administrator should complete the following self-paced training: LXP Introduction online course (LXP0001), LXP Primary Site Administrator Overview online course (LXP0002), and LXP Group Administrator Overview (LXP0003)
- Advise agency learners of the availability of training via the LXP.
- Ensure users complete LXP training in accordance with the Project Schedule.
- Order and maintain subscriptions to access Motorola's LXP.
- Contact Motorola Solutions to engage Technical Support when needed.

Motorola Deliverables

- LXP Enable

INSTRUCTOR-LED TRAINING (ONSITE AND REMOTE)

A list of Instructor-Led and Virtual Instructor-Led courses can be found in the Training Plan.

Motorola Responsibilities

- Deliver User Guides and training materials in electronic .PDF format.
- Perform training in accordance with the Training Plan.
- Provide Customer with training Attendance Rosters and summarize any pertinent observations that may impact end user training.

Customer Responsibilities

- Supply classrooms with a workstation for the instructor (if Onsite) and at least one workstation for every student based on the requirements listed in the Training Plan.
- Designate training representatives who will work with the Motorola trainers in the delivery of training.
- Conduct end user training in accordance with the Project Schedule.

Motorola Deliverables

- Electronic versions of User Guides and training materials.
- Attendance Rosters.
- Technical Training Catalog.

FUNCTIONAL VALIDATION AND PROJECT CLOSURE



The objective of Functional Validation is to demonstrate the features and functions of the system in the Customer's provisioned environment. The functional demonstration may not exercise all functions of the system, if identified as not being applicable to the Customer's operations or for which the system has not been provisioned. The functional demonstration is a critical activity that must occur following the completion of provisioning.

Motorola Responsibilities

- Conduct a power on functional demonstration of the installed system per the deployment checklist
- Manage to resolution any documented punch list items noted on the deployment checklist.
- Provide trip report outlining all activities completed during the installation as well as outstanding follow up items
- Provide an overview of the support process and how to request support.
- Walk through support resources, web ticket entry and escalation procedures.
- Provide a customer survey upon closure of the project.

Customer Responsibilities

- Witness the functional demonstration and acknowledge its completion via signature on the deployment checklist.
- Participate in prioritizing the punch list.
- Coordinate and manage Customer action as noted in the punch list.
- Provide signatory approval on the deployment checklist providing Motorola with final acceptance.
- Complete Customer Survey.



CITY COUNCIL STAFF REPORT



MEETING DATE: December 7, 2023

TYPE OF ITEM: Consent Items

PRESENTED BY: Cole Stephens

SUBJECT/AGENDA TITLE: Authorizing Project Reimbursement Agreement with Davis County for Wilderness Park parking lot project

EXECUTIVE SUMMARY:

When Kaysville City requested reimbursement from Davis County for its committed portion of the project, it was discovered that a contract was not completed. This resolution formally approves by resolution a contract with the county and allows the City to be reimbursed for the County's portion of the completed project.

The project was completed earlier this fall.

March 16, 2023 City Council approval of project:

...."Kaysville City in partnership with Davis County received a grant from the State of Utah for the parking lot improvements and expansion to the parking lot at the Kaysville Wilderness Park. The City also received a grant from Davis County for this project. Included funding sources for this project were Kaysville RAMP funds approved by the City Council in the fall of 2022. Funding source totals State Grant = \$142,000, Davis County = \$245,000 and Kaysville RAMP = \$184,000 totaling \$571,000"....

City Council Options:

1) Approve, 2) Approve with suggested changes, 3) Table

Staff Recommendation:

Approve

Fiscal Impact:

FY 23 Kaysville RAMP Funds, Davis County and State of Utah Grant

ATTACHMENTS:

1. Resolution - Wilderness Park Reimbursement Agreement
2. Project Reimbursement Agreement

RESOLUTION 23-XX-XX

AUTHORIZING AN INTERLOCAL COOPERATION TRANSPORTATION PROJECT REIMBURSEMENT AGREEMENT WITH DAVIS COUNTY FOR THE CONSTRUCTION OF A TRAILHEAD, PARKING LOT, AND ASSOCIATED IMPROVEMENTS AT THE WILDERNESS PARK.

WHEREAS, Kaysville City has a wilderness park on the eastern portion of the City; and

WHEREAS, Davis County allocates funding for certain sales tax revenues to be used by Cities for transportation projects; and

WHEREAS, City Staff have applied for and been provisionally awarded funding from the County for a trailhead and related improvements; and

WHEREAS, City and County, in their mutual interest, wish to enter into an Interlocal Cooperation Transportation Project Reimbursement Agreement; and

WHEREAS, the City, in exercise of its management of public property, believes that it is in the best interest of the public to enter into this Interlocal Agreement with Davis County that would allow the parties to construct a trailhead, parking lot, and associated improvements at the wilderness park.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF KAYSVILLE, UTAH:

1. The Mayor is hereby authorized to execute the agreement on behalf of the City. Execution of the Agreement by the Mayor shall constitute the City's acceptance of the offer by the County pursuant to the terms and conditions of the Agreement.

PASSED AND ADOPTED by the City Council of Kaysville, Utah, this 7th day of December, 2023.

Tamara Tran, Mayor

ATTEST:

Annemarie Plaizier, City Recorder

**INTERLOCAL COOPERATION TRANSPORTATION
PROJECT REIMBURSEMENT AGREEMENT**

This Interlocal Cooperation Transportation Project Reimbursement Agreement (this “Agreement”) is made and entered into by and between Davis County, a body corporate and politic and legal subdivision of the State of Utah (the “County”), and Kaysville City, a municipal corporation of the State of Utah (the “City”). The County and the City may be collectively referred to as the “Parties” herein or may be solely referred to as a “Party” herein.

Recitals

A. WHEREAS, the Parties, pursuant to Utah’s Interlocal Cooperation Act, which is codified at Title 11, Chapter 13, Utah Code Annotated (the “Act”), are authorized to enter into in this Agreement; and

B. WHEREAS, the County allows the cities located within Davis County, the Utah Department of Transportation (“UDOT”), and the Utah Transit Authority (“UTA”) to submit applications on a rolling basis for a limited portion of the County’s 2021 Fourth Quarter Proposition One transportation sales tax revenue to be used for qualifying transportation projects; and

C. WHEREAS, the City, on or about August 2, 2021, presented a request to the County for Fourth Quarter Proposition One participation for the development of the Kaysville Wilderness Park Trailhead (the “Project”); and

D. WHEREAS, the City desires to commence and complete the Project in a manner consistent with the items set forth in this Agreement; and

E. WHEREAS, the County desires to grant the request for Fourth Quarter Proposition One participation and partially reimburse the City for the permitted or authorized costs, expenses, or otherwise incurred by the City in connection with the Project in a manner consistent with the terms and provisions of this Agreement.

NOW, for and in consideration of the mutual promises, obligations, and/or covenants contained herein, and for other good and valuable consideration, the receipt, fairness, and sufficiency of which are hereby acknowledged, and the Parties intending to be legally bound, the Parties do hereby mutually agree as follows:

1. The City’s Duties, Obligations, Responsibilities, or Otherwise.
 - a. The City shall commence and complete all material aspects of the Project in a manner consistent with the Agreement within two years from the date that this Agreement is executed by the City and the County; and
 - b. The City shall contribute no less than \$184,000.00 towards the Project; and
 - c. The City shall design and engineer the project as identified in Exhibit A; and
 - d. The City shall grade, pave and otherwise fully improve and construct a trailhead parking area as designed in Exhibit A; and
 - e. The City shall be fully and solely responsible for all costs, expenses, or otherwise related to the Project; and
 - f. The City shall be solely responsible for operating and maintaining the Project including, but not limited to, all costs, expenses, or otherwise related to the operation and/or maintenance of the Project; and
 - g. The City shall ensure that the Project complies with the American Public Works Association (“APWA”) standards and all other federal, state, or local laws, regulations, rules, requirements, codes or otherwise that are applicable to the Project.

2. The County's Duties, Obligations, Responsibilities, or Otherwise. The County shall reimburse the City in an amount not to exceed \$387,000.00 of the total permitted or authorized costs and/or expenses of the Project as identified in this Agreement, only upon all of the following being timely and completely satisfied by the City:

a. The City commences and completes the full scope of the Project in a manner consistent with the Agreement within two years from the date that this Agreement is executed by the City and the County; and

b. The City notifies the County of its timely completion of the Project and provides the County with a detailed breakdown of all expenses, costs, or other approved match payments paid by the City in connection with the Project.

3. Effective Date of this Agreement. The Effective Date of this Agreement shall be on the earliest date after this Agreement satisfies the requirements of Title 11, Chapter 13, Utah Code Annotated (the "Effective Date").

4. Term of Agreement. The term of this Agreement shall begin upon the Effective Date of this Agreement and shall, subject to the termination and other provisions set forth herein, terminate upon the completion of the parties obligations under this agreement. In no event may the term of this Agreement exceed fifty years from the Effective Date of this Agreement.

5. Termination of Agreement. This Agreement may be terminated prior to the completion of the Term by any of the following actions:

a. The mutual written agreement of the Parties;

b. By either party:

1) After any material breach of this Agreement; and

2) Thirty calendar days after the non-breaching party sends a demand to the breaching party to cure such material breach, and the breaching party fails to timely cure such material breach; provided however, the cure period shall be extended as may be required beyond the thirty calendar days, if the nature of the cure is such that it reasonably requires more than thirty calendar days to cure the breach, and the breaching party commences the cure within the thirty calendar day period and thereafter continuously and diligently pursues the cure to completion; and

3) After the notice to terminate this Agreement, which the non-breaching party shall provide to the breaching party, is effective pursuant to the notice provisions of this Agreement; and

c. As otherwise set forth in this Agreement or as permitted by law, ordinance, rule, regulation, or otherwise.

6. Notices. Any notices that may or must be sent under the terms and/or provisions of this Agreement should be delivered, by hand delivery or by United States mail, postage prepaid, as follows, or as subsequently amended in writing:

<u>To the City:</u> Kaysville City Attention: City Manager 23 E Center St Kaysville, UT 84037	<u>To the County:</u> Davis County Attn: Chair, Davis County Board of Commissioners P.O. Box 618 Farmington, UT 84025
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7. Damages. The Parties acknowledge, understand, and agree that, during the Term of this Agreement, the Parties are fully and solely responsible for their own actions, activities, or business sponsored or conducted.

8. Indemnification and Hold Harmless. The City, for itself, and on behalf of its officers, officials, employees, agents, representatives, contractors, volunteers, and/or any person or persons under the supervision, direction, or control of the City (collectively, the “City Representatives”), agrees and promises to indemnify, save and hold harmless the County, as well as the County’s officers, officials, employees, agents, representatives, contractors, and volunteers (collectively, the “County Representatives”), from and against any loss, damage, injury, liability, claim, action, cause of action, demand, expense, cost, including defense costs, fee, or otherwise (collectively, the “Claims”) that may arise from, may be in connection with, or may relate in any way to this Agreement, the Project, and/or the negligent acts or omissions of the City and/or the City Representatives, whether or not the Claims are known or unknown, or are in law, equity, or otherwise. The City, for itself, and on behalf of the City Representatives, agrees and promises that all costs, including defense costs, expenses, or otherwise relating to the Claims and incurred by County or the County Representatives or which the County or the County Representatives would otherwise be obligated to pay, shall be paid in full by the City within thirty (30) calendar days after the County provides the City with documents evidencing such costs, including, if applicable, defense costs, expenses, or otherwise. No term or condition of this Agreement, including, but not limited to, insurance that may be required under this Agreement, shall limit or waive any liability that the City may have arising from, in connection with, or relating in any way to this Contract, the Project, and/or the negligent acts or omissions of the City or the City Representatives.

9. Governmental Immunity. The Parties recognize and acknowledge that each Party is covered by the *Governmental Immunity Act of Utah*, codified at Section 63G-7-101, et seq., *Utah Code Annotated*, as amended, and nothing herein is intended to waive or modify any and all rights, defenses or provisions provided therein. Officers and employees performing services pursuant to this Agreement shall be deemed officers and employees of the Party employing their services, even if performing functions outside of the territorial limits of such party and shall be deemed officers and employees of such Party under the provisions of the *Utah Governmental Immunity Act*.

10. No Separate Legal Entity. No separate legal entity is created by this Agreement.

11. Approval. This Agreement shall be submitted to the authorized attorney for each Party for review as to proper form and compliance with applicable law in accordance with the applicable provisions of Section 11-13-202.5, *Utah Code Annotated*, as amended. This Agreement shall be authorized and approved by resolution or ordinance of the legislative body of each Party in accordance with Section 11-13-202.5, *Utah Code Annotated*, as amended. This Agreement shall be filed with the keeper of records of each Party in accordance with Section 11-13-209, *Utah Code Annotated*, as amended.

12. Survival after Termination. Termination of this Agreement shall not extinguish or prejudice either Party’s right to enforce this Agreement, or any term, provision, or promise under this Agreement, regarding insurance, indemnification, defense, save or hold harmless, or damages, with respect to any uncured breach or default of or under this Agreement.

13. Benefits. The Parties acknowledge, understand, and agree that the respective representatives, agents, contractors, officers, officials, members, employees, volunteers, and/or any person or persons under the supervision, direction, or control of a Party are not in any manner or degree employees of the other Party and shall have no right to and shall not be provided with any benefits from the other Party. County employees, while providing or performing services under or in connection with this Agreement, shall be deemed employees of the County for all purposes, including, but not limited to, workers compensation, withholding, salary, insurance, and benefits. City employees, while providing or performing services under or in connection with this Agreement, shall be deemed employees of the City

for all purposes, including, but not limited to, workers compensation, withholding, salary, insurance, and benefits.

14. Waivers or Modification. No waiver or failure to enforce one or more parts or provisions of this Agreement shall be construed as a continuing waiver of any part or provision of this Agreement, which shall preclude the Parties from receiving the full, bargained for benefit under the terms and provisions of this Agreement. A waiver or modification of any of the provisions of this Agreement or of any breach thereof shall not constitute a waiver or modification of any other provision or breach, whether or not similar, and any such waiver or modification shall not constitute a continuing waiver. The rights of and available to each of the Parties under this Agreement cannot be waived or released verbally, and may be waived or released only by an instrument in writing, signed by the Party whose rights will be diminished or adversely affected by the waiver.

15. Binding Effect; Entire Agreement, Amendment. This Agreement is binding upon the Parties and their officers, directors, employees, agents, representatives and to all persons or entities claiming by, through or under them. This Agreement, including all attachments, if any, constitutes and/or represents the entire agreement and understanding between the Parties with respect to the subject matter herein. There are no other written or oral agreements, understandings, or promises between the Parties that are not set forth herein. Unless otherwise set forth herein, this Agreement supersedes and cancels all prior agreements, negotiations, and understandings between the Parties regarding the subject matter herein, whether written or oral, which are void, nullified and of no legal effect if they are not recited or addressed in this Agreement. Neither this Agreement nor any provisions hereof may be supplemented, amended, modified, changed, discharged, or terminated verbally. Rather, this Agreement and all provisions hereof may only be supplemented, amended, modified, changed, discharged, or terminated by an instrument in writing, signed by the Parties.

16. Force Majeure. In the event that either Party shall be delayed or hindered in or prevented from the performance of any act required under this Agreement by reason of acts of God, acts of the United States Government, the State of Utah Government, fires, floods, strikes, lock-outs, labor troubles, inability to procure materials, failure of power, inclement weather, restrictive governmental laws, ordinances, rules, regulations or otherwise, delays in or refusals to issue necessary governmental permits or licenses, riots, insurrection, wars, or other reasons of a like nature not the fault of the Party delayed in performing work or doing acts required under the terms of this Agreement, then performance of such act(s) shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay, without any liability to the delayed Party.

17. Assignment Restricted. The Parties agree that neither this Agreement nor the duties, obligations, responsibilities, or privileges herein may be assigned, transferred, or delegated, in whole or in part, without the prior written consent of both of the Parties.

18. Choice of Law; Jurisdiction; Venue. This Agreement and all matters, disputes, and/or claims arising out of, in connection with, or relating to this Agreement or its subject matter, formation or validity (including non-contractual matters, disputes, and/or claims) shall be governed by, construed, and interpreted in accordance with the laws of the state of Utah, without reference to conflict of law principals. The Parties irrevocably agree that the courts located in Davis County, State of Utah (or Salt Lake City, State of Utah, for claims that may only be litigated or resolved in the federal courts) shall have exclusive jurisdiction and be the exclusive venue with respect to any suit, action, proceeding, matter, dispute, and/or claim arising out of, in connection with, or relating to this Agreement, or its formation or validity. The Parties irrevocably submit to the exclusive jurisdiction and exclusive venue of the courts located in the State of Utah as set forth directly above. Anyone who unsuccessfully challenges the enforceability of this clause shall reimburse the prevailing Party for its attorneys' fees, and the Party prevailing in any such dispute shall be awarded its attorneys' fees.

19. Severability. If any part or provision of this Agreement is found to be invalid, prohibited, or unenforceable in any jurisdiction, such part or provision of this Agreement shall, as to such jurisdiction only, be inoperative, null and void to the extent of such invalidity, prohibition, or unenforceability without invalidating the remaining parts or provisions hereof, and any such invalidity, prohibition, or unenforceability in any jurisdiction shall not invalidate or render inoperative, null or void such part or provision in any other jurisdiction. Those parts or provisions of this Agreement, which are not invalid, prohibited, or unenforceable, shall remain in full force and effect.

20. Rights and Remedies Cumulative. The rights and remedies of the Parties under this Agreement shall be construed cumulatively, and none of the rights and/or remedies under this Agreement shall be exclusive of, or in lieu or limitation of, any other right, remedy or priority allowed by law, unless specifically set forth herein.

21. No Third-Party Beneficiaries. This Agreement is entered into by the Parties for the exclusive benefit of the Parties and their respective successors, assigns and affiliated persons referred to herein. Except and only to the extent provided by applicable statute, no creditor or other third party shall have any rights or interests or receive any benefits under this Agreement. Notwithstanding anything herein to the contrary, the County is expressly authorized by the City to enter into similar agreements with any or all of the other cities, or other governmental or quasi-governmental entities, located within Davis County.

22. Recitals Incorporated. The Recitals to this Agreement are incorporated herein by reference and made contractual in nature.

23. Headings. Headings contained in this Agreement are intended for convenience only and are in no way to be used to construe or limit the text herein.

24. Authorization. The persons executing this Agreement on behalf of a Party hereby represent and warrant that they are duly authorized and empowered to execute the same, that they have carefully read this Agreement, and that this Agreement represents a binding and enforceable obligation of such Party.

25. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered, shall be deemed an original, and all such counterparts taken together shall constitute one and the same Agreement.

[This space is left blank intentionally. The signature page follows.]

WHEREFORE, the Parties have signed this Agreement on the dates set forth below.

KAYSVILLE CITY

Mayor

Dated: _____

ATTEST:

Kaysville City Recorder

Dated: _____

REVIEWED AS TO PROPER FORM AND COMPLIANCE WITH APPLICABLE LAW:

Kaysville City Attorney

Dated: _____

DAVIS COUNTY

Chair, Davis County Board of Commissioners

Dated: _____

ATTEST:

Davis County Clerk

Dated: _____

REVIEWED AS TO PROPER FORM AND COMPLIANCE WITH APPLICABLE LAW:

Davis County Attorney's Office, Civil Division

Dated: _____

EXHIBIT A

(Design and Engineering of the Project)

SITE PLAN

WILDNESS PARK PARKING LOT EXPANSION PROJECT
 KAYSVILLE CITY

SCALE:	ASB	1/2"=1'	REVISED	1/2/2023	REV. DATE	APR. 2023
SCALE:	ASB	1/2"=1'	REVISED	1/2/2023	REV. DATE	APR. 2023
SCALE:	ASB	1/2"=1'	REVISED	1/2/2023	REV. DATE	APR. 2023
SCALE:	ASB	1/2"=1'	REVISED	1/2/2023	REV. DATE	APR. 2023
SCALE:	ASB	1/2"=1'	REVISED	1/2/2023	REV. DATE	APR. 2023

SHEET: **4**
 OF 10 SHEETS

- REVISION (0) NOTES:**
1. CHANGES TO THE DETENTION SYSTEM INCLUDING CHANGES TO THE DETENTION SYSTEM, GRAVEL, AND EXCAVATION. HAS BEEN CHANGED.
 2. LOCATION OF SAND OIL SEPARATOR HAS BEEN CHANGED.
 3. ALL OF THE 20x4 SINKHOLE BARS HAS BEEN REPLACED WITH 4" DIA MANHOLE.

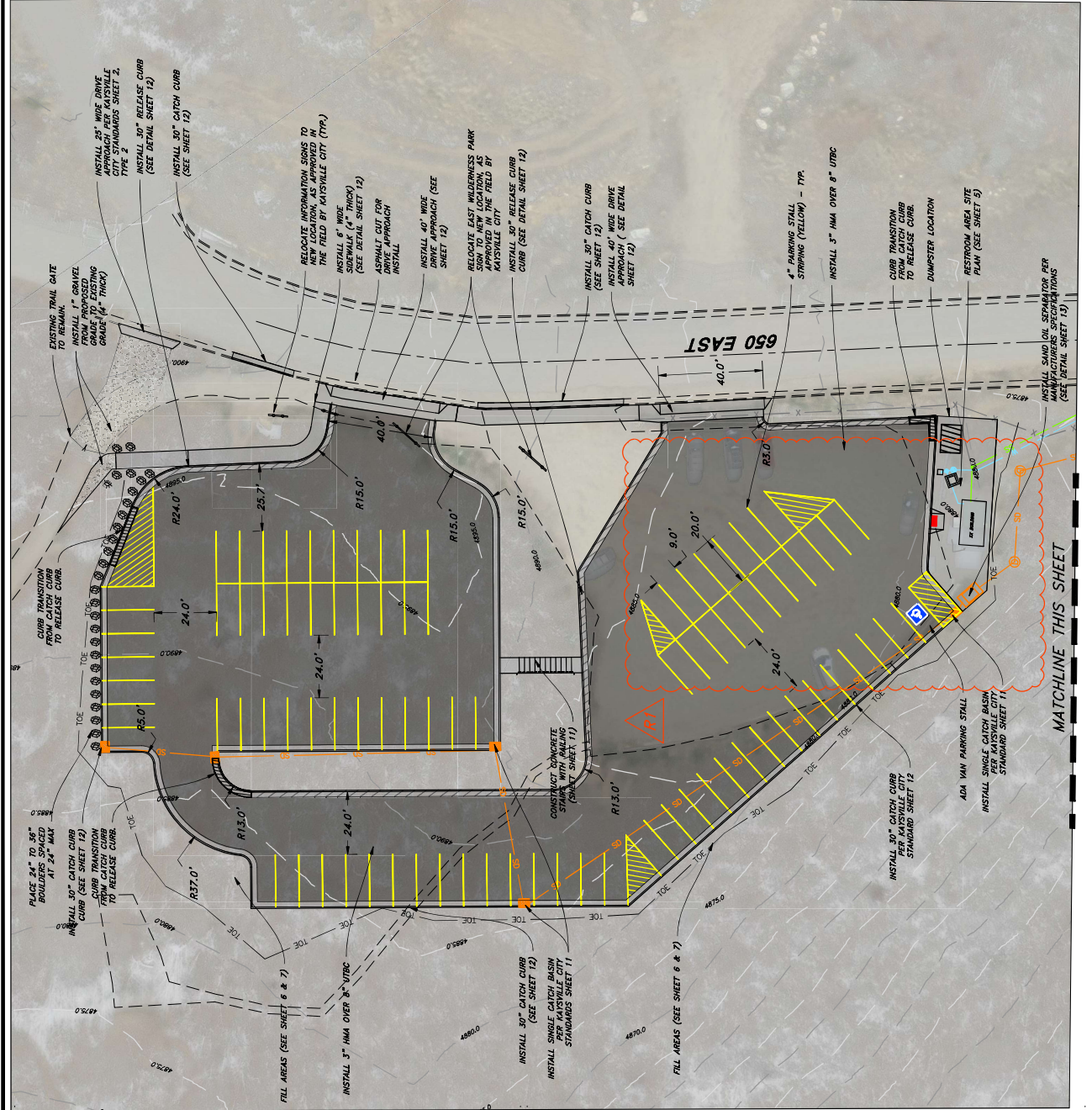
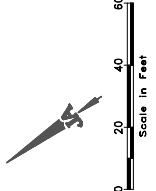
- NOTES:**
1. ALL STORM DRAIN PIPING SHOWN ON THIS SHEET IS TO BE INSTALLED BY THE CONTRACTOR.
 2. STORM WATER DETENTION SYSTEM SHOWN ON UTILITY PLAN.
 3. ALL DETENTION SYSTEM COMPONENTS MUST BE MANUFACTURED TO THE SPECIFICATIONS OF THE DETENTION SYSTEM MANUFACTURER.
 4. ALL ELEVATIONS & GRADE ELEVATION SHOWN ON THIS SHEET ARE TO BE USED FOR THE DETENTION SYSTEM AND DRAINAGE PLAN & PROFILES.

SIZE TABULATION

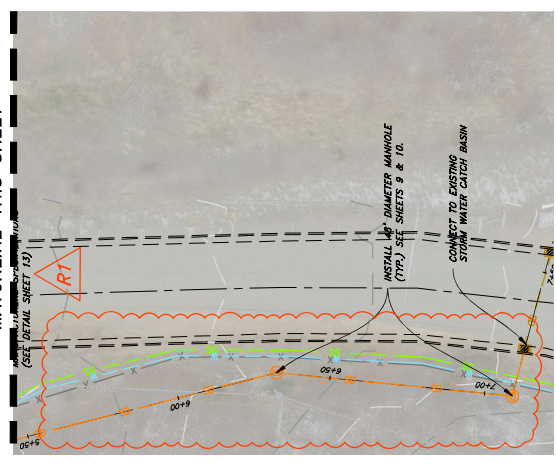
ASPHALT AREA:	28,916 SF
LANDSCAPE AREA:	45,560 SF
GRADED NATURAL SURFACE AREA:	15,900 SF
PROJECT AREA (DISTURBED):	91,580 SF

PARKING TABULATION:

STANDARD 9'200" STALLS:	84 STALLS
ADA PARKING STALLS:	1 STALL
TOTAL STALLS:	85 STALLS



MATCHLINE THIS SHEET



MATCHLINE THIS SHEET



CITY COUNCIL STAFF REPORT



MEETING DATE: December 7, 2023

TYPE OF ITEM: Consent Items

PRESENTED BY: Brian Johnson

SUBJECT/AGENDA TITLE: A Resolution Authorizing a Tax Certificate and Agreement for UAMPS' Payson Power Project

EXECUTIVE SUMMARY:

UAMPS is engaging in an opportunity for the participants in the Payson Project to move forward with a contract that will allow for prepayment for natural gas and electricity at a discounted rate.

- The Internal Revenue Code and US Treasury Regulations ("Tax Code and Regulations") contain special provisions that allow tax-exempt bonds to be issued to finance prepayments for natural gas and electricity. The prepay transactions are structured to convert the difference between the issuer's lower (tax-exempt) cost of funds and the prepaid energy supplier's higher (taxable) cost of funds into a discounted price for prepaid energy.
 - The initial discount is expected to be at least 7.5% and will be determined before closing.
 - The amount of the discount will be reset periodically over the term of the prepay (every five to ten years) when the bonds are refinanced.
- UAMPS will assign existing gas or electricity purchase agreements into the prepay transaction and the discount will be applied to the contract prices under these agreements.
- The Tax Code and Regulations require that the prepaid (discounted) gas or electricity (including electricity that is generated using prepaid natural gas as fuel) be used by UAMPS members to serve retail customers in their municipal utility service areas. This is referred to as the "Qualifying Use" requirement.
- The date of closing has not yet been determined but will likely take place in Q1 2024.
- The term of the transaction is thirty years.

City Council Options:

Approve, Deny, Table for more information

Staff Recommendation:

Approve

Fiscal Impact:

Decreased Power Purchasing Costs from Discounted Prepaid Gas Prices

ATTACHMENTS:

1. Talking Points
 2. Kaysville Participant Resolution for Prepaid Gas
-

TALKING POINTS RE PREPAY TRANSACTION
NOVEMBER 27, 2023

OVERVIEW

- The Internal Revenue Code and US Treasury Regulations (“Tax Code and Regulations”) contain special provisions that allow tax-exempt bonds to be issued to finance prepayments for natural gas and electricity. The prepay transactions are structured to convert the difference between the issuer’s lower (tax-exempt) cost of funds and the prepaid energy supplier’s higher (taxable) cost of funds into a discounted price for prepaid energy.
 - The initial discount is expected to be at least 7.5% and will be determined before closing.
 - The amount of the discount will be reset periodically over the term of the prepay (every five to ten years) when the bonds are refinanced.
- UAMPS will assign existing gas or electricity purchase agreements into the prepay transaction and the discount will be applied to the contract prices under these agreements.
- The Tax Code and Regulations require that the prepaid (discounted) gas or electricity (including electricity that is generated using prepaid natural gas as fuel) be used by UAMPS members to serve retail customers in their municipal utility service areas. This is referred to as the “Qualifying Use” requirement.
- The date of closing has not yet been determined but will likely take place in Q1 2024.
- The term of the transaction is thirty years.

CONTRACT STRUCTURE

- Southeast Energy Authority (“SEA”) will issue bonds for a 30-year prepayment for gas or electricity from a special purpose entity (“Prepay LLC”) organized by J. Aron & Company, the commodities affiliate of Goldman Sachs & Co.
 - UAMPS has no obligation on the bonds issued by SEA.
- UAMPS will assign previously-executed gas purchase or power purchase agreement(s) to J. Aron through a Limited Assignment Agreement (“LAA”).
 - The LAA does not require any changes to the existing purchase agreement, but will be consented to by the seller.
 - The LAA is designed to leave the seller indifferent to the prepay. All interactions between UAMPS and seller remain the same.
 - The amount of gas or electricity purchases assigned to J. Aron under the LAA establishes the monthly cashflows required over the 30-year term of the prepay.
- UAMPS will first assign a 5-year gas purchase made to fuel the Nebo Power Plant into the prepay.
 - UAMPS is assigning less than the total amount of prepaid gas to allow for flexibility in future assignments.
 - In the future UAMPS will assign other gas or power purchase agreements, such as Red Mesa or Steel Solar, into the prepay to support the required monthly cashflows and to continue to receive the discount from the prepay.
- The LAA provides J. Aron “flash title” to the assigned gas or electricity, which is then delivered to Prepay LLC, which is then delivered to SEA, which then delivers the gas or electricity to UAMPS.

- If the prepaid transaction terminates for any reason, the LAA also terminates and UAMPS and the seller are restored to their original positions.
- UAMPS will enter a “Commodity Supply Agreement” with SEA to purchase the gas or electricity from SEA at a discount.
- The bonds issued by SEA will need to be refinanced from time to time over the 30-year term of the prepay. When the bonds are refinanced, the discount available to UAMPS under the Commodity Supply Agreement will need to be reset.
 - Changes in market conditions could lead to a lower (or higher) savings for UAMPS.
 - The Commodity Supply Agreement will specify the minimum discount to be achieved for each reset period. If minimum is not achieved, UAMPS may choose not to take energy from the prepay project during the reset period.

QUALIFIED USE CERTIFICATE

- UAMPS has provided a resolution for the governing boards of the Payson Power Project Participants (“Participants”) that approves the form of a “Qualified Use Certificate” for the prepaid energy. Please have the resolution signed and returned to UAMPS.
 - Complete the resolution by filling in the date it was adopted on page 2 Please do not make changes to these documents without contacting UAMPS.
 - The resolution may be passed at any time.
 - Do not complete or sign the generic form of the Qualified Use Certificate that’s attached to the resolution. We will send you a final, individualized Qualified Use Certificate a few weeks before the bond closing for execution.
- The Qualified Use Certificate states that the electricity that the Participant receives from the prepay will be used to serve retail customers located in the established service territory of its electric utility system.
 - If, during the term of the prepay, a Participant uses the electricity for a non-Qualified Use, it agrees that it will cooperate with UAMPS to remediate the non-Qualified Use through its other power purchases from UAMPS.
- The Participant must also confirm in the Qualified Use Certificate that the amount of its historic electricity sales to its retail customers equals or exceeds the amount of electricity attributable to its Entitlement Share under the Payson Power Sales Contract.

A RESOLUTION AUTHORIZING A TAX CERTIFICATE AND AGREEMENT
FOR UAMPS' PAYSON POWER PROJECT; AND RELATED MATTERS.

*** *** ***

WHEREAS, Kaysville City, Utah (the "*Participant*") is a member of Utah Associated Municipal Power Systems ("*UAMPS*") and is a Participant in the Payson Power Project (the "*Project*") under the Payson Power Project Power Sales Contract dated as of June 1, 2002, as supplemented (the "*Power Sales Contract*") between the Participant and UAMPS;*

WHEREAS, the Participant has been advised that UAMPS proposes to enter into a Commodity Supply Contract (the "*Supply Contract*") with Southeast Energy Authority, a Cooperative District ("*SEA*") to purchase a portion of the natural gas necessary for the operation of the Project at price that reflects a discount from the current contract price of natural gas for the Project being paid by UAMPS, and that the savings from such discount will be applied by UAMPS for the benefit of the Participant and the other Participants in the Project based on their respective Entitlement Shares;

WHEREAS, the Participant has been advised that SEA will issue bonds to finance a prepayment for the natural gas that it sells to UAMPS under the Supply Contract (the "*Prepay Bonds*") with the intention that the interest on the Prepay Bonds will qualify for tax exemption under Section 103 of the Internal Revenue Code of 1986, as amended (the "*Code*"); and

WHEREAS, the Participant acknowledges that its use of the electricity it purchases from its Entitlement Share under the Power Sales Contract will be subject to certain restrictions that are necessary to establish and maintain the tax-exempt status of interest on the Prepay Bonds, and desires to adopt this resolution to authorize a Tax Certificate and Agreement that sets forth the Participant's agreement to comply with such restrictions;

NOW, THEREFORE, BE IT RESOLVED BY THE [NAME OF GOVERNING BODY] OF [NAME OF PARTICIPANT], AS FOLLOWS:

Section 1. Approval of Tax Certificate and Agreement. The Tax Certificate and Agreement, in substantially the form attached hereto as *Exhibit A*, is hereby authorized and approved.

Section 2. Authorized Officers; Final Changes and Dating. The Participant's Representative and Alternate Representative to UAMPS (the "*Authorized Officers*") are each hereby authorized to execute and deliver the Tax Certificate and Agreement and to deliver the same to UAMPS on behalf of the Participant. Each of the Authorized Officers is hereby delegated

* Capitalized terms used and not otherwise defined herein have the meanings assigned to them in the Power Sales Contracts and the Tax Certificate and Agreement.

authority to approve such changes to the Tax Certificate and Agreement as are necessary to complete the form thereof, together with any minor or non-substantive changes, and his or her execution of the Tax Certificate and Agreement shall be conclusive evidence of such approval. The Authorized Officers shall deliver an executed and undated copy of the Tax Certificate and Agreement on or prior to the date requested by UAMPS, and UAMPS is hereby authorized to deliver the Tax Certificate and Agreement, dated the issue date of the Prepay Bonds, to SEA on behalf of the Participant.

Section 3. Other Actions With Respect to the Tax Certificate and Agreement. The Authorized Officers shall take all action necessary or reasonably required to carry out and give effect to the Tax Certificate and Agreement including adjusting the priority of the Participant's resources within the UAMPS Power Pool to ensure the Qualified Use of the electricity from the Participant's Entitlement Share in the Project.

Section 4. Severability. If any section, paragraph, clause, or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this resolution.

Section 5. Effective Date. This resolution shall be effective immediately upon its approval and adoption.

ADOPTED AND APPROVED by the City Council of Kaysville City, Utah, this day,
_____.

KAYSVILLE CITY, UTAH

By _____
Mayor

[SEAL]

ATTEST:

City Recorder

EXHIBIT A

TAX CERTIFICATE AND AGREEMENT

This Tax Certificate and Agreement is executed in connection with the Commodity Supply Contract (the "*Supply Contract*") between Southeast Energy Authority, a Cooperative District ("*SEA*") and Utah Associated Municipal Power Systems ("*UAMPS*").

WHEREAS, _____ (the "*Participant*") is a member of UAMPS and has entered into the Payson Power Project Power Sales Contract dated as of _____¹ (the "*Power Sales Contract*") with UAMPS;

WHEREAS, the Participant understands that UAMPS has entered into the Supply Contract to obtain a supply of natural gas for use as fuel in the operation of the Payson Power Project, and that UAMPS will sell a portion of the electricity generated with such natural gas to the Participant in accordance with its Entitlement Share under (and as such term is defined in) the Power Sales Contract;

WHEREAS, the Participant further understands that SEA will issue bonds to finance a prepayment for the natural gas that it sells to UAMPS under the Supply Contract (the "*Prepay Bonds*") with the intention that the interest on the Prepay Bonds will qualify for tax exemption under Section 103 of the Internal Revenue Code of 1986, as amended (the "*Code*"); and

WHEREAS, the Participant acknowledges that its use of the electricity it purchases from its Entitlement Share under the Power Sales Contract is subject to certain restrictions that are necessary to establish and maintain the tax-exempt status of interest on the Prepay Bonds;

ACCORDINGLY AND IN FURTHERANCE OF THE FOREGOING, THE PARTICIPANT HEREBY CERTIFIES AND AGREES AS FOLLOWS:

1. The Participant is a political subdivision of the State of _____,² and owns and operates a municipal utility system that provides electricity service to retail customers located in an established service area (the "*System*").

2. The Participant will (a) use all of the electricity it acquires from its Entitlement Share under the Power Sales Contract in a Qualified Use (as defined below), (b) not take any action (or make any allocation) that is inconsistent with the Qualified Use of such electricity, (c) not take or omit to take any action which could adversely affect the tax-exempt or tax-advantaged status of interest on the Prepay Bonds or any refunding bonds issued by SEA, (d) take, and pay the costs of, such remedial actions as may be necessary to maintain the tax-exempt or tax-advantaged status

¹ (a) "June 1, 2002" for Fairview, Monroe, Mt. Pleasant, Payson and Springville, (b) "June 1, 2002, as supplemented" for Ephraim, Hurricane, Hyrum, Kaysville, Lehi, Logan, Santa Clara, Spring City, SESD and Washington, and (c) "December 1, 2009" for TDPUD.

² Utah for all Participants, except California for TDPUD.

of interest on the Prepay Bonds or any refunding bonds in the event of its failure to use such electricity in a Qualified Use, and (e) act in accordance with such reasonable written instructions as may be provided by SEA (through UAMPS) from time to time in order to maintain the tax exempt or tax-advantaged status of the Prepay Bonds.

3. “*Qualified Use*” means the sale of electricity to retail customers located within the “electricity service area” of a municipal utility pursuant to generally applicable and uniformly applied rate schedules or tariffs; *provided* that: (a) “Qualified Use” shall not include any sale of electricity that gives rise to “private business use” or a “private loan” within the meaning of Section 141 of the Code; and (b) “Qualified Use” shall include such additional uses of electricity as may be approved by SEA (through UAMPS) with a favorable opinion of bond counsel. For purposes of this definition: (i) “electricity service area” has the meaning assigned to such term in U.S. Treasury Regulation Section 1.148-1(e)(2)(iii); and (ii) a “municipal utility” is a state or local government unit that owns and operates an electric distribution utility.

4. In each of the five calendar years preceding 2024, the amount of electricity sold to retail customers in the Participant’s electricity service area has equaled or exceeded the amount of electricity attributable to its Entitlement Share under the Power Sales Contract (excluding the amount of electricity that the Participant was obligated to take under a long term agreement that was either (i) purchased pursuant to a long term prepaid agreement using the proceeds of tax-exempt or tax-advantaged obligations, or (ii) generated from gas that a person is obligated to take under a long term agreement that was purchased pursuant to a long term prepaid agreement using the proceeds of tax-exempt or tax-advantaged obligations), and it anticipates this to be the case in 2024.

5. References to the “Bonds” in Section 17(c) [Sale or Assignment of Electric System or Power Sales Contract] and Section 17(f) [Tax Status] of the Power Sales Contract shall be deemed to include the Prepay Bonds at all times while the Supply Contract is in effect.

6. The Participant expects to make the required payments under the Power Sales Contract solely from the current revenues of the System.

Dated: _____, 2024.

[NAME OF PARTICIPANT]

By: _____

[Name]

[Title]

CITY COUNCIL STAFF REPORT



MEETING DATE: December 7, 2023

TYPE OF ITEM: Action Item

PRESENTED BY: Melinda Greenwood, Community Development Director

SUBJECT/AGENDA TITLE: Rezone of 7.74 acres at 367 South Angel Street from A-5 to R-1-20 for DW Management

EXECUTIVE SUMMARY:

This item was heard by the Planning Commission at the November 9, 2023 meeting where a public hearing was held. Several comments were received during the hearing. Comments included concerns from a representative from the Mountain Vistas HOA who stated concerns that properties in his subdivision did not receive a hearing notice. Other concerns expressed were about traffic mitigation, road layout, connections to existing roads and neighboring properties and installation of sidewalks. Support for the rezone was expressed by those who commented, though the desire to see a proposed subdivision layout was expressed. One public comment was received via email and is attached. The staff report from that meeting is included in this packet.

The Planning Commission voted 5-0 to recommend approval to the City Council. Minutes for the meeting are not available, but you can watch the meeting by clicking on this link: [November 9, 2023 Planning Commission Meeting.](#)

City Council Options:

1. Approve the rezone request at 367 South Angel Street from A-5 Heavy Agriculture to R-1-20 as recommended by the Planning Commission.
2. Deny the rezone request at 367 South Angel Street.

Staff Recommendation:

Approve the rezone request at 367 South Angel Street from A-5 Heavy Agriculture to R-1-20 as recommended by the Planning Commission.

Fiscal Impact:

N/A

ATTACHMENTS:

1. PC Rezone R-1-20 367 South Angel Street 11.9.23
2. Public Comment - Alle Kinnersley

3. Ordinance RZN 367 South Angel Street R-1-20

PLANNING COMMISSION STAFF REPORT

To: Kaysville City Planning Commission
From: Dan Jessop, Zoning Administrator
Date: October 17, 2023

Agenda Item #3: Rezone request and Public Hearing for property at 367 South Angel Street from A-5 (Heavy Agriculture) to R-1-20 (Single Family 20,000 ft²) for applicant DW Management.

Meeting Date	November 9, 2023
Application Type	Rezone
Applicant Owner	DW Management
Address Parcel ID Number	367 South Angel Street 08-009-0069
Lot Size	7.74 acres 337,154 ft ²
Current Use	Agriculture Single Family
Current Zoning	A-5
Density Entitlement	1 lot
Requested Zoning	R-1-20
Density Entitlement	16 lots

1. BACKGROUND

The property currently is a 7.74 acres parcel with a single family dwelling on it. The property was the Paul Webster Farm. The parcel meets the square footage and frontage for the proposed zone change.

2. SURROUNDING LAND USE AND ZONING

The parcel is located on the south end of Angel Street. The application submitted to the Planning Commission for consideration of rezone to R-1-20 is appropriate for the location. The characteristics of the surrounding area and neighborhood are provided.



- **Adjacent** – Directly adjacent to the subject property is R-1-20, A-5, and R-A.
- **North** – The subject property is bordered by R-1-20.
- **South** – Directly south of the parcels are A-5 and belong to the Sewer District.
- **East** – It is R-1-20 with established single- family dwellings.
- **West** – The subject property is bordered undeveloped R-A, R-1-20.



3. GENERAL PLAN

The future land use map in the 2022 General Plan shows the property 367 South Angel Street to be in a Single-Family Dwelling district. The rezone request to R-1-20 is supported by the Future Land Use Map. The rezone from A-5 to R-1-20 would provide more single-family lots, which is consistent with the majority of the established neighborhoods on Angel Street. On page 27 of our 2022 General Plan Goal 1 is to preserve and protect Kaysville’s “Small Town” atmosphere by limiting change in functioning neighborhood districts.

The Goal to preserve neighborhood character on page 43 Chapter 2 Transportation and Connectivity, goal 3.2 shows we should use the street design to shape the neighborhood character which this rezone reflects. The entire Angel Street aligns with the goals, and the provisions support for the proposed rezone.

Staff believes the rezone is supported by the 2022 General Plan. The Future Land Use map is clear that the area is complementary to the zone change.

4. PUBLIC COMMENT

A total of 29 public notices were mailed to property owners within 500' radius of the subject property and a sign was placed on the property on Friday, November 3, 2023. As of November 1, 2023 we have received one comment opposing the development of the green space to the south of the Mountain Vistas Subdivision.

5. RECOMMENDATION

Staff is recommending the zone change from A-5 to R-1-20 with support from the 2022 General Plan as a compatible zone for the existing homes and neighborhood character.

The Planning Commission may make a recommendation to the City Council to approve or deny the rezone request.

From: noreply@civicplus.com
To: Melinda Greenwood; Mindi Edstrom; Dan Jessop; [REDACTED]
Subject: Online Form Submittal: Contact the Planning Commission
Date: Monday, October 30, 2023 8:27:39 PM

Contact the Planning Commission

Have a question or comment? Want to contact the Planning Commission about an upcoming item on a meeting? Please fill out the form below and an e-mail will be sent to all of the Planning Commission members. You can also contact the Community Development office at 801-546-1241.

Name	Alle
Email Address	[REDACTED]
Address	[REDACTED]
City	[REDACTED]
State	[REDACTED]
Zip Code	[REDACTED]
Phone Number	[REDACTED]
Your Message	To whom it may concern. I am writing to share my opposition to the requested zoning Change in the west Kaysville 367 south Angle street heavy agricultural to single family home developments. Our open space land that is so beautiful is disappearing so fast to the greedy developers. Please leave this little patch of what Kaysville was alone! We are grateful for you consideration.
Upload an Attachment	<i>Field not completed.</i>
Upload an Attachment	<i>Field not completed.</i>
Upload an Attachment	<i>Field not completed.</i>

Email not displaying correctly? [View it in your browser.](#)

ORDINANCE NO. 23-12-XX

AN ORDINANCE REZONING 367 SOUTH ANGEL STREET, A CERTAIN 7.74 ACRE PORTION OF KAYSVILLE CITY TO THE R-1-20 SINGLE FAMILY RESIDENTIAL LOW DENSITY; HEREINAFTER FULL DESCRIBED PROVIDING FOR REPEALER; PROVIDEING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the City Council of Kaysville City, State of Utah, has determined in an open public meeting to rezone the subject property which is 7.74 acres and located at 367 South Angel Street and known as Parcel ID# 08-009-0069 from A-5 Heavy Agriculture to R-1-20 Single Family Residential; and

WHEREAS, said meeting was duly and regularly held and the interested parties were given an opportunity to be heard; and

WHEREAS, on November 9, 2023, the Kaysville City Planning Commission held a public hearing and with a vote of 5-0 made a recommendation of approval to the City Council for the zone change for the property at 367 South Angel Street to R-1-20 Single Family Residential Low Density; and

WHEREAS, the City Council, after due consideration of said rezone application, has concluded that it is in the best interest of the City and the inhabitants thereof that said R-1-20 Single Family Residential Low Density be approved;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF KAYSVILLE CITY, UTAH:

SECTION I: Repealer. If any provisions of the City's Code previously adopted are inconsistent herewith they are hereby repealed.

SECTION II: Rezone. The real property at 367 South Angel Street, and known by Parcel Identification Number 08-009-0069, containing approximately 7.3 acres (337,154 ft²), of land, shall be rezoned and the Zoning Map amended to R-1-20 Single Family Residential; and

SECTION III: Severability. If any section, subsection, sentence, clause or phrase of this ordinance is declared invalid or unconstitutional by a court of competent jurisdiction, said portion shall be severed and such declaration shall not affect the validity of the remainder of this ordinance.

SECTION VI: This Ordinance shall take effect upon execution of the ordinance.

PASSED AND ADOPTED by the City Council of Kaysville City, Utah, this December 7, 2023.

ORDINANCE NO. 23-12-XX

Tamara Tran
Mayor

ATTEST:

Annemarie Plaizier
City Recorder

RESOLUTION 23-12-04

WHEREAS, the Kaysville City Council is the governing body of Kaysville City as contemplated by the Utah Code;

WHEREAS, in accordance with Kaysville City Code, the Kaysville City Council held a public meeting at 7:00 p.m. on Thursday, December 7, 2023, at 23 East Center Street, Kaysville, Utah 84037 to consider approving the filing of eminent domain actions should they become necessary;

WHEREAS, the Kaysville City Council recognizes that Kaysville City provided notice of the public meeting to all relevant property owners as required by applicable law;

WHEREAS, the Kaysville City Council allowed all in attendance at the public meeting to be heard on the decision of Kaysville City’s exercising eminent domain and approval for filing eminent domain actions;

WHEREAS, prior to a final vote on the decision, the Kaysville City Council considered its policies and practices for exercising eminent domain; and

WHEREAS, Kaysville City is sympathetic to the concerns of those residents directly affected, but believes that this acquisition is in the best interests of the health, safety, and general welfare of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF KAYSVILLE, UTAH:

The Kaysville City Council authorizes City Staff to file eminent domain actions, if necessary, with respect to the following properties:

- The parcel of land located at 148 West Mutton Hollow Road, Kaysville, Utah 84037 (Parcel ID# 110520066);
- The parcel of land located at 128 West Mutton Hollow Road, Kaysville, Utah 84037 (Parcel ID# 110520010);
- The parcel of land located at 43 East Mutton Hollow Road, Kaysville, Utah 84037 (Parcel ID# 113770303).

PASSED AND ADOPTED by the City Council of Kaysville, Utah this **7th day of December, 2023**.

Tamara Tran, Mayor

ATTEST:

Annemarie Plaizier, City Recorder