

**NORTH OGDEN CITY
AUDIT COMMITTEE
MEETING MINUTES**

December 21, 2023

The North Ogden City Audit Committee convened at 6:00 p.m. Notice of time, place, and agenda of the meeting was posted on the bulletin board at the municipal office and posted to the Utah State Website on December 18, 2023. Notice of the annual meeting schedule was published in the Standard-Examiner on December 16, 2022.

Note: The time stamps indicated in blue correspond with the recording of this meeting, which can be located on YouTube: <https://www.youtube.com/channel/UCriqbePBxTucXEzRr6fclhQ/videos> or by requesting a copy of the audio file from the office of the North Ogden City Recorder.

Committee:

Phil Swanson	Committee Chairman (excused)
S. Neal Berube	Committee Member
Charlotte Ekstrom	Committee Member
Thayne Shafer	Committee Member
Randy Winn	Committee Member
Rian Santoro	Committee Member

Staff:

Jon Call	City Manager/Attorney
Jami Jones	Finance Director
Bryce Nelson	Administrative Services Manager/Treasurer

Visitors:

Chris Pulver	
Ben Bailey	Consultant with Keddington and Christensen

Committee Member Berube called the meeting to order, and Committee Member Randy Winn offered the prayer and led the audience in the Pledge of Allegiance.

CONSENT AGENDA

1. DISCUSSION AND/OR ACTION TO CONSIDER MAY 25, 2023, AUDIT COMMITTEE MEETING MINUTES

Committee Member Randy Winn motioned to approve the May 25, 2023, Audit Committee Meeting minutes. Committee Member Thayne Shafer seconded the motion.

Motion passed unanimously.

ACTIVE AGENDA

2. PUBLIC COMMENTS 00:03:03

Chris Pulver, North Ogden resident, asked the Committee how the asset numbers were figured out as well as how the City will repay the debt incurred due to the new public safety building. He asked if North Ogden City could receive credit from Weber County Central Sewer considering the sewer lining the City provides. Mr. Pulver suggested that the City provide a list on their website detailing the costs of all the products and costs associated with the Capital Projects and that Department Heads be given the authority to move some of the money around as needed from their department accounts. He ended by mentioning the new water meter and that the City will have things to figure out due to that.

Committee Member Berube addressed Mr. Pulver's question regarding the Public Safety Bond by stating that the tranches, one for \$6,750,000 and one for \$2,750,000; both had original 20-year terms. The actual interest rate on the first tranche of 6.7 million is 1.98%. The other tranche has an interest rate of 2.8%. He continued by explaining that tranches are callable bonds and to pay those off, you have to pay off the low interest rate on the shorter term. Committee Member Berube said that as long as the City can reinvest its funds at a higher rate than what is being paid on the bond, there's no use in paying that off. If the City were ever in a substantial negative position and had the funds to pay those off at the time, that would surely be looked at, however, at this point in time, the intention is to let it run the course. In response to Mr. Pulver's question concerning assets, Committee Member Berube explained that the City has a fixed asset register and said he would meet with Mr. Pulver to provide the details on all of the fixed assets, when they were purchased, what their basis is, etc.

3. DISCUSSION ON THE 2022-2023 FISCAL YEAR AUDIT 00:06:43

Finance Director Jones began by thanking Consultant Ben Bailey for all his work in putting the documentation together.

She began by calling the Committee's attention to the financial highlight of the audit. North Ogden City's total net position increased by 11.4 million, which is good news. The City's assets are over its liabilities, noting that the liquidities are good and the City was able to meet its ongoing obligations.

Committee Member Berube explained that most of these increases are due to contributions of infrastructure. There were excess revenues over expenses in the General Fund - but the major increase was contributions from developers upon the completion of the City's acceptance of their projects.

Finance Director Jones noted that page 14 explains more about how the net position comes about and that it will net the program revenues against expenses. Page 14 also provides a rundown on how the 11.4 million was reached, noting it can take a few minutes to internalize and understand the statement but is a good one to study.

Page 4 is the general fund unassigned balance. The year ended at 3.5 million. The report shows the percentage of 41% as it is a number against the expenditures, the actual percentage is a 31% increase in the City's fund balance; the State maximum is 35%.

Committee Member Berube noted that the City put down cash to borrow as little as possible for the public safety building. That rate was brought down to 16%, the internal floor is 15%, and the goal is to not drop below that number despite having a 35% by statute, adding that there are other uses for those funds other than letting them sit in the General Fund.

Finance Director Jones clarified that on pages 30 and 31, under the fund balances, the number is calculated on the current period revenues and the number reflects expenditures. Committee Member Berube added that if the City had zero revenues and continued with the current expenses, there would be about five months of operating funds. The statute is a percentage of revenues.

Finance Director Jones then directed the Committee to page 51, the general fund budget and the revenues and expenditures. The excess over-revenue number was \$1,000,000. She stated that it is important to note that the number includes BNC road funds, which are restricted. Because of that, the fund balance is 3.9 million.

The Committee then engaged in a high-level discussion on the budget and the numbers reflected in the financial report. General Fund taxes and property taxes were also discussed in some detail.

Committee Member Winn asked for clarification on some of the expense percentages. Finance Director Jones, City Manager/Attorney Call, and Committee Member Berube all provided explanations for those questions. Inflation, specifically in terms of the wages and benefits for public safety was discussed as well as the importance of public safety to North Ogden City. *(See FY2023 Financial Statements - Attachment A)*

Finance Director Jones explained that running a city differs from running a business as things can happen and change so quickly in a city and the budget has to be adapted year to year depending on those changes, which is an art. The Finance Department and City Council have been conservative with their revenue estimates leading to the expenditures being low compared to the revenues.

Committee Member Berube commented on the interesting four years it has been and the significant growth North Ogden City has seen. When the interest rates were low, the City had 400 building permits in one year, noting it is important to consider the substantial growth the City has to keep up with, in addition to inflation. For comparison, City Manager/Attorney Call reported that North Ogden City has received 75 building permits for new homes so far in 2023.

The City's net pension liability was discussed in detail as last year it was reported as an asset. It was noted that the money is controlled by the State, Utah Retirement Systems, to which the City is following the guidelines and regulations the State has provided.

It was reported that North Ogden City received a clean audit report for the year with no major findings. Due to the Auditor's absence at the meeting, Finance Director Jones said she would follow up with the Auditor to provide answers to the questions asked by the Committee. Ben Bailey, Consultant with Keddington and Christensen was excused and left the meeting.

4. DISCUSSION ON THE QUARTERLY FINANCIALS 00:44:32

Finance Director Jones began by going over the first quarter of 2024, noting that the General Fund is always low given how the revenues fall through the year and that property taxes were received in December. She explained that the Solid Waste fund is higher due to the ordering of trash cans.

Next, the Finance Director discussed General Fund Revenues by Department, noting that Licenses and Permits are right on target. Charges for Services are up due to an increase in excavations due to Fiber being installed in the City. Miscellaneous Revenues are up due to a high number of Police Report Requests, which are hard to predict in budgeting.

She stated there will be a Budget Amendment coming before the Council in January due to a large donation being included in the Grant and Transfers which will be moved to Capital Projects.

In presenting the General Fund Expenditures by Department, The Finance Director noted that some of the department numbers are low due to staffing issues.

In looking at a 3-year comparison of both revenue and expenditures, the numbers are looking close to even. The role weather plays in the Aquatic Center revenues was briefly discussed.

As of October 2023, sales tax is being reported at 8% higher than projected. The total generated sales tax for the State of Utah was compared to North Ogden City's total generated sales tax and discussed. *(See 1st Quarter FY 2024 - Attachment B)*

5. DISCUSSION ON NORTH OGDEN CITY INVESTMENTS 01:01:28

Bryce Nelson, Administrative Service Manager/Treasurer discussed the Treasury Bills that have matured as well as the additional investments the City took part in. *(See Investments PowerPoint - Attachment C)*

The plan for 2024 is to invest in longer-term investments with Meeder Investments, who are approved by the Money Management Act and will assist North Ogden City in diversifying its portfolio. The committee continued a high-level discussion regarding investing.

Stewart & Gilbert Auditor Ron Stewart joined the meeting electronically, however, due to technical difficulties, was unable to be heard by those in attendance. 01:10:15

6. PUBLIC COMMENTS 01:10:30

Chris Pulver, North Ogden resident, began by expressing his gratitude for the new grants being received by the City. He briefly discussed pensions and the State requirements. He commented on the large attendance at the North Ogden Live Nativity Event the night prior, where over 1,000 cookies were served. He ended by stating that more chairs are needed at the amphitheater. It was noted that the Hunt Family donates the cookies and the hot chocolate each year for the Live Nativity event, which is appreciated.

7. COMMITTEE MEMBERS/STAFF COMMENTS 01:15:16

Committee Member Shafer commended the Finance Director and Treasurer for the hard job they did this year.

It was noted that the next Audit Committee meeting will be held on March 21, 2024.

8. ADJOURNMENT

Committee Member Winn motioned to adjourn the meeting. Committee Member Shafer seconded the motion. All in attendance voted in favor.

The motion passed unanimously.

The meeting adjourned at 7:17 p.m.

ATTACHMENTS

All Publicly distributed materials associated with this meeting are noted as the following attachments:

- A. FY2023 Financial Statements
- B. 1st Quarter FY 2024
- C. Investments PowerPoint


S. Neal Berube (Apr 26, 2024 09:37 MDT)

S. Neal Berube
Mayor/Committee Member


Rian Santoro (Apr 26, 2024 09:40 MDT)

Rian Santoro
City Recorder/Committee Member



04/25/2024

Date Approved



NORTH OGDEN CITY

— SETTLED 1851 —

Financial Statements

With Auditor's Report

June 30, 2023

NORTH OGDEN CITY
BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2023
Together with Independent Auditor's Report

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of City Council
North Ogden, Utah

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of North Ogden City, Utah (the City), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2023 and the respective changes in financial position and cash flows, where applicable, , thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, and the required supplementary information regarding pensions, as noted in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Gilbert & Stewart

GILBERT & STEWART, CPA, PC
Provo, Utah
December 12, 2023

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis of North Ogden City's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2023. This report is in conjunction with the City's financial statements.

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

Financial Highlights

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

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

Governmental Activities - Unrestricted Net Position	\$ 5,431,073
Business-type Activities - Unrestricted Net Position	\$ 6,740,093

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

Increase (Decrease) in Total Net Position	\$ 11,482,388
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- At the close of the current year, the governmental funds reported ending fund balances as noted below. The Unassigned Fund Balance is available for spending at the city's discretion.

Governmental Funds		Percentage
Nonspendable	\$ 116,099	0.53%
Restricted Fund Balance	12,067,799	54.81%
Committed Fund Balance	176,214	0.80%
Assigned Fund Balance	6,150,133	27.93%
Unassigned Fund Balance	3,505,898	15.92%
Total Governmental Funds, Fund Balance	<u>\$ 22,016,143</u>	

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

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

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

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

Overview of the Financial Statements

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

Government-wide Financial Statements

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

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

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

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

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

Fund Financial Statements

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

Governmental Funds

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

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

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

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

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

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

Proprietary Funds

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

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

Notes to the Financial Statements

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

Other Information

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

Government-Wide Financial Analysis

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

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

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

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

North Ogden City's Net Position

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

Governmental Activities

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

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

Key elements of this change are as follows:

North Ogden City's Changes in Net Position

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

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

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

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

Business-type Activities

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

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

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

Financial Analysis of the Government's Funds

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

Governmental Funds

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

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

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

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

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

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

Proprietary Funds

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

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

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

General Fund Budgetary Highlights

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

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

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

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

Capital Asset and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental activities as of June 30, 2023, is shown below. This investment in capital assets includes land, buildings, improvements other than buildings, equipment and infrastructure, which includes roads, highways and sidewalks. The total net increase in governmental activities' investment in capital assets for the current year is indicated below. Major capital assets events during the current year included the following:

- Completion of phase 1 of the 400/450 east road project
- Continuing construction of a new public safety building
- Contribution of assets (infrastructure) from completed developments

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

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

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

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

Long-Term Debt

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

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

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

Economic Factors

The city continues to approach budgeting revenues and expenditures conservatively and considers regional and national economic forecasts as a component in the budgeting process, along with long-term capital plans. During fiscal year 2023, sales tax revenues remained steady at an increase of 5% over last year. Building permit revenue decreased by 24% compared to the previous year, and the city expects slow growth for fiscal year 2024. On August 9, 2022, the city held a truth-in-taxation hearing, and Council subsequently approved a property tax revenue increase of 24.5%. Other rates and fees remained constant for fiscal year 2023.

Request for Information

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

BASIC FINANCIAL STATEMENTS

NORTH OGDEN CITY
STATEMENT OF NET POSITION
June 30, 2023

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

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

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

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

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

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

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

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

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

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

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

NORTH OGDEN CITY
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2023

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

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

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

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

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

NORTH OGDEN CITY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023

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

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

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

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

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

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

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

Change in compensated absence liability	57,295
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An internal service fund is used by management to charge the cost of fleet management to individual funds. The net expense of the internal service is reported within the governmental activities.

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

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

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

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

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

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

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

NORTH OGDEN CITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION PROPRIETARY FUNDS
For The Year Ended June 30, 2023

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

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

NORTH OGDEN CITY
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For The Year Ended June 30, 2023

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

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

NORTH OGDEN CITY NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting entity

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

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

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

B. Government-wide and fund financial statements

Government-wide Financial Statements

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

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

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

NORTH OGDEN CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Fund Financial Statements

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

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

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

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

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

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

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

PCL XL error

Subsystem: KERNEL

Error: MissingData

Operator: LinePath

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