

WASATCH PEAKS RANCH PUBLIC INFRASTRUCTURE DISTRICT

36 S. State Street, Suite 500 Salt Lake City, UT 84111

NOTICE OF REGULAR MEETING AND AGENDA

DATE: Monday, July 14, 2025

TIME: 11:00 a.m.

LOCATION: 36 S. State Street, Suite 500
Salt Lake City, UT 84111

ACCESS: To attend via Microsoft Teams Videoconference, use the below link:
https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZmM5YmYyMDgtMGI4Yi00OWViLTgyY2YtNGFhN2ZhY2NINjI1%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%225b9f6fa2-e9dd-42cc-bfd8-f7dd2ed196a6%22%7d

To attend via telephone, dial 720-547-5281 and enter Conference ID: 861 731 860#

**BOARD OF
TRUSTEES:** Gary Derck
Ed Schultz
Jenny Robinson

PUBLIC NOTICE is hereby given that the Board of Trustees (the “Board”), of the Wasatch Peaks Ranch Public Infrastructure District (the “District”), will hold a meeting of the Board on Monday, July 14, 2025, commencing at 11:00 a.m., at 36 South State Street, Suite 500, Salt Lake City, Utah, 84111 and via Microsoft Teams, at which time the Board shall proceed according to the following agenda.

“As the Chair of the Board of Trustees of the Wasatch Peaks Ranch Public Improvement District, I hereby call this regular meeting of the Board to order at ___ A.M. on July 14, 2025, at 36 S State Street, Suite 500, Salt Lake City, UT 84111. In compliance with the requirements of Utah’s Open and Public Meetings Law: (i) notice of this meeting has been duly posted and published, and (ii) this meeting is being recorded and minutes of the meeting, in its entirety, are being kept.”

I. ADMINISTRATIVE MATTERS

A. Call to order.

- B. Public Comment. Members of the public may express their views to the Board on matters that affect the District that are otherwise not on the agenda. Comments will be limited to three (3) minutes per person
- C. Review and approval of the April 14, 2025, Meeting Minutes (enclosure).
- D. Formal appointment of the District's Chief Administrative Officer (Carley Herrick).

II. FINANCIAL MATTERS

- A. Approve and/or ratify approval of payment of claims (enclosure).
- B. Progress update on Hinton Burdick Audit.
- C. Review and approval of Financial and Compliance Self Evaluation Form and Fraud Risk Assessment (enclosure).

III. MANAGER AND OPERATIONAL MATTERS

IV. LEGAL MATTERS

- A. Approval of Procurement Policy (enclosure).
- B. Ratify Legal Services Agreement with Hayes Godfrey Bell (enclosure).
- C. Review and approval of Services Agreement with WPR Development Company (enclosure).
- D. Review and approval of Services Agreement with Wasatch Peaks Ranch Club (enclosure).
- E. Review and approval of Service Provider Rates (enclosure).

V. TRUSTEES' MATTERS

VI. OTHER BUSINESS

VII. ADJOURNMENT

[This notice to be posted at the District office and published on the Utah Public Notice Website at least 24 hours prior to the meeting.]

April 14, 2025 Meeting Minutes

MINUTES OF A REGULAR MEETING OF
THE BOARD OF TRUSTEES OF THE
WASATCH PEAKS RANCH PUBLIC INFRASTRUCTURE DISTRICT (THE “DISTRICT”)
HELD
April 14, 2025

A regular meeting of the Board of Trustees of the Wasatch Peaks Ranch Public Infrastructure District (referred to hereafter as the “Board”) was convened on Monday, April 14, 2025, at 11:00 a.m., at 36 S. State Street, Suite 500, Salt Lake City, UT 84111 and via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Trustees in attendance were:

Gary Derck

Ed Schultz

Jenny Robinson

Also, In Attendance Were:

Nic Carlson, CliftonLarsonAllen LLP (“CLA”)

Carley Herrick, Matt Musil, Kelli Reid and Suzanne Bennett; Wasatch Peaks Ranch

ADMINISTRATIVE MATTERS

Call to Order:

The meeting was called to order at 11:00 a.m. by Trustee Derck, who recited the following:

“As a Trustee of the Board of Trustees of the WPR Public Improvement District, I hereby call this regular meeting of the Board to order at 11:00 a.m. on April 14, 2025, at 36 S State Street, Suite 500, Salt Lake City, UT 84111. In compliance with the requirements of Utah’s Open and Public Meetings Law: (i) notice of this meeting has been duly posted and published, and (ii) this meeting is being recorded and minutes of the meeting, in its entirety, are being kept.”

Minutes of January 13, 2025 Meeting:

The Board reviewed the minutes. Following discussion, Trustee Derck made a motion to approve the Minutes of the January 13, 2025 Meeting. Trustee Robinson seconded the motion. The motion passed unanimously.

FINANCIAL MATTERS

Unaudited Financial Statements:

Trustee Derck reviewed the financial statements with the Board. Following discussion, Trustee Derck made a motion to accept the December 31, 2024 Unaudited Financial Statements. Trustee Robinson seconded the motion. The motion passed unanimously.

Claims in the amount of \$0.00:

Mr. Musil reviewed the claims with the Board, noting that one payment was made and will be submitted for ratification at the next Board meeting. No action was taken.

MANAGER MATTERS

None.

OPERATIONAL MATTERS

None.

LEGAL MATTERS

Ethics Policy:

Attorney Herrick reviewed the Ethics Policy with the Board. Following discussion, Trustee Derck made a motion to approve the Ethics Policy. Trustee Robinson seconded the motion. The motion passed unanimously.

Purchasing Policy:

This matter was not discussed.

TRUSTEES' MATTERS

None.

OTHER BUSINESS

None.

ADJOURNMENT

There being no further business to come before the Board at this time, Trustee Derck made a motion to adjourn the meeting at 11:08 a.m. Trustee Robinson seconded the motion. The motion passed unanimously.

Respectfully submitted,

By _____
District Chair

Attest:

District Clerk

Payment of Claims

WPR PID District

For the period 6/17/2025-7/10/2025

Paid Claims

Date	Person/Description	Reference	Amount	Remarks
7/3/2025	CLIFTONLARSONALLEN LLP (v0000514)	103	(228.38)	Public Admin Service
				<u><u>(228.38)</u></u>

Unpaid Claims

Vendor	Amount
There are no unpaid claims as of 7/10/2025	<u><u>-</u></u>
	<u><u></u></u>

Financial and Compliance Self Evaluation Form and Fraud Risk Assessment



Fraud Risk Assessment

Background

The Office of the State Auditor (Office) regularly receives complaints of fraud or abuse by local government officials. The Office is also aware of internal investigations performed by local governments of their own officials and employees. Some of these situations receive significant media coverage, while others are resolved with less publicity. In either case, the level of concern by the public and local and state officials is significant. Many have asked the Office for more direction on how to prevent such occurrences in the future. The program outlined in this guide is designed to help measure and reduce the risk of undetected fraud, abuse, and noncompliance in local governments of all types and sizes. This assessment is a starting point, it is the hope of the Office that local governments will add to and adapt this form to improve how they manage their internal controls and the risk of fraud, waste and abuse.

Internal Controls as a Discipline

Professional literature, as well as our own experience, indicates that the solution to the reduction of fraud risk lies in effective internal controls. Internal controls are the policies, practices, and processes that ensure the operations of an organization are performed effectively and efficiently. Internal Controls are also intended to deter or prevent the misuse of public funds. Since internal controls require time and resources, entities should seek to reduce risk to an acceptable level, not eliminate risk altogether. In other words, a lock should never cost more than the item it is intended to protect.

The Committee of Sponsoring Organizations of the Treadway Commission (COSO) is a group of organizations dedicated to providing frameworks and guidance on risk management, internal control, and fraud deterrence. COSO publishes a document "Internal Control – Integrated Framework" (the COSO Framework). The COSO Framework is noted as the gold standard for designing and implementing an entity-wide internal control program for all organizations including governments. The Government Accountability Office (GAO) publishes its own guidance for proper internal controls in government entities known as the Green Book. The Green Book follows the COSO Framework, but adds some specific context that is unique to the government environment. We used both of these publications as resources for this project.

The COSO Framework includes five principles:

- Tone at the Top
- Risk Assessment
- Control Activities
- Communication

- Monitoring

Incorporating these five principles into an organization is a recommended but complex endeavor. Most accountants and auditors have been trained on these principles, but full implementation requires additional training and a commitment throughout the organization to be effective. We recommend every organization with the resources use COSO, GAO, GFOA, or any other reputable source as an aid to implementing a comprehensive internal control program.

Due to the expense, most local governments in Utah lack the resources necessary to completely implement the COSO Framework. Our goal is to take the concepts of the COSO Framework and boil them down to specific measures that every local government can incorporate at minimal cost. If properly implemented, we believe these measures will reduce the risk of undetected fraud, abuse, and noncompliance. We have also developed a risk assessment model that provides a basic evaluation of an entity's fraud risk, based upon required separation of duties and our recommended measures.

Recommended Measures

1. Separate Duties over Cash Accounts (Crucial)

Widely recognized as a crucial internal control, separation of duties includes separating the powers of the treasurer and clerk (the person who performs the accounting function, regardless of title), as required by state law. If the roles and responsibilities of treasurer and clerk are *not* 1) separate, 2) independent, and 3) monitored by the governing board, the risk of financial fraud and abuse increases.

In general, the treasurer is responsible for the collection and custody of funds while the clerk validates payment requests, ensures compliance with policy and budgetary restrictions, prepares checks, and records all financial transactions. In situations where proper separation of duties are not maintained, mitigating controls must be implemented. Because of the extreme importance of this control, we have developed a separate questionnaire (see attached) to help determine if basic separation of duties or mitigating controls are in place.

2. Require a Commitment of Ethical Behavior

Purpose

A critical, fundamental, and far-reaching problem facing government today is the lack of public trust and confidence. Government officials are expected to perform their government duties without using their position for personal benefit. A written statement on ethical behavior will provide clarity and serve as a physical reminder of the aspirations of the organization.

Overview

Maintaining an ethical environment requires setting an example and communicating proper expectations at every level of the organization. Training and re-enforcement of

ethical standards must be continuous and applicable. Expectations must point to the highest standards and not excuse bad behavior by anyone for any reason.

Implementation

We recommend the entity set clear expectations and exercise consistent enforcement. We recommend instilling a culture rewarding high ethical standards, rather than rewarding cutting corners or engaging in questionable or self-serving behavior. We recommend that every entity have a written policy and strong practices that address a standard of ethical behavior, including prohibited activities, required disclosures, and clear directions on how and to whom disclosures should be submitted and reviewed. We also recommend that the entity require elected or appointed officials and employees to annually commit in writing to abide by the entity's standards of ethical behavior. This practice will provide an opportunity to review the policy and identify any potential or actual conflicts of interest. Requiring periodic confirmation will deter individuals from acting unethically and identify issues before they become problematic.

3. Adopt and Put Into Practice Written Policies

Overview

The governing body should evaluate policies to make sure they establish proper oversight and direct the organization toward the desired outcomes. The following are key policies along with certain elements that we have identified that are either required by law or best practices to improve the internal control system. As a matter of practical implementation, template policies that contain these elements are available on the Office's website at resources.auditor.utah.gov.

a. Conflict of Interest

1. Specifies who is required to declare conflicts.
2. States that if a new conflict arises during course of business it must be reported.
3. Requires each public official/employee to complete a disclosure form on an at least an annual basis.
4. Identifies the individual/position responsible to gather disclosure forms.
5. Disclosure forms provide the user a way to disclose conflicts or indicate that they have no conflicts.
6. Disclosure forms must list the name and position of the public official/employee.
7. Disclosure forms must list the name of the business entity and ownership interest or position for a business regulated by the entity for which there is a conflict.
8. Disclosure forms must list the name of the business entity and ownership interest or position for businesses doing business with the entity.
9. Disclosure forms must list any investments that may create a conflict with the entity.
10. The disclosure shall be made in a sworn statement filed with the entity's governing body.

b. Procurement

Seek the best value for the entity and promote a competitive purchasing process.

1. Specifies a small item threshold allowing employee or department discretion.
2. Specifies documentation required for each level of purchasing (e.g. small purchases, medium purchases and purchases requiring competitive bid).
3. Specifies purchasing procedures (e.g. advertising methods and time frames, rejection of bids, appeals) for items requiring competitive bid.
4. Lists exemptions and documentation needed for not following regular bidding requirements (e.g. sole source provider, emergency purchases etc.).
5. Addresses improper or illegal conduct:
 - a) Prohibits dividing a procurement to avoid following policy (Utah Code 63G-6a-2404.3)
 - b) Prohibits kickbacks (Utah Code 63G-6a-2404)
 - c) Requires disclosure of conflicts of interest (Utah Code 63G-6a-2406)
 - d) Prohibits cost-plus-a-percentage-of-cost contracts (Utah Code 63G-6a-1205)
 - e) Lists other specific activities that are not allowed (Utah Code 67-16 applies to the state and all political subdivisions)
6. Designates a purchasing agent, specify who may sign contracts including requirement for contracts that must go before the governing body.
7. Has an ethics provision and/or reference Utah Code 67-16.
8. Documents consequences of violating the policy (e.g. formal reprimand, suspension, termination or criminal prosecution).

c. Ethical Behavior

1. Prohibits participation in decisions or actions in which the employee or official has real or reasonably perceived conflict (see conflict of interest policy).
2. Prohibits use of authority for personal gain or that of close friends, family, or business associates.
3. Prohibits receiving gifts, loans or bribes.
4. Requires confidentiality regarding any information not subject to GRAMA.
5. Prohibits violation of nepotism laws (Utah Code 52-3).
6. Prohibits misuse of public resources or property (Utah Code 76-8-4).
7. References the Utah Public Officer and Employee Ethics Act (Utah Code 67-16).
8. Establishes individual accountability, including consequences for noncompliance (e.g. suspension, termination).

d. Reporting Fraud and Abuse

1. Requires the reporting of inappropriate actions or behavior.
2. Provides reporting structure, including alternatives if the employee's normal supervisor is involved.
3. Provides guidance on the type of actions and behaviors which must be reported.
4. Provides guidance on the information to be provided (e.g. names, dates, times, descriptions, effects) when reporting fraud or abuse.
5. Provides whistleblower protection or referrers to Utah Code 67-21-3.
6. Provides for the evaluation, investigation and possible consequences of the alleged action or behavior.

7. Provides for feedback to the employee reporting the action and the governing body.

e. Travel

1. Establishes a process to authorize travel expenditures (i.e. preauthorization).
2. Defines what constitutes allowable and unallowable travel and clearly establishes reasonable limits.
3. Establishes a reporting structure with senior management reporting to the governing body.
4. Establishes individual accountability, including consequences for noncompliance (e.g. suspension, termination, recovery of funds, inability to travel).
5. Requires adequate record keeping (documentation of time, place, business purpose, and authorization).
6. Communicates the public nature of purchase records.
7. Ensures enough information is gathered and communicated to maintain accountability and measure performance.
8. Has a provision to comply with external reporting requirements (e.g. IRS, Utah Public Finance Website reporting).

f. Credit/Purchasing Cards

1. Credit/purchase card issuance should be approved by governing body.
2. Establishes procedures for independent review and reconciliation of each card.
3. Establishes card holder accountability including consequences for noncompliance (e.g. suspension, termination, recovery of funds, or loss of card privileges).
4. Establishes required practices to ensure the security of the card (e.g. signing, storing, and who can use the card).
5. Establishes procedures for card use (e.g. documentation required, timelines, reconciliations, restrictions).

g. Personal Use of Entity Assets

1. Establishes allowable uses, or disallows use, of entity assets and rates if applicable (e.g. making photocopies, use of heavy equipment).
2. Establishes individual accountability, including consequences for noncompliance (e.g. suspension, termination, recovery of funds or loss of privileges).

h. IT & Computer Security

1. Establishes allowable uses of information systems, computer equipment, and the internet.
2. Discloses to the user that the entity has the right to monitor and limit the activities on entity IT systems.
3. Establishes individual accountability, including consequences for noncompliance (e.g. suspension, termination, recovery of funds, or loss of privileges).

i. Cash Receipting and Deposit

1. Establishes a timeline for entering receipts into the accounting system.
2. Establishes a timeline for depositing funds in the bank that complies with the Utah Money Management Act (3 days).

3. Establishes security measures for holding funds before deposit (e.g. safe, vault).
4. Establishes a receipting process for giving the customer documentation of the transaction and also provide sufficient information to understand the purpose of the transaction for management review or audit.
5. Establishes a procedure for entering credit card and ACH transactions into the accounting system.
6. Establishes a separation of duties between the person receiving payments and the person making deposits (smaller entities may require dual sign-off on deposits).
7. Establishes required documentation for voiding or altering a cash receipt, including that it be reviewed by someone that didn't make the correction.
8. Requires system-generated or sequentially-numbered receipts to allow for a review of completeness.
9. Requires cash deposits and receipts to be reconciled and/or reviewed by someone not receiving cash.

4. Hire and Train Qualified Staff

Purpose

In order to ensure the effective and efficient delivery of government services, each entity should identify the knowledge, skills, and abilities (KSA) needed by its management and employees. In technical areas, KSA often align with formal credentials, such as a degree or license. Accounting is an area where degrees and professional designations usually indicate a level of proficiency.

Overview

A licensed Certified Public Accountant (CPA) is the most common designation of a person who possesses the KSA needed to oversee the day-to-day financial operations of an entity. There are several other designations that may indicate similar KSA, such as Certified Government Financial Manager (CGFM), Certified Management Accountant (CMA), Certified Internal Auditor (CIA), Certified Fraud Examiner (CFE), Certified Government Auditing Professional (CGAP), and Certified Public Finance Officer (CPFO). At a minimum, we recommend that every entity have someone with a bachelor's degree in accounting as part of its staff.

Implementation

While not every local government entity needs a full-time CPA, every entity should utilize a qualified accountant to ensure that its finances are protected and accurately reported. Most accounting firms and professional bookkeeping services provide a variety of services on an as-needed basis. We recommend every local government evaluate the level of KSA possessed by its accounting staff and consider contracting with an accounting professional. The accounting professional could perform some or all of the accounting and ensure that the entity has effectively implemented internal controls and meets reporting requirements.

To aid local government entities in identifying and procuring the services of qualified accounting professionals, the Office maintains a qualified vendor list included on the Office's website at resources.auditor.utah.gov. The firms on this list have met the requirements set forth by the Office to provide bookkeeping, compliance reporting, or financial statement preparation for local governments.

5. Provide Effective Training

Overview

Training is vital to any organization, especially governments, where services are essential to economic prosperity and basic human needs. Public officials and key employees need to possess at least a basic understanding of the legal requirements of their entity. We encourage entities to consider the KSA needed to support the services provided by their entity, then determine the appropriate level of training that is needed to maintain those KSA. The entity should provide resources to attend sufficient and appropriate training on an ongoing basis.

Implementation

The Office provides comprehensive but basic training on financial topics for local government board members and finance officers. However, this training serves only as an introduction for those who are new or previously untrained in local government financial matters. We recommend board members and finance officers identify and participate in organizations that provide more advanced training. These organizations may be specific to the government type (e.g. counties, charter schools), a specific type of operation (e.g. sewer, water), or a specific job within the organization (e.g. treasurer, finance officer).

At a minimum, board members should view our online basic but comprehensive training every four years (see training.auditor.utah.gov). Also, at least one member of the finance team, preferably the chief finance officer, should have 40 hours of financial training each year. Financial training includes: auditing, accounting, budgeting, reporting, internal controls, fraud prevention and detection, software, and any other topic that is related to the management of finances.

6. Implement a Hotline

Definition

A hotline is a means by which the public and employees can anonymously report concerns about improper behavior of an entity's officers or employees or concerning practices of the entity.

Overview

Fraud losses are 50% smaller at organizations with hotlines than those without hotlines. According to the Association of Certified Fraud Examiners, 40% of reported instances of fraud are discovered through a tip. More than half of these tips were provided by an employee of the organization and 46% of fraud cases detected by tip were reported through a hotline.

Implementation

An effective hotline can be implemented at virtually no cost and can be as simple as providing an email address or phone number. Hotline submissions should be sent directly to a person who has the resources and objectivity to evaluate the concern and investigate if warranted. All complaints and the results of investigations should be presented to the audit committee of the entity in a timely fashion.

Hotlines should be promoted and easy to access (most entities put a link to their hotline on the main page of their website). Every entity should have a written policy that includes the following:

1. Methods for receiving complaints (e.g. email, phone number).
2. A provision for anonymous complaints.
3. Sufficient direction to ensure complaints are given adequate treatment as follows:
 - a. An initial screening of complaints to be performed by an office not involved in the complaint (this could be accomplished by having it performed by more than one office if an independent internal audit function does not exist or it could be sent directly to the audit committee).
 - b. Audit committee:
 - i. Reviews available evidence.
 - ii. Determines if further investigation is merited. If so:
 - Sets the scope of audit
 - Sets a budget
 - Sets a timeline
 - Provides resources
 - c. Audit results are reported to the audit committee.
 - d. Audit committee approves findings and recommendations.
 - e. Audit committee ensures that findings and recommendations are addressed by the appropriate officers or employees.
 - f. Feedback provided to the complainant, if requested.

7. Implement an Internal Audit Function

Definition

An internal audit function is an organizational initiative to monitor and analyze the entity's own operations in order to determine how well it conforms to a set of specific criteria, such as laws, policies, or best practices. Internal auditors are independent of the work they audit, but are very familiar with it so as to allow them to determine compliance with the requirements for that work.

Overview

An internal audit may focus on financial operations, systems, processes, or compliance. As part of the internal audit plan, auditors try to find discrepancies between operational design and operational reality. Internal audits also help uncover evidence of fraud, waste, or abuse. If internal auditors find discrepancies or inappropriate activities, they document and report them to entity leadership who can prioritize and direct corrective action.

The frequency of internal audits will depend on the department or process being examined. Some types of operations may require daily audits for quality control, others may require only an annual audit of records.

Internal audit plans act as a pre-emptive step in maintaining operational efficiency and financial reliability, as well as safeguarding assets.

Implementation

An internal audit function should be formalized by the adoption of an Internal Audit Charter which identifies who is responsible to oversee the internal audit function and who will perform the internal audits.

Those responsible for internal audits should adopt an audit plan which identifies what will be audited and when it will be audited. The audit plan should be reviewed regularly, usually once per year.

Adaptation for small entities

Only the largest of our local governments can justify a full-time internal auditor. Most local governments can execute an effective internal audit program by contracting with an audit professional to work a few days a year. To eliminate added costs entirely, some entities may coordinate with peer entities and utilize each other's financial staff to act as internal auditors. Keep in mind, internal auditors need a solid understanding of audit principles and should use work programs that are designed to effectively identify violations of the laws or policies they are auditing.

8. Use an Audit Committee

Purpose

An audit committee assists the governing body in its financial oversight responsibilities.

Membership

We recommend that members of the audit committee are a subset of the governing body. An audit committee should have a financial expert who is not a member of management. This can be achieved by having a governing body member who is a financial expert, or acquiring the assistance of a volunteer or paid professional financial expert. Finance officers from other local governments should be considered when looking for a financial expert, as they are independent and have a working knowledge of government accounting issues.

Functions

An audit committee must ensure the following:

1. Management develops and enforces systems that ensure the entity accomplishes its mission effectively and efficiently while complying with laws and regulations.
2. The internal audit function objectively assesses the effectiveness of management's internal control program.
3. Financial statement audits are performed by a qualified, independent accounting firm and issues identified during those audits are reviewed and resolved as appropriate.
4. Hotline complaints are investigated and findings are addressed by the governing body.

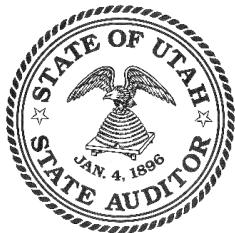
Risk Score

We have developed a five-level assessment score that is intended to communicate the entity's risk of undetected fraud, abuse, or noncompliance. The levels are based upon points assigned to each of the recommended measures. Since some measures are more effective than others, the most effective measures are assigned the most points. As more measures are adopted the score improves. The higher the score, the lower the risk.

The scale and corresponding levels are as follows:

- Very Low
- Low
- Moderate
- High
- Very High

See the *Fraud Risk Assessment Questionnaire* (attached) for specific points assigned to each measure and how point totals correspond to the risk scale.



Fraud Risk Assessment

INSTRUCTIONS:

- Reference the *Fraud Risk Assessment Implementation Guide* to determine which of the following recommended measures have been implemented.
- Indicate successful implementation by marking “Yes” on each of the questions in the table. Partial points may not be earned on any individual question.
- Total the points of the questions marked “Yes” and enter the total on the “Total Points Earned” line.
- Based on the points earned, circle/highlight the risk level on the “Risk Level” line.
- Enter on the lines indicated the entity name, fiscal year for which the Fraud Risk Assessment was completed, and date the Fraud Risk Assessment was completed.
- Print CAO and CFO names on the lines indicated, then have the CAO and CFO provide required signatures on the lines indicated.

Fraud Risk Assessment

Continued

*Total Points Earned: 310/395 *Risk Level:

Very Low	Low	Moderate	High	Very High
> 355	316-355	276-315	200-275	< 200

	Yes	Pts
1. Does the entity have adequate basic separation of duties or mitigating controls as outlined in the attached Basic Separation of Duties Questionnaire?	X	200
2. Does the entity have governing body adopted written policies in the following areas:		
a. Conflict of interest?	X	5
b. Procurement?		5
c. Ethical behavior?	X	5
d. Reporting fraud and abuse?		5
e. Travel?		5
f. Credit/Purchasing cards (where applicable)?		5
g. Personal use of entity assets?	X	5
h. IT and computer security?		5
i. Cash receipting and deposits?		5
3. Does the entity have a licensed or certified (CPA, CGFM, CMA, CIA, CFE, CGAP, CPFO) expert as part of its management team?	X	20
a. Do any members of the management team have at least a bachelor's degree in accounting?	X	10
4. Are employees and elected officials required to annually commit in writing to abide by a statement of ethical behavior?	X	20
5. Have all governing body members completed entity specific (District Board Member Training for local/special service districts & interlocal entities, Introductory Training for Municipal Officials for cities & towns, etc.) online training (training.auditor.utah.gov) within four years of term appointment/election date?	X	20
6. Regardless of license or formal education, does at least one member of the management team receive at least 40 hours of formal training related to accounting, budgeting, or other financial areas each year?	X	20
7. Does the entity have or promote a fraud hotline?	X	20
8. Does the entity have a formal internal audit function?	X	20
9. Does the entity have a formal audit committee?		20

*Entity Name: Wasatch Peaks Ranch Public Infrastructure District

*Completed for Fiscal Year Ending: 2024 *Completion Date: 6/16/2025

*CAO Name: Carley Herrick

*CFO Name: Jenny Robinson

*CAO Signature: _____ *CFO Signature: _____

*Required

Basic Separation of Duties

See the following page for instructions and definitions.

	Yes	No	MC*	N/A
1. Does the entity have a board chair, clerk, and treasurer who are three separate people?	X			
2. Are all the people who are able to receive cash or check payments different from all of the people who are able to make general ledger entries?	X			
3. Are all the people who are able to collect cash or check payments different from all the people who are able to adjust customer accounts? If no customer accounts, check "N/A".	X			
4. Are all the people who have access to blank checks different from those who are authorized signers?	X			
5. Does someone other than the clerk and treasurer reconcile all bank accounts OR are original bank statements reviewed by a person other than the clerk to detect unauthorized disbursements?	X			
6. Does someone other than the clerk review periodic reports of all general ledger accounts to identify unauthorized payments recorded in those accounts?	X			
7. Are original credit/purchase card statements received directly from the card company by someone other than the card holder? If no credit/purchase cards, check "N/A".				X
8. Does someone other than the credit/purchase card holder ensure that all card purchases are supported with receipts or other supporting documentation? If no credit/purchase cards, check "N/A".				X
9. Does someone who is not a subordinate of the credit/purchase card holder review all card purchases for appropriateness (including the chief administrative officer and board members if they have a card)? If no credit/purchase cards, check "N/A".				X
10. Does the person who authorizes payment for goods or services, who is not the clerk, verify the receipt of goods or services?	X			
11. Does someone authorize payroll payments who is separate from the person who prepares payroll payments? If no W-2 employees, check "N/A".				X
12. Does someone review all payroll payments who is separate from the person who prepares payroll payments? If no W-2 employees, check "N/A".				X

* MC = Mitigating Control



Basic Separation of Duties

Continued

Instructions: Answer questions 1-12 on the Basic Separation of Duties Questionnaire using the definitions provided below.

If all of the questions were answered “Yes” or “No” with mitigating controls (“MC”) in place, or “N/A,” the entity has achieved adequate basic separation of duties. Question 1 of the Fraud Risk Assessment Questionnaire will be answered “Yes.” 200 points will be awarded for question 1 of the Fraud Risk Assessment Questionnaire.

If any of the questions were answered “No,” and mitigating controls are not in place, the entity has not achieved adequate basic separation of duties. Question 1 of the Fraud Risk Assessment Questionnaire will remain blank. 0 points will be awarded for question 1 of the Fraud Risk Assessment Questionnaire.

Definitions:

Board Chair is the elected or appointed chairperson of an entity’s governing body, e.g. Mayor, Commissioner, Councilmember or Trustee. The official title will vary depending on the entity type and form of government.

Clerk is the bookkeeper for the entity, e.g. Controller, Accountant, Auditor or Finance Director. Though the title for this position may vary, they validate payment requests, ensure compliance with policy and budgetary restrictions, prepare checks, and record all financial transactions.

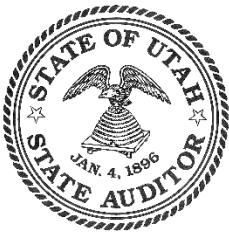
Chief Administrative Officer (CAO) is the person who directs the day-to-day operations of the entity. The CAO of most cities and towns is the mayor, except where the city has a city manager. The CAO of most local and special districts is the board chair, except where the district has an appointed director. In school districts, the CAO is the superintendent. In counties, the CAO is the commission or council chair, except where there is an elected or appointed manager or executive.

General Ledger is a general term for accounting books. A general ledger contains all financial transactions of an organization and may include sub-ledgers that are more detailed. A general ledger may be electronic or paper based. Financial records such as invoices, purchase orders, or depreciation schedules are not part of the general ledger, but rather support the transaction in the general ledger.

Mitigating Controls are systems or procedures that effectively mitigate a risk in lieu of separation of duties.

Original Bank Statement means a document that has been received directly from the bank. Direct receipt of the document could mean having the statement 1) mailed to an address or PO Box separate from the entity’s place of business, 2) remain in an unopened envelope at the entity offices, or 3) electronically downloaded from the bank website by the intended recipient. The key risk is that a treasurer or clerk who is intending to conceal an unauthorized transaction may be able to physically or electronically alter the statement before the independent reviewer sees it.

Treasurer is the custodian of all cash accounts and is responsible for overseeing the receipt of all payments made to the entity. A treasurer is always an authorized signer of all entity checks and is responsible for ensuring cash balances are adequate to cover all payments issued by the entity.



**Financial and Compliance Self-Evaluation Form for
LOCAL GOVERNMENT ENTITIES**
with Total Annual Revenues & Expenses Less than \$350,000
For years ending June 30, 2023, and later

SECTION 1. BACKGROUND: Governing bodies are responsible for ensuring that entity resources are used in an efficient, effective, and lawful manner. As such, governing body members should take a proactive role in monitoring and evaluating the entity's financial and compliance processes.

The Office of the State Auditor (OSA) developed the following procedures to assist governing bodies with:

- improving or implementing good business practices;
- complying with policies, procedures, and laws; and
- limiting the potential for misuse of resources.

SECTION 2. INSTRUCTIONS:

This self-evaluation must be completed by a member of the governing body (Evaluator), such as a town council member or district board member, who does not handle the entity's finances. For example, in an entity with only three board members where the board chair also serves as the chief administrative officer, and the other two board members serve as the clerk and treasurer, the board chair would be the Evaluator and perform the procedures on this form. For procedures and questions where 'financial staff' are referenced, using the previous example, 'financial staff' would be the board members who serve as the clerk and treasurer. Otherwise, financial staff are those individuals who are charged with maintaining the entity's finances.

The Evaluator will examine financial documents (see Section 3 below for a list of documents), inquire with financial staff, and then address the form questions. The questions are designed so that "No" responses indicate weaknesses or noncompliance. **For all "No" responses, the Evaluator must provide, in the designated column, a corrective action plan that will remedy the weakness or noncompliance going forward.**

We anticipate the time to complete this form to be 4 to 8 hours; however, completion may take only 2 hours if the entity is very well organized. **The completed form is required to be submitted to the OSA within 180 days after the fiscal year-end as part of the annual reporting package via our reporting website:**

reporting.auditor.utah.gov. Please note that your uploaded form will be available to the public, and the answers provided on this form are subject to audit by the OSA or its designee.

NOTE: The entity may choose to contract with a CPA or other finance professional who does not handle the entity's finances to complete this form. Access the *Approved Vendor List* at: resources.auditor.utah.gov.

For additional assistance understanding this form, please contact Seth Oveson at 435-572-0440 or soveson@utah.gov.

SECTION 3: DOCUMENTS NEEDED TO COMPLETE THE SELF-EVALUATION PROCEDURES

To reduce the amount of time in completing this form, the Evaluator should obtain the following documents **before** performing the self-evaluation procedures:

1. Written financial policies and procedures.
2. The original budget, any amended budgets, and the final budget.
3. Newspaper notices or information from the Utah Public Notice Website (pmn.utah.gov) of all budget hearings.
4. The year-end financial report (also referred to as the "financial statements" or "Financial Survey").
5. The accounting records worksheet—for example, the book checkbook register; the ledger; or transactions maintained in a spreadsheet, QuickBooks, or other electronic software.
6. Copies of all financial reports presented to the board/council during the year.
7. Copies of bank statements and bank reconciliations for all entity accounts for the entire fiscal year.
8. Copies of all cash receipt logs or receipt books for the year.
9. Copies of all credit card or purchasing card statements for the entire fiscal year.
10. Board/Council meeting minutes for the year, including budget hearings.
11. Copies of the Treasurer's Fidelity Bond documents (see question 32 for more information).

SECTION 4. PROCEDURES & QUESTIONS:

- Every question must be marked as either "Yes," "No," or "N/A" if appropriate.
- For any "No" responses, describe how the weakness will be corrected in the comments / corrective action column. Please attach any additional information as needed to detail the corrective action.

Entity Name:

For Fiscal Period Ending:

Procedures & Questions	Yes	No	N/A	Comments / Corrective Action
GENERAL				
Procedure: Obtain copies of or access to, the entity's written financial policies and procedures. Note: Policies should be written. If no written policies exist, question #1 below should be answered with "No."				
1. Do the policies and procedures address the following:				
a. Receiving, recording, and timely deposit of funds?				
b. Purchasing?				
c. Approval of disbursements?				
d. Records requests (GRAMA) – the adoption of a uniform fee schedule if fees are being charged?				
e. Record retention?				
f. Conflicts of Interest				
Procedure: Ask financial staff questions about the policies above to determine their knowledge of the policies.				
2. Per your discussion, are staff knowledgeable of the policies?				
Procedure: Ask the financial staff how they keep up to date on new State, accounting, and compliance requirements and about any training they have received during the past year. Review any certificates or other training materials if available.				
3. If financial expertise is lacking, has help been sought from peers, auditors, or outside consultants?				
BUDGET				
Procedure: Obtain copies of (1) the original budget, any amended budgets, and the final budget presented at budget hearings; (2) the related budget hearing meeting minutes and (3) the newspaper notices for those meetings (or information of the meeting notices from the Utah Public Notice Website (utah.gov/pmn/)).				
4. Was the required 7-day notice given to the public for all budget hearings (i.e., for original, amended, and final budget)? EXCEPTION: Notice is not required to <u>amend</u> an enterprise fund budget.				
5. Was the original budget approved by the governing body before the start of the fiscal year?				
6. Did the original budget include three columns of data – (1) actual revenues/expenses from the last completed fiscal year, (2) estimated total revenues/expenses for the current fiscal year (i.e., the year about to end at the time the budget was created), and (3) budget estimates for the upcoming fiscal year? (see example below)				

Procedures & Questions	Yes	No	N/A	Comments / Corrective Action
EXAMPLE BUDGETS				
Budget for FYE 12/31/15 (prepared in Nov 2014)				
	1	2	3	
Description	Actual Amts of <u>Last Completed</u> Fiscal Year	Estimated Current Fiscal Year Amts	Budget Estimates for Upcoming Fiscal Year	
Property Taxes	\$56,852	\$55,450	\$56,000	
Building Permits	\$42,139	\$39,271	\$43,000	
	This is the entity's final, end-of-year amount from FYE 12/31/13	This is what was estimated would be the final, end-of-year amount for FYE 12/31/14	This is the entity's estimate for FYE 6/30/15	
For Entities with FYE 6/30/16 (budget prepared in May 2015)				
	1	2	3	
Description	Actual Amts of <u>Last Completed</u> Fiscal Year	Estimated Current Fiscal Year Amts	Budget Estimates for Upcoming Fiscal Year	
Property Taxes	\$56,852	\$55,450	\$56,000	
Building Permits	\$42,139	\$39,271	\$43,000	
	This is the entity's final, end-of-year amount from FYE 6/30/14	This is what was estimated would be the final, end-of-year amount for FYE 6/30/15	This is the entity's estimate for FYE 6/30/16	
7. If any amendments were necessary, was the budget amended BEFORE payments were made that exceeded the budget and not just at the end of the year?				
YEAR-END FINANCIAL REPORT/STATEMENTS or OSA FINANCIAL SURVEY				
<p>Procedure: Obtain a copy of 1) the final budget and 2) the year-end financial report/statements or OSA Financial Survey</p>				
8. Did the entity's expenses stay within the amount appropriated in the final budget?				
9. Municipalities only: Was the entity's unrestricted general fund balance (calculated as assets less liabilities less restricted funds such as funds set aside for B&C roads) less than 35% for cities or 100% for towns of the total revenue of the general fund for the year?				

Procedures & Questions	Yes	No	N/A	Comments / Corrective Action
<p>10. Special Districts and Special Service (Including Conservation) Districts that operate a general fund: If the district <u>only</u> operates an enterprise fund, this question does not apply. Fees for services (utilities, water assessments, etc.) are generally accounted for in an enterprise fund.</p> <p>Was the entity's unrestricted general fund balance (amount in all bank accounts at the end of the year) less than or equal to the most recently adopted budget, <i>plus</i> 100% of the current fiscal year's property tax revenue?</p>				
REPORTING				
<p>Procedure: Look through the accounting records worksheet (e.g., the checkbook register; the ledger; or the transactions maintained in a spreadsheet, QuickBooks, or other electronic software). Then look over the supporting documentation maintained by the financial staff.</p>				
<p>11. Does it appear that financial records (documentation) are maintained to support transactions, balances, adjustments, etc., and the preparation of the financial reports?</p>				
<p>Procedure: Obtain copies of all financial reports presented to the board/council during the year.</p>				
<p>12. Were financial reports prepared and presented to the governing body monthly (municipalities) or quarterly (districts)?</p>				
<p>13. Did the reports include a comparison of actual expenses/revenues to budgeted amounts?</p>				
<p>Procedure: Select at least two financial reports presented to the board/council during the year. From each report, select at least 5 line items from the report and compare those lines to the checkbook register or ledger, bank statement, and approved budget.</p>				
<p>14. Do the financial records match the reports presented to the board/council?</p>				
BANK STATEMENTS				
<p>Procedure: Obtain copies of bank statements and bank reconciliations for all accounts for the entire year. Ensure that the bank statements include copies of canceled checks.</p>				
<p>15. Are reconciliations (i.e., a comparison between the bank statement and the entity's books) being performed monthly for all bank and investment accounts?</p>				
<p>16. If the person performing the bank reconciliation can also write checks and make deposits, does someone else also perform a detailed review of the monthly bank/investment reconciliations?</p>				

Procedures & Questions	Yes	No	N/A	Comments / Corrective Action
Procedure: Obtain the cash receipt logs or receipt books for the year. Select at least 10% or 5 (whichever is less, but at least 5) of receipts issued during the year.				
17. For each individual receipt selected, review the corresponding bank statement and determine that the receipt was deposited into the bank. (Note: individual receipts may have been batched together into a deposit, so also obtain the corresponding deposit listing, if applicable).				
Procedure: From the monthly bank statements, select at least 10% or 25 (whichever is less, but at least 5) of the payments made during the year. Be sure to include checks, debit card purchases, and other withdrawal transactions in your selection. For each selection:				
18. Review the canceled checks (if applicable). a. Were they signed by only those who are authorized?				
b. Were they signed by persons other than the person to whom the check is made payable?				
19. Were the payments supported by invoices and other documentation detailing the items/services purchased or funds transferred?				
20. Were the transactions consistent with the entity's purpose?				
Procedure: Obtain copies of all credit card or purchasing card statements for the year. Look through the supporting receipts and other applicable documentation.				
21. Are purchasing/credit card transactions reviewed by someone other than the cardholder for appropriateness and for supporting documents, such as receipts?				
22. Does it appear that purchase cardholders are required to submit receipts for all purchases made?				
OPEN AND PUBLIC MEETINGS ACT				
Procedure: Obtain the schedule of meetings for the board/council for the year. Select at least two of the meetings and obtain copies of the meeting minutes, including the agenda. Find the notice of each meeting on the Utah Public Notice Website (utah.gov/pmn/).				
23. Did the entity give proper notice of the meeting at least 24 hours before each meeting by posting the notice on the Utah Public Notice Website?				
24. Did the governing body take final actions <i>only</i> on those topics listed as agenda items?				
25. Within three days of the meeting minutes being approved, were the minutes posted to the Utah Public Notice Website?				
26. If a portion of the meeting was closed to the public, answer the following questions: a. <i>Before the meeting was closed</i> , was the reason for holding the closed meeting documented in the meeting minutes and a roll call vote taken?				

Procedures & Questions	Yes	No	N/A	Comments / Corrective Action
<p>b. Was the reason for closing the meeting permitted under statute?</p> <p>Meetings may be closed for only the following:</p> <ul style="list-style-type: none"> • Discussion of the character, professional competence, or health of an individual. • Strategy sessions for: <ul style="list-style-type: none"> ◦ Collective bargaining ◦ Pending or imminent litigation ◦ purchase, exchange, lease, or sale of real property, including water rights and shares • Discussion of security personnel, devices, or systems. • Investigations regarding allegations of criminal conduct. • Considering a loan application, if public discussion of the loan application would disclose nonpublic personal financial information, nonpublic trade secrets, or certain nonpublic business information 				
<p>2c. Was an audio recording of the closed meeting made, -or- if the meeting was closed to discuss (a) the character, professional competence, or health of an individual or (b) the deployment of security personnel, devices, or systems, did the person presiding at the meeting sign a sworn statement affirming that the sole purpose for closing the meeting was to discuss those matters?</p>				
<p>27. Per your knowledge or review of the board/council meeting minutes, did the presiding officer of the governing body ensure that members of the governing body were provided with annual training on the requirements of the Open and Public Meetings Act?</p> <p>NOTE: This training may be completed via in-house training or training.auditor.utah.gov.</p>				
OTHER COMPLIANCE				
Procedure: Inquire of management and financial staff, or make observations as to whether the following occurred:				
<p>28. Is the entity compliant with State nepotism and hiring laws and the entity's own policies and procedures regarding nepotism? Generally, no public officer may employ, appoint, vote for, or recommend a relative for employment. Further, no public officer may directly supervise any appointee who is a relative. Relative means father, mother, grandfather, grandmother, stepchild, husband, wife, son, daughter, sister, brother, aunt, uncle, nephew, niece, first cousin, mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, or daughter-in-law.</p>				
<p>29. Did the entity's designated records officer complete an online training course on the requirements of GRAMA (completed annually)? Obtain a copy of the training certificate to verify.</p>				

Procedures & Questions	Yes	No	N/A	Comments / Corrective Action
30. Municipalities Only: Is the person serving as either the municipal recorder or treasurer a person other than the mayor of the municipality?				
31. Municipalities Only: Are the recorder and treasurer of the municipality separate people?				
32. Municipalities and Counties Only: Do all municipal elected officials hold no county elected office?				
33. Counties Only: Do all county elected officials hold no municipal elected office?				
34. Special Districts and Special Service Districts only: Did each member of the board of trustees, within one year of each appointment/election, complete Board Member Training (training.auditor.utah.gov)? Obtain a copy of the training certificate to verify.				
35. Did the entity register on the Local Government and Limited Purpose Entity Registry (entityregistry.utah.gov)?				
<p>Procedure: Obtain copies of the Treasurer's fidelity bond or insurance documents. "Treasurer" is defined as the person who has the responsibility for the safekeeping of the entity's funds. This could be an elected or appointed treasurer, clerk, or financial secretary. A fidelity bond is a form of insurance protection that covers losses that may occur as a result of fraudulent acts by the Treasurer.</p>				
<p>36. Is the Treasurer properly bonded or insured in accordance with Utah Administrative Code R628-4-4 for the Money Management Council, which states that for an entity with a revenue budget between:</p> <ul style="list-style-type: none"> • \$0 and \$10,000 no bond is required. • \$10,001 and \$100,000, the bond should equal 9% of total revenues or \$5,000, whichever is greater. • \$100,001 and \$500,000, the bond should equal 8% of total revenues or \$9,000, whichever is greater. <p>The basis used should be <u>all</u> budgeted gross revenue for the previous fiscal year (final budget). Budgeted gross revenue is further defined by the Money Management Council as also including proceeds from the sale of assets, borrowing proceeds, revenues of fiduciary funds, <u>and</u> any other revenues collected or handled by the treasurer.</p> <p>Bonds must be issued by a corporate surety licensed to do business in the State of Utah and rated XII or better by the latest issue of Best's Rating Guide. Bonds should be effective as of the date the treasurer is sworn in or assumes the duties of the office.</p> <p>Crime or theft insurance coverage is an acceptable substitute for a traditional surety bond.</p>				
<p>Procedure: Obtain a copy of the fee schedule, governing body minutes, consolidated utility bill (and other bills, if applicable), and management record used to track fee expenses. This procedure does not apply to impact fees.</p>				

Procedures & Questions	Yes	No	N/A	Comments / Corrective Action
37. a. Does the entity have a schedule of fees charged that has been adopted by the governing body?				
b. Have all fees being charged been approved by the governing body?				
c. If fee revenues exceed fee expenses, does the entity track excess revenues to ensure they are expended only for the provision of the service for which the fee is assessed?				
38. Does the entity require and maintain a conflict of interest disclosure for all officials and employees with decision-making or management responsibilities? This should be updated annually.				
39. If the entity collects Personally Identifiable Information (PII) is it compliant with Utah Code 63D-2-103 ?				

Fraud, Illegal Acts, or Noncompliance Issues				
Procedure: Ask the financial staff and management if they are aware of any fraud, illegal acts, or noncompliance issues occurring. Also, review board/council meeting minutes for the same. Per your discussion, review, and personal knowledge, if you find that any fraud, illegal acts, or noncompliance occurred, inquire what the financial staff and management have done to correct the issues. Further, ask them what procedures they have put in place to prevent or detect the same from happening in the future.				
40. Has the entity been free of acts of fraud, illegal acts, or non-compliance?				
41. If fraud, illegal acts, or noncompliance occurred, was sufficient action taken to minimize the risk of reoccurrence of fraud, illegal acts, or non-compliance?				
42. Was the Fraud Risk Assessment Questionnaire completed and presented to the governing body before the end of the fiscal year?				
Corrective Action Plan				
43. For any "No" responses, have corrective actions been detailed above or in the attached documentation?				

Procurement Policy

Wasatch Peaks Ranch Public Infrastructure District Purchasing and Procurement Policy

Last Updated: July 2025

1. Policy Overview

This Purchasing and Procurement Policy (“Policy”) establishes the standards and procedures by which the Wasatch Peaks Ranch Public Infrastructure District (“District”) conducts its procurement of goods, services, and capital improvements, and disposes of surplus property. The goals of this Policy are to ensure transparency, fiscal responsibility, fairness in contracting, and compliance with applicable state and federal laws. All expenditures must support District operations and align with its approved annual budget or other governing authorizations. This Policy applies to all procurement activities of the District unless otherwise expressly exempted herein.

2. Procurement Authority

The District is a procurement unit with independent procurement authority pursuant to Utah Code §§ 63G-6a-103(39) and -106. The District has adopted these procurement rules in accordance with the Utah Procurement Code (Title 63G, Chapter 6a of the Utah Code) and Utah Administrative Rule R33. All procurement shall be conducted in a manner that is consistent with all applicable laws, including but not limited to the Utah Procurement Code and Utah Administrative Rule R33.

3. Purchasing Procedures and Thresholds

The District Board of Trustees (“Board”) retains ultimate authority over all expenditures and shall review and ratify all purchases at regularly scheduled meetings. No purchase shall be deemed final or payable unless ratified by the Board and in conformance with this Policy and state law. All purchases must be made through a valid purchase order, contract, or other approved agreement. Employees shall not make purchases outside of these processes unless specifically authorized in writing by the Board.

Procurement activities are governed by the following thresholds:

Procurement Type	Informal Threshold	Informal Method	Formal Threshold	Formal Method
Goods, Equipment, Supplies, Materials	More than or equal to \$10,000	3 Quotes	More than or equal to \$50,000	ITB

Professional & Design Services	Less than \$100,000	N/A	More than or equal to \$100,000	RFP/RFQ
Subscriptions, Equipment Leases	Less than \$50,000	N/A	More than or equal to \$50,000	RFP
Construction/ Public Works Projects	Less than \$100,000	N/A	More than or equal to \$100,000	ITB/RFP/RFQ

4. Procurement Exceptions

Certain procurements are exempt from the competitive bid process, including:

- **State Cooperative Contracts:** The District may purchase goods or services from vendors with whom the State of Utah has established a valid purchasing contract. These purchases are deemed to satisfy procurement requirements.
- **Sole Source Procurements:** If a good or service is available from only one known source, or where compatibility or transitional cost considerations justify exemption, the Board may approve a sole-source procurement upon receiving documentation demonstrating necessity.
- **Emergency Purchases:** In cases of unforeseen circumstances that threaten life, property, or critical services, the Board or its designee may authorize emergency procurements. Such purchases must be reported to the Board at the next regular meeting.
- **State and Federal Funds:** Procurements involving the expenditure of state or federal assistance funds shall comply with all applicable state and federal laws and regulations.
- **Real Property Acquisitions:** This Policy does not apply to the purchase or acquisition of real property.
- **Grants, Gifts, and Bequests:** The District may comply with the terms and conditions of any grant, gift, or bequest, provided such compliance is consistent with applicable law.

5. Design Professional Services

The District may establish criteria in a Request for Qualifications or Request for Proposals by which the qualifications of a design professional will be evaluated as provided by Utah Code § 63G-6a-1502.5. The District shall follow all requirements of Utah Code § 63G-6a-1501 et seq. in securing design professional services, including appointing an evaluation committee of at least three members.

6. Prohibited Practices and Ethical Compliance

District trustees, officers, employees, and agents involved in procurement shall adhere to the highest standards of ethical conduct and comply with the Utah Public Officers' and Employees' Ethics Act (Title 67, Chapter 1 of the Utah Code) and applicable provisions of the Utah Procurement Code. The following practices are strictly prohibited:

- **Procurement Splitting:** Deliberately dividing purchases to avoid applicable thresholds or Board oversight.
- **Kickbacks or Gratuities:** Accepting or offering gifts, money, or favors intended to influence procurement decisions.
- **Conflicts of Interest:** Participating in procurement decisions where a financial or personal interest exists without full disclosure and recusal.
- **Unauthorized Contract Types:** Use of cost-plus-a-percentage-of-cost contracts is prohibited.

Violations may result in disciplinary action, including termination, reimbursement of misused funds, and criminal prosecution where applicable.

7. District Charge Cards

Charge Cards may be issued to authorized District representatives solely for official business purposes. All purchases must comply with District policy and be supported by itemized receipts. Personal use of a Charge Card is strictly prohibited, even with intent to reimburse the District. Cardholders are responsible for the security of the card and for promptly reporting any loss or unauthorized use. Failure to comply with these requirements may result in revocation of card privileges, disciplinary action, or prosecution.

8. Capital Purchases and Budget Compliance

Purchases of capital items must align with specific budget allocations. If a purchase exceeds the individual budget line but remains within the total approved capital budget, no further Board approval is required. However, if the purchase causes the overall capital budget to be exceeded, prior approval by the Board is mandatory.

9. Recordkeeping and Documentation

For all procurement activity, including quotes, bids, proposals, and awards, the District shall maintain records that clearly identify:

- Vendor and contact person;
- Description of goods or services;
- Terms and pricing;
- Final agreement or purchase order;
- Board action taken.

These records shall be retained in accordance with state records retention schedules and made available for public inspection upon request, subject to applicable exemptions.

10. Surplus Property Disposal

Disposal of District-owned property must be transparent, documented, and approved by the Board. Prior to disposal, a Surplus Property Disposal Form must be completed, detailing the item, estimated value, disposal method, and justification. District vehicles must be stripped of plates, logos, and emergency equipment prior to sale or trade-in. Property with an estimated value under \$250 may be sold directly to employees or donated to a nonprofit entity, provided the cost of public sale would exceed expected proceeds. Higher-value items must be disposed of through auction, competitive sale, or another method approved by the Board.

Legal Services Agreement with Hayes Godfrey Bell

LEGAL SERVICES AGREEMENT

THIS AGREEMENT is made and entered into effective as of the 24th day of June 2025, by and between the **WASATCH PEAKS RANCH PUBLIC INFRASTRUCTURE DISTRICT**, a public infrastructure district organized under the laws of the State of Utah (the 'District'), and **HAYES GODFREY BELL, P.C.**, a Utah professional corporation (the 'Attorney').

RECITALS

A. The District is a legal governmental entity duly organized under the laws of the State of Utah; and

B. The District requires various civil legal services to be performed in connection with its purposes and business and the Attorney is willing to perform said legal services as more particularly set forth herein.

AGREEMENT

In consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Attorney's Services. Attorney agrees to perform or provide legal services for the District and to give legal consultation and advice to the District with respect to the same, to prepare resolutions, contracts and other documents relating to the business of the District, and to attend meetings of the District and other meetings, hearings and court appearances as requested by the District Board and/or the District General Manager.

2. Appointment. The District hereby appoints Hayes Godfrey Bell, P.C., as its attorney. Services performed under this Agreement will primarily be performed by Todd J. Godfrey. Other members of the firm may also provide legal services.

3. Attorney Compensation. For the professional services outlined in paragraph 1 hereinabove, Attorney shall charge and be paid at rates of \$340 per hour. Hourly rates for other attorneys of the firm providing services may vary from \$150 an hour to \$340 an hour. The District should expect the majority of services to be performed by Mr. Godfrey. Hourly rates charged by Attorney shall be deemed to include Attorney's internal overhead office costs. This rate will be in effect for a period of at least 12 months. After that time, rates are subject to change by Attorney to reflect increases in inflation and the cost of doing business. No rate change shall be implemented by Attorney without consultation with and approval by the District. The District agrees to reimburse Attorney for all costs and expenses advanced by Attorney on the District's behalf with respect to litigation or otherwise.

4. Termination. This Agreement may be terminated by either party hereto by giving written notice of such termination to the other party. If such termination is without cause, the party terminating this Agreement shall give the other party a minimum of thirty (30) days advance written notice of termination.

The parties hereto have executed this Agreement by and through their respective duly authorized representatives as of the date and year first written above.

"DISRJCT"

**WASATCH PEAKS RANCH PUBLIC
INFRASTRUCTURE DISTRICT**

ATTEST:

Carley Herrick
Carley Herrick
District Clerk

Gary Derck

Gary Derck
Chair, Board of Trustees

"ATTORNEY"

HAYES GODFREY BELL, P.C.

Todd J. Godfrey

Services Agreement with WPR Development Company

MASTER SERVICES AGREEMENT

This MASTER SERVICES AGREEMENT (“**Agreement**”) is made and entered into effective this 14th day of July, 2025 (“**Effective Date**”), by and between Wasatch Peaks Ranch Public Infrastructure District, a Utah public infrastructure district (“**District**”) and WPR Development Company, LLC, a Delaware limited liability company (“**WPR**”). District and WPR are at times referred to herein individually as a “**Party**” and collectively as the “**Parties**”.

RECITALS

WHEREAS, pursuant to the provisions of Utah Code § 17D-4-203 the District is authorized to enter into contracts that the Board of Trustees (“**Board**”) deems necessary, convenient, or desirable to carry out the purposes of the District;

WHEREAS, the Parties now desire to enter into this Agreement, pursuant to which WPR shall provide various services for and on behalf of the District, all as more particularly set forth herein and subject to the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and obligations set forth below, and for other good and valuable consideration, the receipt of which is hereby acknowledged, District and WPR agree as follows:

1. CONTRACT TERM

A. The term of this Agreement shall commence on the Effective Date and continue until terminated as set forth in Section 6 herein (“**Term**”).

2. SERVICES TO BE PROVIDED

A. The Parties acknowledge that the customers of the District, to whom District services are being provided, are also members of WPR. As such, it is agreed that it is in the best interest of the District to appoint WPR to perform various billing, accounting, general administrative, and other services for and on behalf of the District. During the Term of this Agreement and at the direction of the District, WPR shall perform or cause to be performed the following services (“**Base Services**”):

(1) **Board Meeting Support:** WPR shall coordinate and support meetings of the Board, including attending such meetings. WPR shall be responsible for preparing and distributing meeting agendas and informational materials as requested by the District, drafting meeting minutes for Board approval when assigned, and preparing and posting notices as required under applicable law in connection with such meetings.

(2) **Communications:** At the request of the District, WPR shall assist with or lead communications and coordination efforts with the general public and with municipal, county, and state governmental entities on behalf of the District, including the transmittal of notices, responses to inquiries, and participation in interagency discussions as may be directed by the Board. WPR shall also be responsible for preparing, posting, and managing public notices as required by applicable law or as otherwise directed by the District, and for

administering and updating the District's public websites to ensure the timely dissemination of information and compliance with public transparency requirements.

(3) **Contractors:** On behalf of the District, WPR shall assist in retaining necessary third-party contractors to accomplish the management, maintenance, and operational responsibilities of the District. All contracts for services provided by third party contractors to the District must be directly between the District and the contractor WPR shall act solely as the District's agent in negotiating and maintaining such contracts and shall not be the contracting party. WPR shall not be required to make any cost advances for District nor shall WPR be required to pay any expenses for District; however, if any such advances are made or expenses paid by WPR, District shall reimburse WPR promptly upon demand.

(4) **Employees:** WPR shall hire, supervise, and discharge all of its own employees required for the performance of WPR's duties under this Agreement. All such employees shall be employees for WPR and not District, and WPR shall be responsible for the performance of all duties and responsibilities of an employer with respect to such employee.

(5) **Equipment & Facilities:** WPR will assist in managing District-owned facilities, equipment, and infrastructure, ensuring maintenance needs are addressed and that operations are aligned with the District's goals and service expectations.

(6) **General Administrative Services:** WPR shall provide general administrative support services to the District as directed by the Board. Such services shall include, without limitation, maintaining official District records; managing correspondence; preparing meeting materials and minutes; ensuring, in collaboration with District legal counsel, that contractors and subcontractors maintain required insurance coverage; overseeing the administration of District rules and regulations; supervising project vendors and consultants as assigned; and coordinating with legal, accounting, engineering, auditing, and other consultants retained by the District. WPR shall not provide legal services.

(7) **Insurance:** WPR shall coordinate the administration of the District's insurance program, including the preparation of applications, comparison of coverage options, processing of claims, and coordination of policy renewals and updates for Board approval. WPR shall work directly with the District's insurance providers to ensure adequate coverage is maintained, including but not limited to property, automobile liability, and general liability insurance, as well as any additional coverage the District may require. Unless otherwise directed in writing by the District, WPR shall maintain the insurance coverages in effect as of the Effective Date of this Agreement.

(8) **Operational Oversight and Management:** WPR shall manage the District's day-to-day operations. This includes coordinating seasonal and weather-dependent operations, maintaining service quality, ensuring timely response to operational needs, and facilitating communication with contractors, staff, and other service providers engaged in support of District functions.

(9) **Strategic Leadership and Planning:** WPR shall provide leadership and guidance to the District in connection with both daily operational needs and long-range planning initiatives. This includes assisting in the development and execution of annual

priorities, work plans, and special projects. WPR may also support the evaluation of infrastructure planning, capital project coordination, and other strategic matters as determined by the District.

(10) **Recordkeeping Services:** WPR shall maintain a directory of individuals and organizations with whom the District corresponds and shall serve as the repository and custodian of the District's records. In this capacity, WPR shall ensure compliance with the Utah Government Records Access and Management Act (GRAMA) and shall manage the storage, retention, and access to government records in accordance with such statutory requirements.

B. Obligations, costs, or expenses incurred by WPR on behalf of District in accordance with this Agreement shall be paid by District; provided, however, the expenses incurred shall not exceed the approved budget, unless specifically authorized by the Board. In the event the Board does not authorize the budget to be exceeded, District and WPR agree to use their best efforts to agree on what services will be modified or eliminated. Further, in the event the Board does not authorize the budget to be exceeded, nothing in this Agreement shall be construed as obligating WPR to provide any services the cost of which will exceed the budget.

C. In the course of performing services on behalf of the District, employees of WPR are authorized to use District-owned equipment, vehicles, tools, and other resources, provided such use is directly related to the performance of District operations and responsibilities assigned under this Agreement.

D. WPR shall perform its duties and obligations under this Agreement using reasonable care and in accordance with this Agreement and generally accepted industry standards and consistent with applicable laws, statutes, ordinances, rules, regulations, orders and permits of all governmental agencies.

E. WPR shall not perform any services (i) which would be contrary to the terms of this Agreement or applicable laws; (ii) any services that would involve transactions or services outside the expertise or knowledge of WPR or WPR's agents; or (iii) any transactions or services which are not set forth in this Agreement and not otherwise mutually agreed upon by the Parties as permitted Additional Services.

F. The specific scope of services to be provided by WPR as specified above may be amended by mutual consent of the Parties.

3. ADDITIONAL SERVICES. From time to time, WPR may be requested by the District to perform services beyond the Base Services covered by the Base Fee. "Additional Services" are those that: (i) are not Base Services; (ii) are not due to WPR error or oversight; and (iii) are approved in writing by the District before commencement. Any service not expressly identified as a Base Service in this Agreement shall be considered an Additional Service.

4. FEES.

A. During the Term hereof, WPR shall be paid a monthly fixed fee ("Base Fee") as mutually agreed upon by the Parties for the Base Services set forth in Section 2, payable on the first day of each calendar month. Annual increases in the Base Fee will be determined by the Board and WPR at

the beginning of each financial year, or at such other times as are agreeable to the Parties. The District shall be solely responsible for the payment of all third-party obligations, costs, and expenses incurred by WPR on behalf of the District, in accordance with the terms and conditions set forth in this Agreement

B. For all matters for which WPR provides Additional Services outside the scope of this Agreement, such amounts shall be billed to District pursuant to the rates mutually agreed upon by WPR and District, as may be amended from time to time (“**Additional Service Fees**”). Invoices for Additional Services, whether from contractors or WPR, must include supporting documentation and a detailed descriptions of the services provided.

5. INSURANCE.

A. WPR shall at WPR’s sole cost and expense, maintain the following insurance coverage throughout the Term of this Agreement:

(1) Commercial General Liability Insurance, with combined single limits of at least \$1,000,000 for each occurrence of bodily injury and/or property damage and an annual aggregate liability of at least \$2,000,000 for bodily injury and/or property damage;

(2) Workers' Compensation Insurance in the statutory required amount, covering all of WPR’s employees;

(3) Automotive Liability Insurance with a combined single limit of liability of not less than \$1,000,000 for each occurrence of bodily injury and/or property damage; and

(4) Errors and Omissions insurance coverage with limits of \$1,000,000 per occurrence.

B. The District will maintain at its sole expense policies of comprehensive general liability, directors and officers, worker's compensation, and property insurance in accordance with the applicable laws.

6. TERMINATION, DEFAULT, AND REMEDIES.

A. District may terminate this Agreement upon written notice to WPR if WPR has breached this Agreement, and such breach is not cured within ten (10) days after receipt of written notice thereof specifying with reasonable particularity the nature of the breach and the curative action required (“**Default Notice**”) or such long a time as may be necessary to cure such breach so long as such curative action is diligently pursued within the ten (10) day notice period.

B. If District fails to pay WPR the fees set forth in Section 4 of this Agreement or fails to reimburse WPR for any expenses incurred by WPR for the account of District within ten (10) business days following the date on which payment is due, or if District defaults under any other obligations contained in this Agreement, WPR may exercise any one or more of the following remedies: (i) Terminate this Agreement upon thirty (30) business days' prior written notice to District; (ii) seek specific performance of this Agreement; or (iii) perform on behalf of District and be entitled to

interest at the annual rate of Eighteen Percent (18%) on all expenditures from the date of payment until repaid.

C. Either Party may elect to terminate this Agreement without cause by giving written notice of termination to the other Party thirty (30) days in advance of the effective date of termination.

D. Upon the expiration or earlier termination of this Agreement, WPR shall, within thirty (30) days after such expiration or termination, deliver to District: (i) all books and records of the District; (ii) an itemized statement of the amount due from District as of the date of the expiration or termination of this Agreement; and (iii) all bank records with respect to bank accounts of District on which WPR was a signatory or over which WPR otherwise had possession or control. WPR, at its expense, shall have the right to duplicate any records provided to District.

7. LIMITATIONS OF LIABILITY. WPR shall not be liable under or by reason of this Agreement either directly or indirectly for (i) any accident, injury, breakage or damage to any machinery or property, unless such damage is directly attributable to the action of WPR or of any of its employees; (ii) the work of any third party independent contractor or laborer; (iii) any failure to perform its duties herein provided when such is caused by fire, flood, strikes, acts of civil or military authorities, insurrection or riot, or by any other cause which is unavoidable or beyond the control of WPR. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, OR CONSEQUENTIAL DAMAGES OR LOST PROFITS ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE PERFORMANCE OR BREACH THEREOF. WPR'S AGGREGATE LIABILITY FOR ANY DAMAGE CAUSED BY ITS PROVISION OF SERVICES HEREUNDER OR OTHERWISE BY IT ACTS OR OMISSIONS SHALL NOT EXCEED, IN RESPECT OF ANY CLAIM ARISING OUT OF A SINGLE EVENT OR A SERIES OF CONNECTED EVENTS, THE AGGREGATE BASE FEE AMOUNT PAYABLE BY DISTRICT TO WPR DURING THE SIX (6) MONTH PERIOD IMMEDIATELY PRECEDING THE CAUSATION OF ANY DAMAGES. THE LIMITATIONS OF LIABILITY IN THIS SECTION SHALL APPLY HOWEVER THE LOSS OR DAMAGE IS CAUSED AND REGARDLESS OF THE THEORY OF LIABILITY, WHETHER DERIVED FROM CONTRACT, BREACH OF CONTRACT, DELAY OF PERFORMANCE, TORT (INCLUDING, BUT NOT LIMITED TO, NEGLIGENCE), OR OTHERWISE, WHETHER OR NOT SUCH LOSS WAS FORESEEABLE OR IN THE CONTEMPLATION OF THE PARTIES, AND REGARDLESS OF WHETHER THE LIMITED REMEDIES PROVIDED HEREIN FAIL OF THEIR ESSENTIAL PURPOSE.

8. INDEMNIFICATION.

A. District shall indemnify, defend and hold harmless WPR, its parent companies, subsidiaries, affiliates, officers, directors, partners, members, managers, employees contractors, agents, and representatives (collectively the "**WPR Indemnified Parties**") for all losses, damages, injuries, liabilities, claims, costs and expenses, including, without limitation, reasonable attorneys' fees, arising out of or related to (i) bodily injury, death of any person or damage to real or tangible, personal property resulting from District's acts or omissions; (ii) District's breach of any representation, warranty or obligation under this Agreement; and (iii) District's negligent acts, negligent omissions, or willful misconduct in the performance of this Agreement. Notwithstanding the foregoing, District's obligation to indemnify, defend, and hold harmless the WPR Indemnified Parties shall not extend to

and in no event will District be liable for any negligence or willful misconduct of a WPR Indemnified Party.

B. WPR shall indemnify, defend and hold harmless the District, its trustees, officers, directors, managers, employees, contractors, agents, and representatives (collectively the **“District indemnified Parties”**) for all losses, damages, injuries, liabilities, claims, costs and expenses, including, without limitation, reasonable attorneys’ fees, arising out of or related to (i) bodily injury, death of any person or damage to real or tangible, personal property resulting from WPR’s acts or omissions; (ii) WPR’s breach of any representation, warranty or obligation under this Agreement; and (iii) WPR’s gross negligence or willful misconduct in the performance of this Agreement. Notwithstanding the foregoing, WPR’s obligation to indemnify, defend, and hold harmless the District Indemnified Parties shall not extend to and in no event will WPR be liable for any negligence or willful misconduct of a District Indemnified Party.

9. ARBITRATION AND ATTORNEYS’ FEES. Any controversy or claim arising out of or related to this Agreement, or the breach thereof, shall be settled by arbitration pursuant to Utah Code § 78B-11-101 *et seq.*, and judgment upon the award rendered by the arbitrator or arbitrators may be entered in any court having jurisdiction thereof. The Parties agree that there shall be one arbitrator for any dispute, and in the event the Parties cannot agree on an arbitrator, one shall be appointed by the court as set forth in Utah Code § 78B-11-112. A demand for arbitration shall be made within the time limits of the applicable statute of limitations that would apply to the filing of a legal or equitable proceeding. The arbitrator shall award reasonable attorney fees and other reasonable costs of arbitration to the prevailing party in such arbitration. In the event that District or WPR shall institute a lawsuit proceeding to enforce any rights pursuant to this Agreement, then the prevailing party in such litigation shall receive an award of its reasonable attorney’s fees and costs. Further, in the event of any litigation brought by a third party against WPR or District, which results in a counterclaim between WPR and District that pertains in any way to this Agreement, the prevailing party in such counterclaim shall receive an award of its reasonable attorney’s fees and costs.

10. SURVIVAL. The rights and obligations set forth in Sections 7, 8, and 9 and any other right or obligation in this Agreement which, by its express terms or nature and context is intended to survive termination or expiration of this Agreement, will survive any such termination or expiration.

11. ENTIRE AGREEMENT; AMENDMENT. This Agreement is the entire agreement between the Parties covering the subject matter of this Agreement. There are no oral promises, conditions, representations, understandings, interpretations or terms of any kind as conditions or inducements to the execution of this Agreement or in effect between the Parties. No change or addition may be made to this Agreement except by a written agreement executed by the Parties, and the Parties may not waive this requirement of a writing.

12. BINDING EFFECT. This Agreement inures to the benefit of and is binding upon the parties hereto, and their respective successors and assigns.

13. NOTICES. All notices to be given by either Party to the other shall be in writing and shall be served by personal delivery or by depositing such notice in the United States Postal Service, postage prepaid, addressed and directed to the Party to receive the same at the following addresses:

If to WPR:

Gary Derck
36 South State Street, Suite 500
Salt Lake City, UT 84111

If to District:

Ed Schultz
36 South State Street, Suite 500
Salt Lake City, UT 84111

Notice shall be deemed given on the date actually received or, if mailed as set forth herein, notice shall be deemed given three business days after mailing. Either party may designate a different person or entity or place at which notices shall subsequently be sent by written notice given pursuant to this Section.

14. ASSIGNMENT. WPR may assign this Agreement to a subsidiary entity controlled by WPR or its principals. WPR may assign this Agreement to a third party only upon the written approval of District and if assignee agrees in writing with District to assume and perform the terms and covenants of this Agreement, whereupon WPR will thereupon be released from WPR's obligations under this Agreement.

15. BENEFIT. None of the provisions of this Agreement shall be for the benefit of or enforceable by persons not parties hereto.

16. RELATIONSHIP OF PARTIES. It is hereby understood and agreed that at all times during the terms of this Agreement the following shall apply: (i) all work and acts of WPR shall be performed as an independent contractor and not as an agent, officer, employee of the District, and that this Agreement is not intended to, and shall not be construed so as to create any partnership, joint venture or relationship other than that of a client and independent contractor; (ii) WPR may provide services to others during the same period service is being provided to the District under this Agreement, subject to WPR's faithful performance of its obligations hereunder; (iii) WPR shall have no claim against the District for employee rights or benefits whatsoever; (iv) WPR is not subject to the direction and control of the District except as to the final result of the services contracted for under this Agreement; (v) WPR shall be obligated to pay all applicable taxes, deductions and other obligation, including, but not limited to, federal and state income taxes, withholding and Social Security taxes, and unemployment, disability and worker's compensation insurance with respect to the fees paid by the District for WPR's services hereunder; (vi) all employees of WPR and any third persons employed by WPR in providing the services hereunder shall be entirely and exclusively under the direction, supervision and control of WPR, and all terms of employment, including hours, wages, working conditions, discipline, hiring, discharge and any and all other terms of employment or requirements of law pertaining thereto shall be the sole responsibility of and be determined solely by WPR, and not the District.

17. RULES OF CONSTRUCTION. The laws of the State of Utah shall govern the validity, performance, and enforcement of this Agreement. The invalidity or unenforceability of any provision hereof shall not affect or impair any other provision. The captions used in this Agreement are for convenience and reference only, and shall not be held to explain, modify, amplify, or aid in the interpretation or construction of any provision of this Agreement. Both Parties have had an opportunity to review this Agreement with counsel and to negotiate the terms hereof. Therefore, this Agreement

shall not be interpreted for or against any party as a result of which party drafted it.

18. COUNTERPARTS. This Agreement may be executed in several counterparts, each of which shall constitute the same agreement.

In Witness Whereof, WPR and District have executed this Agreement on the date set forth above.

WPR DEVELOPMENT COMPANY, LLC

By: _____
Gary Derck, CEO/Chief Development Officer

**WASATCH PEAKS RANCH PUBLIC
INFRASTRUCTURE DISTRICT**

By: _____
Ed Schultz, Trustee

Services Agreement with Wasatch Peaks Ranch Club, LLC

MASTER SERVICES AGREEMENT

This MASTER SERVICES AGREEMENT (“**Agreement**”) is made and entered into effective this 14th day of July, 2025 (“**Effective Date**”), by and between Wasatch Peaks Ranch Public Infrastructure District, a Utah public infrastructure district (“**District**”) and Wasatch Peaks Ranch Club, LLC, a Utah limited liability company (“**WPR**”). District and WPR are at times referred to herein individually as a “**Party**” and collectively as the “**Parties**”.

RECITALS

WHEREAS, pursuant to the provisions of Utah Code § 17D-4-203 the District is authorized to enter into contracts that the Board of Trustees (“**Board**”) deems necessary, convenient, or desirable to carry out the purposes of the District;

WHEREAS, the Parties now desire to enter into this Agreement, pursuant to which WPR shall provide various services for and on behalf of the District, all as more particularly set forth herein and subject to the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and obligations set forth below, and for other good and valuable consideration, the receipt of which is hereby acknowledged, District and WPR agree as follows:

1. CONTRACT TERM

A. The term of this Agreement shall commence on the Effective Date and continue until terminated as set forth in Section 6 herein (“**Term**”).

2. SERVICES TO BE PROVIDED

A. The Parties acknowledge that the customers of the District, to whom District services are being provided, are also members of WPR. As such, it is agreed that it is in the best interest of the District to appoint WPR to perform various billing, accounting, general administrative, and other services for and on behalf of the District. During the Term of this Agreement and at the direction of the District, WPR shall perform or cause to be performed the following services (“**Base Services**”):

(1) **Accounting:** WPR shall maintain all accounts in accordance with the District-approved budget. As part of the Base Services, WPR shall:

- Maintain accounting records in accordance with the accounting principles set by the Governmental Accounting Standards Board and industry standards;
- Prepare and distribute to the Board financial statements, including profit and loss reports, balance sheets, income statements, and cash flow statements;
- Reconcile all bank and other financial institution statements and provide copies of reconciliations with the financial statements provided to the Board;
- Make an accounting to the District of all receipts and expenditures;
- Work in conjunction with an accountant approved by the District to prepare

- tax forms, reports, and returns required by law to be filed by the District;
- Assist auditors and reviewers by providing all requested documentation, financial statements, reconciliations, and reports, and post any adjusting entries or edits requested by auditors.

All records, books, and accounts of the District shall be the property of the District and subject to inspection by the District at reasonable hours upon reasonable notice.

(2) **Billing:** WPR shall be responsible for levying and assisting in the collection of all District fees and other accounts receivable. This includes all related charges such as interest, costs, late charges, and attorney's fees, for the benefit of the District. As part of the Base Services, WPR will:

- Track all fees and payments due to the District;
- Prepare billing statements, delinquent notices, and late charge assessments for all accounts receivable;
- Process automated clearing house ("ACH") debits and other electronic or automatic payments for assessments and accounts receivable;
- Provide reports regarding aged delinquency, monthly transactions, payment history, and the owner roster, along with any other requested reports related to accounts receivable;
- Establish a separate checking account or accounts for the deposit and protection of assessments, accounts receivable, and other District funds.

(3) **Budgeting:** WPR shall prepare and submit to the District, on an annual basis, a proposed operating and capital budget that identifies the anticipated expenses of the District for the applicable fiscal year. Such budget shall be subject to review, modification, and approval by the District. WPR shall cooperate with the District's designated representatives during the budget development process and provide supporting documentation as reasonably requested.

(4) **Collections:** Subject to the provisions of the District's policies and procedures and applicable laws and regulations, as part of the Base Services, WPR is authorized to take reasonable and lawful steps for collection of delinquent accounts, including:

- Preparation of delinquency notices;
- Assessing late charges and delinquent processing charges, along with other charges for the collection of lien fees reflective of the costs of collection, accounting, payment plan monitoring and legal proceedings;
- Administration of payment plans;
- In the event the District elects to retain an outside collection agency, reparation of account for delivery to such outside collection agency (including without limitation turnover of required account information and collection forms, bank lockbox shutdown and reactivation after a collection is closed, handling of payments during collection or foreclosure and payment/charge history reports); and
- Processing of bankruptcy payments and lien fees.

(5) **Contractors:** On behalf of the District, WPR shall assist in retaining necessary third-party contractors to accomplish the management, maintenance, and operational responsibilities of the District. All contracts for services provided by third party contractors to the District must be directly between the District and the contractor WPR shall act solely as the District's agent in negotiating and maintaining such contracts and shall not be the contracting party. WPR shall not be required to make any cost advances for District nor shall WPR be required to pay any expenses for District; however, if any such advances are made or expenses paid by WPR, District shall reimburse WPR promptly upon demand.

(6) **Deposits:** WPR shall be responsible for promptly depositing all receipts from whatever source in a financial institution or institutions insured by an agency of the federal government in an account or accounts not co-mingled with any other party, established and maintained in a manner to indicate the custodial nature thereof, with authority to disburse any liabilities or obligations to the approved budget or valid resolution of the Board and for the payment of the Base Fee and Additional Service Fees. Such funds may be temporarily deposited into a third-party account when necessary to fulfill WPR's duties under this Agreement, but must be promptly transferred to the District's account as soon as reasonably practicable.

(7) **Disbursements:** From the funds collected and deposited in the District, WPR shall regularly and punctually disburse all amounts specified in any approved budget. Disbursements shall be made only from District funds, in accordance with the terms of the District's policies and procedures, and for accounts payable and other liabilities incurred on behalf of the District. In completing the disbursement activities, WPR shall:

- Utilize industry best practices for fraud control systems for the protection of District funds;
- Prepare disbursement checks and electronic transfers;
- Track all invoices, expenses, and charges to the District; and
- Prepare and provide to the Board a paid and unpaid claims report, for review and approval.

After disbursements are made in the order specified, any remaining balance in the District account may only be disbursed or transferred as specifically directed by the Board.

(8) **Employees:** WPR shall hire, supervise, and discharge all of its own employees required for the performance of WPR's duties under this Agreement. All such employees shall be employees for WPR and not District, and WPR shall be responsible for the performance of all duties and responsibilities of an employer with respect to such employee.

B. Obligations, costs, or expenses incurred by WPR on behalf of District in accordance with this Agreement shall be paid by District; provided, however, the expenses incurred shall not exceed the approved budget, unless specifically authorized by the Board. In the event the Board does not authorize the budget to be exceeded, District and WPR agree to use their best efforts to agree on what services will be modified or eliminated. Further, in the event the Board does not authorize the budget to be exceeded, nothing in this Agreement shall be construed as obligating WPR

to provide any services the cost of which will exceed the budget.

C. In the course of performing services on behalf of the District, employees of WPR are authorized to use District-owned equipment, vehicles, tools, and other resources, provided such use is directly related to the performance of District operations and responsibilities assigned under this Agreement.

D. WPR shall perform its duties and obligations under this Agreement using reasonable care and in accordance with this Agreement and generally accepted industry standards and consistent with applicable laws, statutes, ordinances, rules, regulations, orders and permits of all governmental agencies.

E. WPR shall not perform any services (i) which would be contrary to the terms of this Agreement or applicable laws; (ii) any services that would involve transactions or services outside the expertise or knowledge of WPR or WPR's agents; or (iii) any transactions or services which are not set forth in this Agreement and not otherwise mutually agreed upon by the Parties as permitted Additional Services.

F. The specific scope of services to be provided by WPR as specified above may be amended by mutual consent of the Parties.

3. ADDITIONAL SERVICES. From time to time, WPR may be requested by the District to perform services beyond the Base Services covered by the Base Fee. "**Additional Services**" are those that: (i) are not Base Services; (ii) are not due to WPR error or oversight; and (iii) are approved in writing by the District before commencement. Any service not expressly identified as a Base Service in this Agreement shall be considered an Additional Service.

4. FEES.

A. During the Term hereof, WPR shall be paid a monthly fixed fee ("Base Fee") as mutually agreed upon by the Parties for the Base Services set forth in Section 2, payable on the first day of each calendar month. Annual increases in the Base Fee will be determined by the Board and WPR at the beginning of each financial year, or at such other times as are agreeable to the Parties. The District shall be solely responsible for the payment of all third-party obligations, costs, and expenses incurred by WPR on behalf of the District, in accordance with the terms and conditions set forth in this Agreement.

B. For all matters for which WPR provides Additional Services outside the scope of this Agreement, such amounts shall be billed to District pursuant to the rates mutually agreed upon by WPR and District, as may be amended from time to time ("Additional Service Fees"). Invoices for Additional Services, whether from contractors or WPR, must include supporting documentation and a detailed descriptions of the services provided.

5. INSURANCE.

A. WPR shall at WPR's sole cost and expense, maintain the following insurance coverage throughout the Term of this Agreement:

(1) Commercial General Liability Insurance, with combined single limits of at least \$1,000,000 for each occurrence of bodily injury and/or property damage and an annual aggregate liability of at least \$2,000,000 for bodily injury and/or property damage;

(2) Workers' Compensation Insurance in the statutory required amount, covering all of WPR's employees;

(3) Automotive Liability Insurance with a combined single limit of liability of not less than \$1,000,000 for each occurrence of bodily injury and/or property damage; and

(4) Errors and Omissions insurance coverage with limits of \$1,000,000 per occurrence.

B. The District will maintain at its sole expense policies of comprehensive general liability, directors and officers, worker's compensation, and property insurance in accordance with the applicable laws.

6. TERMINATION, DEFAULT, AND REMEDIES.

A. District may terminate this Agreement upon written notice to WPR if WPR has breached this Agreement, and such breach is not cured within ten (10) days after receipt of written notice thereof specifying with reasonable particularity the nature of the breach and the curative action required ("Default Notice") or such long a time as may be necessary to cure such breach so long as such curative action is diligently pursued within the ten (10) day notice period.

B. If District fails to pay WPR the fees set forth in Section 4 of this Agreement or fails to reimburse WPR for any expenses incurred by WPR for the account of District within ten (10) business days following the date on which payment is due, or if District defaults under any other obligations contained in this Agreement, WPR may exercise any one or more of the following remedies: (i) Terminate this Agreement upon thirty (30) business days' prior written notice to District; (ii) seek specific performance of this Agreement; or (iii) perform on behalf of District and be entitled to interest at the annual rate of Eighteen Percent (18%) on all expenditures from the date of payment until repaid.

C. Either Party may elect to terminate this Agreement without cause by giving written notice of termination to the other Party thirty (30) days in advance of the effective date of termination.

D. Upon the expiration or earlier termination of this Agreement, WPR shall, within thirty (30) days after such expiration or termination, deliver to District: (i) all books and records of the District; (ii) an itemized statement of the amount due from District as of the date of the expiration or termination of this Agreement; and (iii) all bank records with respect to bank accounts of District on which WPR was a signatory or over which WPR otherwise had possession or control. WPR, at its expense, shall have the right to duplicate any records provided to District.

7. LIMITATIONS OF LIABILITY. WPR shall not be liable under or by reason of this

Agreement either directly or indirectly for (i) any accident, injury, breakage or damage to any machinery or property, unless such damage is directly attributable to the action of WPR or of any of its employees; (ii) the work of any third party independent contractor or laborer; (iii) any failure to perform its duties herein provided when such is caused by fire, flood, strikes, acts of civil or military authorities, insurrection or riot, or by any other cause which is unavoidable or beyond the control of WPR. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, OR CONSEQUENTIAL DAMAGES OR LOST PROFITS ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE PERFORMANCE OR BREACH THEREOF. WPR'S AGGREGATE LIABILITY FOR ANY DAMAGE CAUSED BY ITS PROVISION OF SERVICES HEREUNDER OR OTHERWISE BY IT ACTS OR OMISSIONS SHALL NOT EXCEED, IN RESPECT OF ANY CLAIM ARISING OUT OF A SINGLE EVENT OR A SERIES OF CONNECTED EVENTS, THE AGGREGATE BASE FEE AMOUNT PAYABLE BY DISTRICT TO WPR DURING THE SIX (6) MONTH PERIOD IMMEDIATELY PRECEDING THE CAUSATION OF ANY DAMAGES. THE LIMITATIONS OF LIABILITY IN THIS SECTION SHALL APPLY HOWEVER THE LOSS OR DAMAGE IS CAUSED AND REGARDLESS OF THE THEORY OF LIABILITY, WHETHER DERIVED FROM CONTRACT, BREACH OF CONTRACT, DELAY OF PERFORMANCE, TORT (INCLUDING, BUT NOT LIMITED TO, NEGLIGENCE), OR OTHERWISE, WHETHER OR NOT SUCH LOSS WAS FORESEEABLE OR IN THE CONTEMPLATION OF THE PARTIES, AND REGARDLESS OF WHETHER THE LIMITED REMEDIES PROVIDED HEREIN FAIL OF THEIR ESSENTIAL PURPOSE.

8. INDEMNIFICATION.

A. District shall indemnify, defend and hold harmless WPR, its parent companies, subsidiaries, affiliates, officers, directors, partners, members, managers, employees contractors, agents, and representatives (collectively the "**WPR Indemnified Parties**") for all losses, damages, injuries, liabilities, claims, costs and expenses, including, without limitation, reasonable attorneys' fees, arising out of or related to (i) bodily injury, death of any person or damage to real or tangible, personal property resulting from District's acts or omissions; (ii) District's breach of any representation, warranty or obligation under this Agreement; and (iii) District's negligent acts, negligent omissions, or willful misconduct in the performance of this Agreement. Notwithstanding the foregoing, District's obligation to indemnify, defend, and hold harmless the WPR Indemnified Parties shall not extend to and in no event will District be liable for any negligence or willful misconduct of a WPR Indemnified Party.

B. WPR shall indemnify, defend and hold harmless the District, its trustees, officers, directors, managers, employees, contractors, agents, and representatives (collectively the "**District indemnified Parties**") for all losses, damages, injuries, liabilities, claims, costs and expenses, including, without limitation, reasonable attorneys' fees, arising out of or related to (i) bodily injury, death of any person or damage to real or tangible, personal property resulting from WPR's acts or omissions; (ii) WPR's breach of any representation, warranty or obligation under this Agreement; and (iii) WPR's gross negligence or willful misconduct in the performance of this Agreement. Notwithstanding the foregoing, WPR's obligation to indemnify, defend, and hold harmless the District Indemnified Parties shall not extend to and in no event will WPR be liable for any negligence or willful misconduct of a District Indemnified Party.

9. ARBITRATION AND ATTORNEYS' FEES. Any controversy or claim arising out

of or related to this Agreement, or the breach thereof, shall be settled by arbitration pursuant to Utah Code § 78B-11-101 *et seq.*, and judgment upon the award rendered by the arbitrator or arbitrators may be entered in any court having jurisdiction thereof. The Parties agree that there shall be one arbitrator for any dispute, and in the event the Parties cannot agree on an arbitrator, one shall be appointed by the court as set forth in Utah Code § 78B-11-112. A demand for arbitration shall be made within the time limits of the applicable statute of limitations that would apply to the filing of a legal or equitable proceeding. The arbitrator shall award reasonable attorney fees and other reasonable costs of arbitration to the prevailing party in such arbitration. In the event that District or WPR shall institute a lawsuit proceeding to enforce any rights pursuant to this Agreement, then the prevailing party in such litigation shall receive an award of its reasonable attorney's fees and costs. Further, in the event of any litigation brought by a third party against WPR or District, which results in a counterclaim between WPR and District that pertains in any way to this Agreement, the prevailing party in such counterclaim shall receive an award of its reasonable attorney's fees and costs.

10. SURVIVAL. The rights and obligations set forth in Sections 7, 8, and 9 and any other right or obligation in this Agreement which, by its express terms or nature and context is intended to survive termination or expiration of this Agreement, will survive any such termination or expiration.

11. ENTIRE AGREEMENT; AMENDMENT. This Agreement is the entire agreement between the Parties covering the subject matter of this Agreement. There are no oral promises, conditions, representations, understandings, interpretations or terms of any kind as conditions or inducements to the execution of this Agreement or in effect between the Parties. No change or addition may be made to this Agreement except by a written agreement executed by the Parties, and the Parties may not waive this requirement of a writing.

12. BINDING EFFECT. This Agreement inures to the benefit of and is binding upon the parties hereto, and their respective successors and assigns.

13. NOTICES. All notices to be given by either Party to the other shall be in writing and shall be served by personal delivery or by depositing such notice in the United States Postal Service, postage prepaid, addressed and directed to the Party to receive the same at the following addresses:

If to WPR: Tiger Shaw
36 South State Street, Suite 500
Salt Lake City, UT 84111

If to District: Gary Derck
36 South State Street, Suite 500
Salt Lake City, UT 84111

Notice shall be deemed given on the date actually received or, if mailed as set forth herein, notice shall be deemed given three business days after mailing. Either party may designate a different person or entity or place at which notices shall subsequently be sent by written notice given pursuant to this Section.

14. ASSIGNMENT. WPR may assign this Agreement to a subsidiary entity controlled by WPR or its principals. WPR may assign this Agreement to a third party only upon the written approval

of District and if assignee agrees in writing with District to assume and perform the terms and covenants of this Agreement, whereupon WPR will thereupon be released from WPR's obligations under this Agreement.

15. BENEFIT. None of the provisions of this Agreement shall be for the benefit of or enforceable by persons not parties hereto.

16. RELATIONSHIP OF PARTIES. It is hereby understood and agreed that at all times during the terms of this Agreement the following shall apply: (i) all work and acts of WPR shall be performed as an independent contractor and not as an agent, officer, employee of the District, and that this Agreement is not intended to, and shall not be construed so as to create any partnership, joint venture or relationship other than that of a client and independent contractor; (ii) WPR may provide services to others during the same period service is being provided to the District under this Agreement, subject to WPR's faithful performance of its obligations hereunder; (iii) WPR shall have no claim against the District for employee rights or benefits whatsoever; (iv) WPR is not subject to the direction and control of the District except as to the final result of the services contracted for under this Agreement; (v) WPR shall be obligated to pay all applicable taxes, deductions and other obligation, including, but not limited to, federal and state income taxes, withholding and Social Security taxes, and unemployment, disability and worker's compensation insurance with respect to the fees paid by the District for WPR's services hereunder; (vi) all employees of WPR and any third persons employed by WPR in providing the services hereunder shall be entirely and exclusively under the direction, supervision and control of WPR, and all terms of employment, including hours, wages, working conditions, discipline, hiring, discharge and any and all other terms of employment or requirements of law pertaining thereto shall be the sole responsibility of and be determined solely by WPR, and not the District.

17. RULES OF CONSTRUCTION. The laws of the State of Utah shall govern the validity, performance, and enforcement of this Agreement. The invalidity or unenforceability of any provision hereof shall not affect or impair any other provision. The captions used in this Agreement are for convenience and reference only, and shall not be held to explain, modify, amplify, or aid in the interpretation or construction of any provision of this Agreement. Both Parties have had an opportunity to review this Agreement with counsel and to negotiate the terms hereof. Therefore, this Agreement shall not be interpreted for or against any party as a result of which party drafted it.

18. COUNTERPARTS. This Agreement may be executed in several counterparts, each of which shall constitute the same agreement.

In Witness Whereof, WPR and District have executed this Agreement on the date set forth above.

WASATCH PEAKS RANCH CLUB, LLC

By: _____
Gale (Tiger) Shaw, CEO

**WASATCH PEAKS RANCH PUBLIC
INFRASTRUCTURE DISTRICT**

By: _____
Gary Derck, Chairman

2025-2026 Service Provider Rates

Wasatch Peaks Ranch Public Infrastructure District
2025-2026 Service Provider Rates

Service	Provider	Rate
Accounting & Financial Services	Wasatch Peaks Ranch Club, LLC	\$600 per month
Compliance & Administrative Services	WPR Development Company, LLC	\$400 per month
Management & Operations Services	WPR Development Company, LLC	\$600 per month