

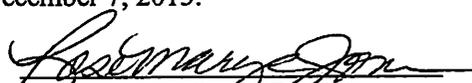
NOTICE AND AGENDA

Notice is hereby given that the Millville City Council will hold their regularly scheduled council meeting on Thursday, December 10, 2015, at the Millville City Office, 510 East 300 South in Millville, Utah, which meeting shall begin promptly at 7 p.m. (Please note the time given to each agenda item is an approximate time.)

1. Call to Order / Roll Call – Mayor Michael Johnson.
2. Opening Remarks / Pledge of Allegiance – Mayor Michael Johnson.
3. Approval of agenda and time allocation.
4. Approval of minutes of the previous meeting – November 12, 2015.
5. Action Items—
 - A. Report on P & Z Meetings held November 19, 2015 and December 3, 2015 / Recommendation on the Mond-Aire Subdivision Phase 2 – Garrett Greenhalgh – 7:03 p.m.
 - B. Consideration for Approval of the Mond-Aire Subdivision Phase 2, located at approximately 380 East to 550 East and 225 North to Center Street / Building Permits for Mond-Aire Subdivision Phase 1– Mayor Michael Johnson / Development Coordinator Harry Meadows – 7:05 p.m.
 - C. PUBLIC HEARING – 7:10 p.m.
The purpose of the hearing is to receive public input on revisions to the 2015-16 Budget for Millville City.
 - D. Consideration for Adopting the Millville City Revised Budget for 2015-16–Mayor Mike Johnson–7:13 p.m.
 - E. Business License 2015 Renewal for Artistic Rail – Ryan Pierson – 7:15 p.m.
 - F. Financial Audit Report for Fiscal Year 2015 – Jones Simkins – Mike Kidman – 7:20 p.m.
 - G. Consideration for Approval of the 2016 Annual Meeting Schedule for Millville City – Mayor Michael Johnson – 7:50 p.m.
 - H. Consideration for Adopting a Resolution Establishing a Recycling Market Development Zone for Millville City Corporation – Councilmember Ryan Zollinger – 7:52 p.m.
 - I. Set dates for 2016 City-sponsored Activities – Councilmember Julianne Duffin – 7:55 p.m.
 - J. Consideration for Winter Social Scheduling – Mayor Michael Johnson – 8 p.m.
 - K. Consideration for Canceling or Rescheduling the Council Meeting to be held on December 24, 2015 – Mayor Michael Johnson – 8:05 p.m.
 - L. Revised Impact Fee Report/Revision to Resolution 2015-15–Recorder Rose Mary Jones–8:10 p.m.
 - M. Review of Bids and Consideration of Acceptance to Lease Water Shares for Irrigation Water beginning April, 2016 – Mayor Michael Johnson – 8:15 p.m.
 - N. Review of Impact Fee Analysis on the Road, Park, and Water Fees/Consideration for Setting a Public Hearing – Fred Philpot – Councilmember Julianne Duffin – 8:30 p.m.
 - O. Bills to be paid.
6. Discussion Items—
 - A. City Reports.
 1. Roads/Sidewalks – Superintendent Gary Larsen.
 2. City Parks – Superintendent Larsen.
 3. Culinary Water System – Superintendent Larsen.
 - B. Review Summary Identifying Companies Providing Emergency Notifications to Residents – Councilmember Michael Callahan.
 - C. Report of Christmas Festivities – Councilmember Julianne Duffin.
 - D. Councilmember Reports.
 - E. Other items for Future Agendas.
7. Executive Session for the purpose of discussing land acquisition.
8. Consideration for Accepting Negotiated Proposals for Land Acquisition – Mayor Michael Johnson.
9. Adjournment.

In compliance with the American with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during public meetings should notify Rose Mary Jones at (435)752-8943 at least three working days prior to the meeting.

Notice was posted on December 7, 2015, a date not less than 24 hours prior to the date and time of the meeting and remained so posted until after said meeting. A copy of the agenda was sent electronically to the Utah Public Meeting Notices website (<http://www.utah.gov/pmn/index.html>) on December 7, 2015.


Rose Mary A. Jones, Recorder

MILLVILLE CITY COUNCIL MEETING
City Hall – 510 East 300 South – Millville, Utah
November 12, 2015

PRESENT: Michael Johnson, Michael Callahan, Julianne Duffin, Mark Williams, Ryan Zollinger, Rose Mary Jones, Tara Hobbs, Harry Meadows, Zan Murray, Gary Tibbitts, Vicki Tibbitts, Stephen Nelson, Leanna Ballard, Martha Balph, David Hair, Robert Bates, Zan Murray, Lee Tibbitts

Call to Order/Roll Call

Mayor Michael Johnson opened the Council Meeting calling it to order at 7 p.m. The roll call indicated Mayor Michael Johnson and Councilmembers Julianne Duffin, Mark Williams, and Ryan Zollinger were in attendance with Councilmember Cindy Cummings excused and Councilmember Michael Callahan absent. Also Treasurer Tara Hobbs and Recorder Rose Mary Jones were present.

Opening Remarks/Pledge of Allegiance

Councilmember Zollinger welcomed all who were present. He then led everyone in the pledge of allegiance.

Approval of agenda and time allocations

The agenda for the City Council Meeting of November 12, 2015 was reviewed.

Councilmember Williams moved to approve the agenda for November 12, 2015.

Councilmember Duffin seconded. Councilmembers Duffin, Williams, and Zollinger voted yes with Councilmember Cummings excused and Councilmember Michael Callahan absent. (A copy of the agenda is included as Attachment "A".)

Approval of minutes of the previous meeting

The Council reviewed the minutes of the City Council Meeting for October 22, 2015.

Councilmember Duffin moved to approve the minutes for October 22, 2015 as

amended [amended to include Mark Williams' name with those present]. Councilmember Williams seconded. Councilmembers Duffin, Williams, and Zollinger voted yes with Councilmember Cummings excused and Councilmember Callahan absent. (A copy of the minutes is included as Attachment "B".)

Report on Planning Commission Meeting held October 29, 2015

Development Coordinator Harry Meadows was present to answer any questions regarding the Planning Commission Meeting held on October 29, 2015. There was no discussion on the minutes. (A copy of the minutes is include as Attachment "C".)

Recommendation from Planning Commission for Rezone of Parcels 03-037-0054 and 03-037-0015 as requested by Neal Artz and Leanna Ballard

Development Coordinator Meadows indicated the Planning Commission held a public hearing on the Rezone Petitions for Artz and Ballard for Parcels 03-037-0054 and 03-037-0015 where they had requested the zoning be changed from Open Space to Residential-1. There was no public comment. He indicated the Planning Commission discussed the matter. It was the Planning Commission's recommendation to have the rezone made as requested with updates made to the zoning map.

Councilmember Callahan arrived at the meeting at this time.

Consideration for Approving Rezone of Parcels 03-037-0054 and 03-037-0015 and Updates to the Millville City Zoning Map

Mayor Johnson reviewed with the Council the petitions as received and the updated zoning map. (This information is included with the minutes as Attachment "D".) After the Council's consideration, **Councilmember Duffin moved to approve the rezone from Open Space to Residential-1 for Parcels 03-037-0054 and 03-037-0015 and also update the Millville City Zoning Map.** Councilmember Callahan seconded. Councilmembers Duffin, Williams, Zollinger, and Callahan voted yes with Councilmember Cummings being excused.

Review of 2016 Business License Renewal for D&B Equipment

The Council discussed with David Hair his business of D&B Equipment. As part of the business license renewal process, the Council addressed with him several verbal complaints about the noise and unsightly surroundings of the business. Mr. Hair explained that several of the vehicles are owned by his family members and are not part of the business. He also explained there are several kids that have hobbies that are not affiliated with the business that ride their vehicles on the roads; he indicated he has no jurisdiction to patrol this. There was input read into the minutes by Mayor Johnson as provided by Councilmember Cummings who was excused from the meeting. (This is included with the minutes as Attachment "E".) There was also input from Councilmember Duffin that reflected City ordinances regarding nuisances that were also reviewed. (A copy of this information is included with the minutes as Attachment "F".) There were pictures viewed by the Council that had been taken of the business and the surroundings.

As the Council discussed this business, it was noted there had not been any formal written complaints received by the Council on this business. It was also explained the City has had businesses that have tried to locate in residential zones that have been denied or have out grown the property and have had to relocate.

The ownership of the business was discussed; Mr. Hair indicated the business had not been transferred to his son and that he is still the owner.

Councilmember Zollinger moved to approve the business license for D&B Equipment. Councilmember Williams seconded.

Discussion ensued. The action for this item was not to approve a business license but is part of the renewal for the license. It was proposed to have Mr. Hair resolve the appearance problem with the business within a specified time, which was identified to be the end of this year. He has a mixture of business and personal materials and vehicles that need to be separated.

There was also discussion about fencing around the business. The school district had promised the neighbors near the high school that they would install a fence that the property owners could agree upon between the properties. To date, the school district has not approached the property owners.

It was clarified that this license renewal did not have anything to do with the high school being built. If there are concerns, the elected body should have a discussion about these concerns for businesses within the community.

Councilmember Zollinger moved to amend the original motion and move forward with the review of the business license for D&B Equipment. Councilmember Williams seconded. Councilmembers Williams, Zollinger, and Callahan voted yes with Councilmember Duffin voting no and Councilmember Cummings excused. This will again be addressed at the City Council Meeting on January 14, 2016.

Review of 2016 Business License for Artistic Rail

Ryan Pierson was unable to attend the meeting to review his business license. This was continued to the December 10, 2015 Council Meeting.

Communication with Residents in case of an Emergency

Nibley City Manager David Zook was scheduled to attend the meeting; however, Treasurer Stephen Nelson made the presentation as had been requested by the City Council.

Mr. Nelson reviewed with the Council a power-point presentation which outlined the several media sources which Nibley City is currently using. (A copy of this presentation is included with the minutes as Attachment "G".)

He emphasized the need to have various methods of getting information out to the public; different age groups are informed with various methods. The majority of information in

social media is obtained from Face Book. This is a very inexpensive method, as it is free; however, ads can be purchased that could disseminate information the City felt necessary.

Mr. Nelson reviewed the emergency they had with their water system being contaminated explaining the various agencies that were willing to participate in helping to inform residents. He felt it was necessary to work with our neighbors and various agencies, as they may be the local resources that step in to provide their services when in need.

Nibley City also uses a communication system that communicates by phone, text, and email. It is supplied with data from the utility accounts. This enables them to notify the entire community or a portion of it in the case of an emergency. It also allows notifications to be given to them for events and other business matters the City would like to inform their residents about.

Mr. Nelson was thanked for his presentation and helpful information.

Form-Based Code Development / Budget Consideration

Mayor Johnson followed up with the Council on presentations made a few meetings ago on Form-Based Code Development. The Council discussed the presentations that were made. It was suggested that it may be helpful to suspend any commercial building for a period of time, perhaps six months, while the code is being developed. There was discussion regarding the different firms that had made presentations.

Councilmember Duffin moved to go with Civil Solutions Group to have them help us develop our Form-Based Code with the cost not to exceed \$11,000. Councilmember Callahan seconded. Councilmembers Duffin, Williams, Zollinger, and Callahan voted yes with Councilmember Cummings being excused.

Quarterly Financial Reports for First Quarter of Fiscal Year 2015-16

Treasurer Hobbs and Recorder Jones reviewed with the Council the Quarterly Financial Report for the first quarter of fiscal year 2015-16. (A copy of the report is included with the minutes as Attachment "H".)

Set Public Hearing on Revision to the 2016 Fiscal Year Budget

Recorder Jones reviewed with the Council the revised budget. As expenditures will need to be made in the near future, it was recommended to have the budget revisions adopted.

The Council reviewed the budget with the revisions. The Council also discussed having the budget for the form-based code included as an expenditure from the Capital Projects Fund in the amount of \$11,000.

Councilmember Callahan moved to set a public hearing for the first meeting in December [December 10] for revisions to the budget at 7:10 p.m. Councilmember Williams seconded. Councilmembers Duffin, Williams, Zollinger, and Callahan voted yes with Councilmember Cummings being excused. (A copy of the budget with the revisions is included with the minutes as Attachment "I".)

Impact Fee Report

Recorder Jones presented to the Council the Impact Fee Report for fiscal year 2015. This identifies all impact fee revenues collected and how they are proposed to be expended.

Councilmember Williams moved to approve the resolution for the Impact Fee Certification. Councilmember Callahan seconded. Councilmembers Duffin, Williams, Zollinger, and Callahan voted yes with Councilmember Cummings being excused. (A copy of the information is included with the minutes as Attachment "J".)

Consideration for Canceling or Rescheduling the City Council Meeting to be held on November 26, 2015

Mayor Johnson indicated the next Council Meeting date is on Thanksgiving Day.

Councilmember Duffin moved to cancel the City Council Meeting to be held on November 22 authorizing the Mayor to approve payment of the bills. Councilmember Zollinger seconded. Councilmembers Duffin, Williams, Zollinger, and Callahan voted yes with Councilmember Cummings being excused.

Consideration for Approving an Ordinance Granting Questar Gas Company a Franchise for Construction, Operation and Maintenance of a Gas Distribution System in Millville City

Mayor Johnson reviewed with the Council an Ordinance Granting Questar Gas Company a Franchise for Construction, Operation and Maintenance of a Gas Distribution System in Millville City. This ordinance has been reviewed by our Attorney Bruce Jorgensen, where he suggested some corrections and additions. The ordinance was again reviewed by the Questar representative and some modifications were made. The ordinance was resubmitted to legal counsel for his recommendations. The ordinance as written was approved by counsel.

Councilmember Callahan moved to approve an Ordinance Granting Questar Gas Company a Franchise for Construction, Operation and Maintenance of a Gas Distribution System in Millville City. Councilmember Williams seconded. Councilmembers Duffin, Williams, Zollinger, and Callahan voted yes with Councilmember Cummings being excused. (A copy of this ordinance is included with the minutes as Attachment "K".)

Bills to be paid

The bills were presented. They are as follows:

Stephanie Eggleston	4.03	General
Tara Hobbs	48.30	General
Rose Mary Jones	205.97	Water
Rose Mary Jones	63.16	General
Adria Davis	8.63	P&Z
Rocky Mountain Power—		
North Park	35.13	Park
Shop	161.80	Building
Crossing Guard	17.02	Crossing Guard
Ball Park	7.74	Park
North Well	295.74	Water
Park Well	1,367.96	Water
Water Treatment	16.32	Water
Highline Reservoir	827.48	Water
Public Treasurers Investment Fund	7,667.00	Water
Cache County Service Area	10,655.15	Sanitation
Cache County Service Area	1,719.00	9-1-1
Watkins Printing	82.40	General/P&Z
Matthew Bender	419.61	General
Cache Valley Publishing	137.02	Election / P&Z
Hyrum City	13,717.50	Fire
Public Employee Health Program	1,212.98	General
Anne Torres	50.00	Park
Gina Tingey	200.00	Construction Deposit
Steve Schirado	2,000.00	Construction Deposit
Melanie Nichols	15.99	Road
Downs Printing	96.32	Animal Control
Thatcher Company	514.05	Water
USA Blue Book	260.41	Water
Ecosystems Research	46.00	Water
South Fork Hardware	17.70	Water
Bennetts	38.87	Water
Ryan West	75.00	Water
William Vorel	75.00	Water
Wall to Wall	75.00	Water
Katie Zeller	75.00	Water
Adam Petrone	75.00	Water
Troy Walton	75.00	Water
Court Roberts	75.00	Water
Tammy/Brian Peterson	75.00	Water
Bradely Taylor	75.00	Water
Jennifer Judd	75.00	Water

BILLS (Continued)--

Berrett Benham	75.00	Water
Brandon Blanchard	75.00	Water
Michael Hunter	75.00	Water
Gavin Hall	75.00	Water
Brendon Baker	75.00	Water
Ryan Sigley	75.00	Water
Discount Tire	24.98	Park/Water
AT&T	54.61	General
Jiffy Lube	46.30	Water
Intermountain Sales	502.45	Water
Spring Creek Water	78.00	Water
Lowes	88.65	Water/Park
Caselle	125.00	Water
Cache Mayor's Association	40.00	General
Salary Register	11,819.37	

Councilmember Duffin moved to pay the bills. Councilmember Callahan seconded. Councilmembers Duffin, Williams, Zollinger, and Callahan voted yes with Councilmember Cummings being excused.

Councilmember Reports

There were no councilmember reports made. (The Councilmember Report list is included with the minutes as Attachment "L".)

Other items for Future Agendas

Councilmember Callahan questioned if the Council would be interested to have more information from the companies regarding emergency notifications. Councilmember Williams suggested having a summary sheet developed which would show what options are available from various companies and the costs for it. Councilmember Callahan will prepare this information for the next Council Meeting on December 10.

Councilmember Duffin indicated she had attended the Cache Summit, which had been sponsored in part by the Civil Solutions Group. She reported it was very informative.

Recorder Jones indicated she had received a request for the festival dates for the upcoming year. This will be included for action on the next Council Meeting agenda.

Development Coordinator Meadows had received a call from Principal Henke of the new high school asking about landscaping in the roundabout by the high school as well as a

sign for the school. The Council felt these requests should be handled through the school district and/or should go through the proper channels as identified in our code. Mayor Johnson indicated we may need to have legal counsel in understanding what Millville City can and cannot do with regard to the school district.

The Council would want to see some type of a written proposal of what is being requested.

Development Coordinator Meadows attended the Risk Map Discovery Meeting that was sponsored by BRAG. He was the only participant that attended. He reported there is information available on several hazards within Millville City, and they would be willing to make a presentation sharing this information. He also reported that he had learned that St. George had adopted a zoning ordinance prohibiting building within an erosion zone; this saved their City considerable amounts of money during their last flood.

The Council was amiable to having this presentation. The presentation will be made by Jamie Huff who is the Risk Map Program Manager for the Utah Division of Emergency Management; this will be set up for the January 26 Council Meeting.

Mayor Johnson left the meeting to consult with Engineer Murray prior to the executive session for a few brief minutes.

Councilmember Williams moved to leave the general Council Meeting and move into an Executive Session to address land acquisition. Councilmember Callahan seconded. Councilmember Callahan, Duffin, and Williams vote yes with Councilmember Zollinger voting no and Councilmember Cummings absent.

Executive Session to be held for the purpose of discussing Land Acquisition

PRESENT: Michael Johnson, Michael Callahan, Julianne Duffin, Mark Williams, Ryan Zollinger, Rose Mary Jones, Zan Murray, Gary Tibbitts, Vicki Tibbitts, Zan Murray, Lee Tibbitts

The Executive Session was held for the purpose of discussing land acquisition convening at approximately 9 p.m. and ending at 11:20 p.m.

City Council Meeting Continued

Councilmember Williams moved to go back into the regular meeting. Councilmember Callahan seconded. Councilmembers Callahan, Duffin, Williams, and Zollinger voted yes with Councilmember Cummings being excused.

Engineer Zan Murray discussed with the Council the roundabout near the school and the required power in this area. He also informed the Council that utility companies have been contacted and will be moving the utilities either to the north or south of the proposed roadway. CenturyLink is the most affected utility having to move about 10,000 feet of fiber cable; this may be a 6-8 month project for them.

The roundabout on the corner of 450 North Main was briefly discussed. This will be located to the north and west of the intersection as far as possible to impose the least impact on the Stevens home near 450 North Main.

Engineer Murray also reported the new pump for the Park Well has been purchased and it is to be on board by spring time.

Adjournment

Councilmember Zollinger moved to adjourn the meeting. Councilmember Callahan seconded. Councilmembers Duffin, Williams, Zollinger, and Callahan voted yes with Councilmember Cummings being excused. The meeting adjourned at 11:43 p.m.

MILLVILLE PLANNING COMMISSION MEETING

City Hall - 510 East 300 South - Millville, Utah

Nov 19, 2015

1. Roll Call:

Chairman Jim Hart, Commissioners Bonnie Farmer, Garrett Greenhalgh, Rachel Thompson, Natalie Smith (Alt) and Larry Lewis (Alt).

Others Present:

Development Coordinator Harry Meadows, Mayor Michael Johnson, Zan Murray, Gary Larson, and Roger Roundy. Secretary Adria Davis recorded the minutes.

2. Opening Remarks/Pledge of Allegiance

Chairman Hart opened the meeting at 8:05 p.m.
He led those present in the Pledge of Allegiance.

3. Review and Approval of agenda

The agenda for the Planning Commission meeting of Nov 19, 2015 was reviewed. A motion was made by Commissioner Thompson to approve the agenda as presented. Commissioner Farmer seconded. Commissioners Farmer, Hart, Greenhalgh, Thompson, Smith (Alt) and Lewis (Alt.) voted yes, with Commissioner Dickey excused.

4. Review and Approval of the Minutes of the Planning Commission Meeting

The minutes for the meeting of Oct 29, 2015 were reviewed. A motion was made by Commissioner Lewis (Alt) to approve the minutes as outlined. Commissioner Greenhalgh seconded. Commissioners Farmer, Hart, Greenhalgh, Thompson, Smith (Alt) and Lewis (Alt.) voted yes, with Commissioner Dickey excused.

5. Action Items

There were no action items.

6.A. Conceptual Plan – proposed subdivision of parcel 02-129-0014 by Roger Roundy.

Mr. Roundy reviewed his proposal with the commissioners outlining the steps he had already taken including his most recent request to the City Council which was referred back to the planning commission for review, asking for a more engineered design.

Mr. Roundy presented a drawing showing the continuation of the road at 300 East progressing north through his property with a building on either side. The parcel was shown divided into 2 lots, with a 3rd lot (not shown) which would house his future residence. Also included in the drawing were three 6 ft. retaining walls as this property is on a steep slope.

The actual purchase of the property by Mr. Roundy is currently in the works.

This facility, consisting of two buildings, will have 16 beds and 8 parking stalls per building with 2 employees (1 per building) and 1 director onsite. This is not a new design as these models have previously been built in other communities.

Mr. Roundy has been working with Bear River Health Dept. to find an adequate septic system layout with sufficient drainage fields. Two suitable septic systems have been designed (one per building), however a drawing will still need to be provided showing the placement of each in relation to the proposed facilities.

Mr. Roundy is very willing to work with the city to maintain compliance with all the ordinances and considers this a service to the community.

Mayor Johnson expressed concern that all requirements be discussed up front, in order to save Mr. Roundy the time and expense of working through the whole process with the Planning Commission (subdividing of the land), only to be denied by the City Council (conditional use permit). The Mayor felt confident that both groups could work together and proceed at the same time as both are intertwined. He even extended an invitation to the city council to participate in the planning commission meetings and be a part of the process as it progresses.

Chairman Jim Hart addressed some of the concerns that related to the property side of the issue. The 2 lot proposal would need to be split into 3 lots with each building on its own lot. The city ordinances only allow for one building and one septic tank per lot. There is a street running between the two buildings so there needs to be allowances made for the dedication of the road with sufficient setbacks and curb, gutter, and sidewalks included.

One condition that was proposed as part of the conditional use permit (in order to maintain future compliance with our ordinances) was the requirement that both buildings must stay together as one facility with the same owner of all buildings.

If the buildings were sold off separately the conditional use permit could be revoked.

The City Engineer, Zan Murray reviewed the following items:

- Curb, Gutter, and Sidewalks would be required along 450 North and 300 East with the proposed new road matching up to the existing 300 East.
- The water line would need to be extended from where it currently cuts off at the property line to connect with the proposed buildings, plus run an 8" water main to the end of the new street.
- A fire hydrant would need to be within 250 feet of the residence.
- Install water meters with each property (including one in the southwest corner of the residential property).
- Each item in Ordinance 6.16.010 PREAPPLICATION: Conceptual Plan, paragraph E (#1-10) must be met by the subdivider. (attachment included)
- Ordinance 17.52 describes all the guidelines that must be followed. (attachment included)
- The existing layout of the buildings does not meet the setback requirement for corner lots and would need to be redrawn with 20 ft. rear and 30 ft. front setbacks.
- Any structure with footings cannot be within that 30 ft. setback (i.e. awnings).
- There were some concerns if the parking would be adequate. Further consideration would be needed and state requirements reviewed.
- The Commission may set other reasonable requirements if necessary.

Items still missing:

- A topography map must be presented showing the elevations at the street, buildings, retaining walls, and the slope and grading of the lots.
- An acceptable storm water drainage system must be presented.

The process to follow would be first to meet all the ordinances through engineering review and planning commission review. Then he can proceed through the subdivision and building permit processes. If all the provisions are met then the conditional use permit cannot be denied.

City council reports

The commissioners received copies of the minutes from the Nov 12, 2015 City Council meeting. Commissioner Thompson presented a concern regarding the crossing light on the north end of the school. The south end of town is growing and the number of kids approaching the school from the south is increasing. Discussion was held with the Mayor about what could be done to improve the safety of those south end kids.

6.B. Agenda Items for Next Meeting

Final drawings for the second phase of the Mond Aire subdivision.

Requests for building permits are starting to come in from phase one, however no building permits will be granted until the final acceptance of all the improvements is complete.

7. Calendaring of future Planning and Zoning Meeting

The next meeting will be held Thursday, Dec 3, 2015.

8. Assignment of Representative for City Council Meeting

The next City Council meeting has been cancelled due to the Thanksgiving Holiday.

9. Adjournment

Chairman Hart moved to adjourn the meeting at 9:50 p.m. Commissioner Lewis (Alt) seconded.

MILLVILLE PLANNING COMMISSION MEETING

City Hall - 510 East 300 South - Millville, Utah

Dec 3, 2015

1. Roll Call:

Chairman Jim Hart, Commissioners Lynette Dickey, Bonnie Farmer, and Garrett Greenhalgh.

Others Present:

Development Coordinator Harry Meadows, Mayor Michael Johnson, Zan Murray, Gary Larsen, Chad Kendrick, Tara Hobbs, Michael Callahan, Ezra Eames, Brett & Meagan Hadfield, Paul Saunders, Robert Bates, and Todd Aslett. Secretary Adria Davis recorded the minutes.

2. Opening Remarks/Pledge of Allegiance

Chairman Hart opened the meeting at 8:03 p.m.
He led those present in the Pledge of Allegiance.

3. Review and Approval of agenda

The agenda for the Planning Commission meeting of Dec 3, 2015 was reviewed. A correction was noted changing the date of the minutes from Oct 19 to Nov 19. A motion was made by Commissioner Dickey to approve the agenda with the noted changes. Commissioner Greenhalgh seconded. Commissioners Farmer, Hart, Greenhalgh, and Dickey voted yes, with Commissioner Thompson absent.

4. Review and Approval of the Minutes of the Planning Commission Meeting

The minutes for the meeting of Nov 19, 2015 were reviewed. A motion was made by Commissioner Farmer to approve the minutes as outlined. Commissioner Greenhalgh seconded. Commissioners Farmer, Hart, Greenhalgh, and Dickey voted yes, with Commissioner Thompson absent.

Commissioner Rachel Thompson arrived at the meeting at this time.

5.A. Consideration of zoning clearance for a building permit by Todd Aslett for an accessory building to be located on the property at 26 West 300 North in Millville, Utah.

A letter in opposition to this request was received by Harry Meadows and reviewed by the commissioners (Letter attached). Discussion was held as to the legality of a commercial building within a residential zone. It was determined that the planning commission could not regulate the use of the accessory building. Mr. Aslett already has a business license granted by the city for this address. A motion was made by Commissioner Greenhalgh to approve the zoning clearance. Commissioner Farmer seconded. Commissioners Hart, Farmer, Thompson, and Greenhalgh voted yes. Commissioner Dickey abstained.

5.B. Review and Consideration for recommendation to the city council of the final plat for the Mond-Aire Heights Subdivision, Phase 2.

The first phase had 19 lots, the second phase has 11 lots and still only 1 access. The development coordinator discussed with Mr. Eames some items relating to storm water permits and water shares that he would need to make some decisions on as he proceeds with this second phase. Chairman Hart moved to recommend to the City Council to approve the final plat for phase 2 of the Mond-Aire Heights Subdivision. Commissioner Dickey seconded. Commissioners Hart, Dickey, Farmer, Greenhalgh, and Thompson voted yes.

6.A. Conceptual Plan – proposed subdivision of parcels 02-129-0033 and 02-129-0034 by Brett & Meagan Hadfield, and Paul & Mykell Saunders.

Items discussed were as follows:

- Concerns over layout and frontage of lot 22. Lot lines must meet the street at right angles.
- 2 proposed roads connecting to private property (access, traffic, dead ends).
- Water pressure on last lot within guidelines.
- Recommendation to loop water system, no dead ends.
- Private water system vs. municipal water system.
- Possible pressurized water system available for connection.
- Location of new private lines (water, utilities) in city right of way.
- Grade of roads and curve at bottom of the hill.
- Control of overflow for storm water.
- Terminal street no longer than 600 ft.
- Intercity agreement with Providence
- Overlap into Providence zone 4
- Septic tanks and well protection areas
- Cell tower on the property
- Hillside overlay
- Grade of lots with lot size requirements
- 20% Grade and existing sewer lines of Providence
- Water shares

6.B. Agenda Items for Next Meeting

None

7. Calendaring of future Planning and Zoning Meeting

The next meeting will be held Thursday, Dec 17, 2015.

8. Assignment of Representative for City Council Meeting

Commissioner Garrett Greenhalgh will attend the next City Council meeting.

9. Adjournment

Chairman Hart moved to adjourn the meeting at 9:16 p.m.

RESOLUTION 2015-

A Resolution to Establish the Mond-Aire Subdivision, Phase 2

WHEREAS, a request to subdivide property located at approximately 380 East to 550 East and 100 North to 225 North has been received; and

WHEREAS, the Planning Commission reviewed the request on December 3, 2015, and recommended approval to the City Council on December 10, 2015; and

WHEREAS, the City Council has previously discussed and reviewed the conceptual plan for this subdivision with the approximate address of 380 East to 550 East and 225 North to Center Street; and

WHEREAS, the City Council reviewed the proposed Final Plat for Phase 2 of this subdivision at the City Council Meeting held on December 10, 2015;

THEREFORE, BE IT RESOLVED that the City council hereby accepts Phase 2, in the Mond-Aire Subdivision as proposed in drawings and documents submitted. These documents have been found to be in compliance with applicable Millville City Ordinances.

Passed and approved by the Millville City Council this 10th day of December, 2015.

SIGNED:

Michael E. Johnson, Mayor

ATTEST:

Rose Mary A. Jones, City Recorder

COUNCILMEMBER	YES	NO	ABSENT	ABSTAIN
Michael Callahan				
Cindy Cummings				
Julianne Duffin				
Mark Williams				
Ryan Zollinger				

NOTICE OF PUBLIC HEARING

The Millville City Council will hold a public hearing on Thursday, December 10, 2015, beginning at 7:10 p.m. or as soon thereafter as possible, at the Millville City Office, 510 East 300 South, Millville, Utah, 84326, for the purpose of receiving public input on proposed revisions to the Millville City 2015-16 Budget.

Copies of the proposed budget is available for inspection by contacting City Recorder Rose Mary Jones at (435)752-8943, 145 East 300 North, Millville, Utah 84326 or at the City Office, 510 East 300 South, PO Box 308, Millville Utah 84326. Interested persons are encouraged to attend and make comment or submit written comment prior to the hearing.

In compliance with the American with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during public meetings should notify Rose Mary Jones at (435)752-8943 at least three working days prior to the meeting.

Publication Date: November 29, 2015.

Description	CapProj Income	Revision	Rev Oct/2015	Description	CapProj Exp	Revision	Rev Oct/2015
Interest	\$2,500.00		\$2,500.00	City Pickup Truck	\$35,000.00		\$35,000.00
Appropriated Fund Balance	\$32,500.00	\$11,000.00	\$43,500.00	Form Based Code		\$11,000.00	\$11,000.00
Transfer from General Fund							
TOTAL CAPITAL PROJECT	\$35,000.00	\$11,000.00	\$46,000.00	TOTAL CAPITAL PROJECT	\$35,000.00	\$11,000.00	\$46,000.00
Description	Water/Sewer Income	Revision	Rev Oct/2015	Description	Water/Sewer Exp	Revision	Rev Oct/2015
Charges for Water Service	\$305,000.00		\$305,000.00	General	\$34,200.00		\$34,200.00
Interest	\$500.00		\$500.00	Salary/Benefit	\$86,000.00		\$86,000.00
Impact Fee	\$18,500.00		\$18,500.00	Legal	\$2,000.00		\$2,000.00
Tapping Fee	\$400.00		\$400.00	Auditor	\$5,300.00		\$5,300.00
Filing Fee	\$1,200.00		\$1,200.00	Financial Consulting	\$4,100.00		\$4,100.00
InterCity Sewer Upsizing Line	\$13,500.00		\$13,500.00	Bond (1997)	\$57,000.00		\$57,000.00
Grant Revenue for ASR Project	\$16,000.00		\$16,000.00	Bond (2006)	\$91,700.00		\$91,700.00
Appropriated Fund Balance	\$248,975.00	\$5,400.00	\$254,375.00	Cap. Facility Rplcmnt Fund Reserve	\$30,000.00		\$30,000.00
				Bond -06 Reserve Fund	\$10,000.00		\$10,000.00
				Special Department Supplies	\$25,000.00		\$25,000.00
				Insurance	\$9,675.00		\$9,675.00
				Capital Outlay - Highline Reservoir	\$0.00		\$0.00
				Engineering	\$10,000.00		\$10,000.00
				Water Capital Projects	\$198,000.00	\$3,000.00	\$201,000.00
				InterCity Sewer Upsizing Payment	\$13,600.00		\$13,600.00
				InterCity Nibley Sewer Payment	\$0.00		\$0.00
				City Sewer	\$5,500.00	\$2,400.00	\$7,900.00
				ASR Project	\$22,000.00		\$22,000.00
TOTAL WATER AND SEWER	\$604,075.00	\$5,400.00	\$609,475.00	TOTAL WATER AND SEWER	\$604,075.00	\$5,400.00	\$609,475.00
BUDGET TOTAL	\$1,416,222.00	\$1,372,800.00	\$2,789,022.00	BUDGET TOTAL	\$1,416,222.00	\$1,372,800.00	\$2,789,022.00
DIFFERENCE	\$0.00						

RESOLUTION 2015-

**A RESOLUTION TO APPROVE THE REVISION FOR THE
2015-16 FISCAL YEAR BUDGET**

WHEREAS, the Millville City Council has reviewed the budget which was adopted on June 11, 2014; and

WHEREAS, there have been changes proposed to increase and decrease various department revenues and expenses to meet the needs of the City; and

WHEREAS, a Public Hearing was held by the Millville City Council on December 10, 2015, for the purpose of receiving public comment on the proposed revisions;

THEREFORE, BE IT RESOLVED that the Millville City Council adopts the Revised Budget for 2015-2016 as proposed.

Approved and passed by the Millville City Council this 10th day of December, 2015.

BY:

Michael E. Johnson, Mayor

ATTEST:

Rose Mary A. Jones, City Recorder

COUNCILMEMBER	YES	NO	ABSENT	ABSTAIN
Michael Callahan				
Cindy Cummings				
Julianne Duffin				
Mark Williams				
Ryan Zollinger				

**CITY OF MILLVILLE
FINANCIAL STATEMENTS**

June 30, 2015

DRAFT

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INDEPENDENT AUDITORS' REPORT

To the Mayor and City Council
City of Millville, Utah

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the City of Millville, Utah (the City), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the City as of June 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 2 to the financial statements, in 2015, the City adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2015, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

JONES SIMKINS LLC
Logan, Utah
November 15, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

DRAFT

CITY OF MILLVILLE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015

This document is a narrative overview and analysis of the financial activities of Millville City (the City) for the fiscal year ending June 30, 2015. The City's management encourages readers to consider the information presented here in conjunction with the financial statements which follow this section. To help the reader with navigation of this report, the City's activities are classified in the following manner: governmental activities refers to general administration, parks and recreation, streets and public improvements, planning, public safety, etc., while business-type activities refers to operations of the City's water and sewer activities.

FINANCIAL HIGHLIGHTS

The total net position of the City increased during the year by \$265,374 totaling \$6,487,984 at year end. The governmental net position increased by \$246,350 and the business-type net position increased by \$19,024. The net increase in governmental net position stems primarily from increased intergovernmental grant revenues and normal operations. The increase in business-type net position is a result of normal operations.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. However, you would also need to consider other non-financial factors.

The statement of activities presents information showing how the City's net position changed during the fiscal year reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Both of the government-wide financial statements distinguish between functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include

CITY OF MILLVILLE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015

general government and administration, public safety, development services, and cultural and recreational programs. The business-type activities of the City include water and sewer. The government-wide financial statements can be found on pages 15 to 16 of this report.

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

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

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

The City maintains two governmental funds. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General and Capital Projects funds, which are considered to be major funds. The basic governmental funds financial statements can be found on pages 17 to 20 of this report.

Proprietary Funds – The City maintains two proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer activities as well as its storm water activities.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide detailed activities of the water and sewer fund and the storm water fund. The basic proprietary fund financial statements can be found on pages 21 to 24 of this report.

CITY OF MILLVILLE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25 to 55 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$6,487,984 as of June 30, 2015.

The largest portion of the City's net position reflects its investments in capital assets (e.g., land, infrastructure, intangible assets) less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide current services to residents and has planned for services with regard to a future sewer system. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following table summarizes the City's assets, liabilities, and net position as of June 30, 2015 and 2014:

SCHEDULE OF NET POSITION

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Current and other assets	\$ 1,297,346	1,151,234	526,658	536,937	1,824,004	1,688,171
Capital assets	3,745,869	3,646,768	3,812,717	3,910,034	7,558,586	7,556,802
Total assets	<u>5,043,215</u>	<u>4,798,002</u>	<u>4,339,375</u>	<u>4,446,971</u>	<u>9,382,590</u>	<u>9,244,973</u>
Deferred outflows of resources	10,265	8,638	5,133	4,319	15,398	12,957
Current Liabilities	81,118	85,466	159,970	170,779	241,088	256,245
Non-current liabilities	56,349	60,389	2,543,855	2,661,934	2,600,204	2,722,323
Total liabilities	<u>137,467</u>	<u>145,855</u>	<u>2,703,825</u>	<u>2,832,713</u>	<u>2,841,292</u>	<u>2,978,568</u>
Deferred inflows of resources	65,630	56,752	3,082	-	68,712	56,752
Net position:						
Net investment in capital assets	3,745,869	3,586,379	1,172,522	1,115,100	4,918,391	4,701,479
Restricted	425,210	342,474	403,645	361,638	828,855	704,112
Unrestricted	679,304	675,180	61,434	141,839	740,738	817,019
Total net position	<u>\$ 4,850,383</u>	<u>4,604,033</u>	<u>1,637,601</u>	<u>1,618,577</u>	<u>6,487,984</u>	<u>6,222,610</u>

Restricted net position and reserved balances represent monies required to be maintained to satisfy third party agreements or legal requirements. Unrestricted net position may be used to meet the government's on-going obligations to residents and creditors.

CITY OF MILLVILLE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015

As of June 30, 2015, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Analysis of the City's Operations – Overall, the City had an increase in net position of \$265,374, which is comprised of the following:

Governmental Activities: Net position of governmental activities increased by \$246,350. The increase is a result of increased intergovernmental grant revenues and normal operations.

Business-type Activities: Net position from business-type activities increased by \$19,024. The increase in business-type net position is a result of normal operations.

DRAFT

CITY OF MILLVILLE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015

The following table provides a summary of the City's operations for the fiscal year ended June 30, 2015 with comparative totals for the fiscal year ended June 30, 2014.

CHANGES IN NET POSITION

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Revenues						
Program Revenues						
Charges for services	\$ 217,295	215,458	358,862	376,187	576,157	591,645
Operating grants	95,938	75,973	13,000	17,000	108,938	92,973
Capital grants and contributions	233,208	99,821	10,479	22,104	243,687	121,925
General Revenues						
Property taxes	69,018	64,493	-	-	69,018	64,493
Sales and use taxes	314,281	309,935	-	-	314,281	309,935
Fees in lieu of water shares	-	-	4,000	-	4,000	-
Loss on disposal of assets	-	(814)	-	-	-	(814)
Other revenues	5,505	7,313	3,582	3,915	9,087	11,228
Total revenues	935,245	772,179	389,923	419,206	1,325,168	1,191,385
Expenses						
General government	166,848	164,294	-	-	166,848	164,294
Public safety	68,422	58,239	-	-	68,422	58,239
Streets and public improvements	344,681	378,387	-	-	344,681	378,387
Parks and recreation	108,944	106,938	-	-	108,944	106,938
Water and sewer	-	-	361,665	357,633	361,665	357,633
Storm water	-	-	9,234	11,337	9,234	11,337
Total expenses	688,895	707,858	370,899	368,970	1,059,794	1,076,828
Increase (decrease) in net position before transfers	246,350	64,321	19,024	50,236	265,374	114,557
Transfers	-	-	-	-	-	-
Change in net position	246,350	64,321	19,024	50,236	265,374	114,557
Net position - beginning as restated	4,604,033	4,539,712	1,618,577	1,568,341	6,222,610	6,108,053
Net position - ending	\$ 4,850,383	4,604,033	1,637,601	1,618,577	6,487,984	6,222,610

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

At the end of the current fiscal year, the City's governmental funds' fund balance increased by \$147,746. Approximately 10%, or \$120,374, of total governmental funds balance constitutes unassigned fund balance. Approximately 37%, or \$425,210, of total governmental funds balance constitutes restricted fund balance restricted for: (1) class "C" roads, \$239,387, (2) park

CITY OF MILLVILLE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015

improvements, \$50,689, (3) road improvements, \$131,181, and (4) bridge improvements \$3,954. Approximately 48%, or \$555,842, of total governmental fund balance constitutes committed fund balance. The remaining 5% of fund balance is assigned for budgeted use in the next year.

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

Unrestricted net position of the proprietary funds is \$61,434. Restricted net position of \$403,645 reflects the city's commitment for reserves established by the bond covenants. Total net position increased from \$1,618,577 in 2014 to \$1,637,601 in 2015, an increase of \$19,024, which is due to normal operations.

GENERAL FUND BUDGETARY HIGHLIGHTS

There were revisions made to the original appropriations approved by the City Council. The overall general fund's budgeted revenues increased approximately 37% as a result of newly awarded intergovernmental grants. The overall general fund budgeted expenses increased approximately 11% as a result of additional expected street and park project expenses. Actual tax collections exceeded budgeted amounts by approximately 4% due to greater than expected sales and use tax revenues.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - The City's net investment in capital assets for its governmental and business-type activities as of June 30, 2015 amounted to \$7,558,586. This investment in capital assets includes land, buildings, equipment, improvements, infrastructure, and construction in progress net of depreciation. The total increase in the City's investment in fixed assets for the current fiscal year was less than 1%.

Major capital assets added during the current fiscal year included the following (amounts are approximate):

- Park splash pad totaling approximately \$93,000.
- Land and road construction for a road project totaling approximately \$195,000.
- Building improvements totaling approximately \$7,000.

CITY OF MILLVILLE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015

CAPITAL ASSETS – NET OF
ACCUMULATED DEPRECIATION

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Land and improvements	\$ 1,253,844	1,073,844	73,252	73,252	1,327,096	1,147,096
Infrastructure	1,550,685	1,625,211	-	-	1,550,685	1,625,211
Buildings and improvements	685,061	600,852	-	-	685,061	600,852
Machinery and equipment	236,422	273,634	3,690	4,306	240,112	277,940
Water rights	-	-	113,575	112,575	113,575	112,575
Sewer improvements	-	-	780,307	806,317	780,307	806,317
Water improvements	-	-	2,768,418	2,862,513	2,768,418	2,862,513
Construction in process	19,857	73,227	73,475	51,071	93,332	124,298
Total	\$ 3,745,869	3,646,768	3,812,717	3,910,034	7,558,586	7,556,802

Additional information on the City's capital assets can be found in Note 5 on pages 41 through 43 of this report.

Long-term liabilities - At the end of the current fiscal year, the City had total debt of \$2,594,225. This debt relates primarily to the business-type activities of the water and sewer fund and the City's proportionate share of the net pension liability as required by Governmental Accounting Standards Board Statement No. 68.

OUTSTANDING DEBT

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
General obligation bonds	\$ -	-	433,000	483,000	433,000	483,000
Water and sewer revenue bonds	-	-	1,521,616	1,596,768	1,521,616	1,596,768
Grant payable	-	-	553,600	553,600	553,600	553,600
Inter-city loan	-	-	-	7,969	-	7,969
Net pension liability	48,591	60,389	24,296	30,195	72,887	90,584
Compensated absences	7,758	-	5,364	-	13,122	-
Total	\$ 56,349	60,389	2,537,876	2,641,337	2,594,225	2,641,337

During the fiscal year, the City's total debt decreased by \$47,112. The decrease was due to the following:

- Final payment on an inter-city loan with Nibley City in the amount of \$7,969.
- Payments were made which decreased the general obligation and water and sewer revenue bonds by \$125,152.
- Established a net pension liability balance of \$72,887.
- Established a compensated absence balance of \$13,122.

CITY OF MILLVILLE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015

Additional information on the City's long-term debt can be found in Note 9 on pages 45 through 47 and in Note 11 on pages 49 through 55 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Between fiscal years 2015-2016 and 2016-2017, the City will receive \$1,613,000 in intergovernmental grants to fund the majority of costs for a 450 North to 550 North connector road just west of Main Street.

Certified assessed real property valuations increased 6.2% on residential property over the preceding year.

The unemployment rate at the end of fiscal year 2015 for Cache County (of which the City is a part of) was 3.3% compared with a state unemployment rate of 3.8% and a national rate of 5.3%. Cache County's rate in 2014 was 2.8%. (Source: Utah Department of Workforce Services).

The City Council voted to approve the certified tax rate for property tax at the rate of 0.000644 for fiscal year 2016 which was a decrease from 0.000653 for fiscal year 2015.

Major projects and purchases budgeted for fiscal year 2016 include: construction of the 450 North to 550 North connector road, the purchase of a pickup truck, a water meters auto-read system, replacement of the pump on the City Park well, and other water system improvements.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Millville City Recorder, P.O. Box 308, Millville, Utah, 84326-0308.

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DRAFT

BASIC FINANCIAL STATEMENTS

DRAFT

CITY OF MILLVILLE
STATEMENT OF NET POSITION
June 30, 2015

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<u>Assets</u>			
Pooled cash and cash equivalents	\$ 1,140,853	91,321	1,232,174
Restricted cash and cash equivalents	-	398,645	398,645
Receivables, net	156,493	36,692	193,185
Land and improvements	1,253,844	73,252	1,327,096
Water shares	-	113,575	113,575
Construction in process	19,857	73,475	93,332
Sewer improvements	-	1,040,407	1,040,407
Buildings and improvements	836,214	-	836,214
Furniture, fixtures, and equipment	447,535	32,107	479,642
Water improvements	-	4,074,008	4,074,008
Infrastructure	2,622,654	-	2,622,654
Accumulated depreciation	<u>(1,434,235)</u>	<u>(1,594,107)</u>	<u>(3,028,342)</u>
Total assets	<u>\$ 5,043,215</u>	<u>4,339,375</u>	<u>9,382,590</u>
<u>Deferred Outflows of Resources</u>			
Pensions	<u>10,265</u>	<u>5,133</u>	<u>15,398</u>
Total deferred outflows of resources	<u>10,265</u>	<u>5,133</u>	<u>15,398</u>
<u>Liabilities</u>			
Accounts payable	\$ 46,318	23,395	69,713
Deposits	34,800	10,575	45,375
Current portion of long-term liabilities	-	126,000	126,000
Noncurrent liabilities:			
Accrued interest	-	131,979	131,979
Long-term liabilities, less current portion	7,758	2,387,580	2,395,338
Net pension liability	<u>48,591</u>	<u>24,296</u>	<u>72,887</u>
Total liabilities	<u>137,467</u>	<u>2,703,825</u>	<u>2,841,292</u>
<u>Deferred Inflows of Resources</u>			
Property taxes	59,465	-	59,465
Pensions	<u>6,165</u>	<u>3,082</u>	<u>9,247</u>
Total deferred inflows of resources	<u>65,630</u>	<u>3,082</u>	<u>68,712</u>
<u>Net Position</u>			
Net investment in capital assets	3,745,869	1,172,522	4,918,391
Restricted	425,210	403,645	828,855
Unrestricted	<u>679,304</u>	<u>61,434</u>	<u>740,738</u>
Total net position	<u>\$ 4,850,383</u>	<u>1,637,601</u>	<u>6,487,984</u>

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

CITY OF MILLVILLE
STATEMENT OF ACTIVITIES
Year Ended June 30, 2015

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental:							
General government	\$ 166,848	24,817	22,022	-	(120,009)	-	(120,009)
Public safety	68,422	20,111	-	-	(48,311)	-	(48,311)
Streets and public improvements	344,681	155,358	73,616	205,305	89,598	-	89,598
Parks and recreation	108,944	17,009	300	27,903	(63,732)	-	(63,732)
Total governmental activities	<u>688,895</u>	<u>217,295</u>	<u>95,938</u>	<u>233,208</u>	<u>(142,454)</u>	<u>-</u>	<u>(142,454)</u>
Business-type activities:							
Water and Sewer fund	361,665	339,519	13,000	10,479	-	1,333	1,333
Storm Water fund	9,234	19,343	-	-	-	10,109	10,109
Total business-type activities	<u>370,899</u>	<u>358,862</u>	<u>13,000</u>	<u>10,479</u>	<u>-</u>	<u>11,442</u>	<u>11,442</u>
Total primary government	<u>\$ 1,059,794</u>	<u>576,157</u>	<u>108,938</u>	<u>243,687</u>	<u>(142,454)</u>	<u>11,442</u>	<u>(131,012)</u>
General revenues:							
Taxes:							
Sales and use tax					314,281	-	314,281
Property tax					69,018	-	69,018
Total taxes					<u>383,299</u>	<u>-</u>	<u>383,299</u>
Fees in lieu of water shares					-	4,000	4,000
Miscellaneous					80	1,887	1,967
Investment income					5,425	1,695	7,120
Total general revenues					<u>388,804</u>	<u>7,582</u>	<u>396,386</u>
Change in net position					<u>246,350</u>	<u>19,024</u>	<u>265,374</u>
Net position - beginning, as restated					<u>4,604,033</u>	<u>1,618,577</u>	<u>6,222,610</u>
Net position - ending					<u>\$ 4,850,383</u>	<u>1,637,601</u>	<u>6,487,984</u>

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

CITY OF MILLVILLE
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2015

	<u>General</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
<u>Assets</u>			
Pooled cash and cash equivalents	\$ 585,010	555,843	1,140,853
Taxes receivable	107,662	-	107,662
Accounts receivable, net	30,713	-	30,713
Due from other governmental units	18,118	-	18,118
	<u>741,503</u>	<u>555,843</u>	<u>1,297,346</u>
Total assets	<u>\$ 741,503</u>	<u>555,843</u>	<u>1,297,346</u>
<u>Liabilities</u>			
Accounts payable	\$ 46,318	-	46,318
Contractor deposits	34,800	-	34,800
	<u>81,118</u>	<u>-</u>	<u>81,118</u>
Total liabilities	<u>\$ 81,118</u>	<u>-</u>	<u>81,118</u>
<u>Deferred Inflows of Resources</u>			
Unavailable revenues - property taxes	59,969	-	59,969
	<u>59,969</u>	<u>-</u>	<u>59,969</u>
<u>Fund balances</u>			
Restricted	425,210	-	425,210
Committed	-	555,843	555,843
Assigned	54,832	-	54,832
Unassigned	120,374	-	120,374
	<u>600,416</u>	<u>555,843</u>	<u>1,156,259</u>
Total fund balances	<u>\$ 600,416</u>	<u>555,843</u>	<u>1,156,259</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 741,503</u>	<u>555,843</u>	<u>1,297,346</u>

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

CITY OF MILLVILLE
RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2015

Total fund balances for governmental funds \$ 1,156,259

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Land	\$	1,253,844	
Construction in process		19,857	
Buildings and improvements		836,214	
Furniture, fixtures, and equipment		447,535	
Infrastructure		2,622,654	
Accumulated depreciation		<u>(1,434,235)</u>	3,745,869

Deferred outflows of resources related to pensions are not reported in the funds. 10,265

Deferred inflows of resources related to pensions are not reported in the funds. (6,165)

Certain receivables will be collected after the year end, but are not available soon enough to pay for the current period's expenditures, and are therefore offset by deferred revenue in the funds. 504

Long-term liabilities, including compensated absences and net pension liability are not due and payable in the current period and, therefore, are not reported in the funds.

Compensated absences		(7,758)	
Net pension liability		<u>(48,591)</u>	<u>(56,349)</u>

Total net position for governmental activities \$ 4,850,383

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

CITY OF MILLVILLE
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
Year Ended June 30, 2015

	<u>General</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
Revenues:			
Taxes	\$ 383,299	-	383,299
Licenses and permits	9,185	-	9,185
Intergovernmental	328,846	-	328,846
Charges for services	203,722	-	203,722
Fines and forfeitures	4,303	-	4,303
Miscellaneous revenues	3,020	2,867	5,887
Total revenues	<u>982,375</u>	<u>2,867</u>	<u>935,242</u>
Expenditures:			
General government	168,673	6,913	175,586
Public safety	68,422	-	68,422
Streets and public improvements	436,531	-	436,531
Parks and recreation	106,957	-	106,957
Total expenditures	<u>780,583</u>	<u>6,913</u>	<u>787,496</u>
Excess (deficiency) of revenues over expenditures	<u>151,792</u>	<u>(4,046)</u>	<u>147,746</u>
Other financing sources (uses):			
Transfer in from general fund	-	100,000	100,000
Transfer out to the capital projects fund	(100,000)	-	(100,000)
Total other financing sources (uses)	<u>(100,000)</u>	<u>100,000</u>	<u>-</u>
Net change in fund balance	51,792	95,954	147,746
Fund balance - beginning of year	<u>548,624</u>	<u>459,889</u>	<u>1,008,513</u>
Fund balance - end of year	<u>\$ 600,416</u>	<u>555,843</u>	<u>1,156,259</u>

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

CITY OF MILLVILLE
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2015

Net change in fund balances - total governmental funds \$ 147,746

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

Capital acquisitions and improvements are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital outlays	\$ 226,691	
Depreciation expense	<u>(127,590)</u>	
		99,101

The net effect of transactions involving net pension liability, deferred outflows of resources related to pensions, and pension expense is to increase net position.		7,261
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Compensated absences are recorded as an expense when used in the governmental funds, but recorded as an expense when earned in the Statement of Activities.		<u>(7,758)</u>
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Change in net position - total governmental activities		<u><u>\$ 246,350</u></u>
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The accompanying notes are an integral part of these financial statements.