



CLEARFIELD CITY COUNCIL
AGENDA AND SUMMARY REPORT
JANUARY 17, 2022 WORK SESSION

Meetings of the City Council of Clearfield City may be conducted via electronic means pursuant to Utah Code Ann. § 52-4-207 as amended. In such circumstances, contact will be established and maintained via electronic means and the meetings will be conducted pursuant to the Electronic Meetings Policy established by the City Council for electronic meetings.

55 South State Street
Third Floor
Clearfield, Utah

6:00 P.M. CITY COUNCIL WORK SESSION

Presentation Of The Annual Financial Report For The Year Ending June 30, 2022

Discussion on Budget Amendments for the Fiscal Year 2023 Budget

Discussion on the Business License Fee Study Adjustments

Discussion on Freeway Off-Ramp Landscape Design

Discussion on Proposed Amendments to the Form Based Code, Sections 6.3.6, Table 6.8(1), and Sections 6.11.4, 6.11.6, and 6.11.7 to Accommodate the Development of Scooters Coffee to be Located at Approximately 688 East 700 South

Discussion on the Final Subdivision Plat for the Lakeside Square Subdivision located at 325, 373, 375, 377, 381, 385, 389, 391, 393, 395, 397, and 399 South State Street (TIN: 12-756-0002).

*****ADJOURN THE CITY COUNCIL WORK SESSION AND IMMEDIATELY RECONVENE
AS THE CDRA IN A WORK SESSION*****

CDRA WORK SESSION

Discussion on Budget Amendments for the Fiscal Year 2023 Budget

*****ADJOURN AS THE CDRA*****

Dated this 12th day of January 2023.

/s/ Nancy R. Dean, City Recorder

The City of Clearfield, in accordance with the 'Americans with Disabilities Act' provides accommodations and auxiliary communicative aids and services for all those citizens needing assistance. Persons requesting these accommodations for City sponsored public meetings, service programs or events should call Nancy Dean at 801-525-2714, giving her 48-hour notice.



STAFF REPORT

To: Mayor Shepherd and City Council Members
From: Rich Knapp, Finance Manager
Meeting Date: January 17, 2023
Subject: Annual Financial Report FY 2022

Recommended Action

No action. Discussion only.

Description / Background

The Section 10-6-150 of the Utah Code Unannotated, and section III.D.01 of the State of Utah Uniform Accounting Manual require third class cities to prepare an annual financial report that complies with Governmental Accounting Standards Board (GASB) statements, and presented in conformity with Generally Accepted Accounting Principles (GAAP), and that an independent certified public accountant conduct an annual audit. The City has contracted with HBME. Their independent auditor's report has been included in this report.

This report is published to provide the Mayor and City Council, staff, residents, the State of Utah and other interested groups, including investors, creditors, and grantor agencies, with detailed information concerning the financial condition and activities of the city government.

City management provided a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Letter of Transmittal and a Management's Discussion and Analysis (MD&A).

Corresponding Policy Priorities

Providing quality municipal services through fiscal responsibility, transparency, and ethics.

Fiscal Impact

Informational.

Alternatives

N/A

Schedule / Time Constraints

N/A

List of Attachments

The Annual Comprehensive Financial Report FY 2022 will be emailed separately. Several physical copies are also available at City Hall by request.

Annual Comprehensive Financial Report



Clearfield City, Utah

Fiscal Year Ended

June 30, 2022

CLEARFIELD CITY CORPORATION

Clearfield City, Utah

For the Year Ended June 30, 2022

Prepared and Reviewed By:

JJ Allen, City Manager

Rich Knapp, Finance Manager

CLEARFIELD CITY, UTAH
Table of Contents
For the Year Ended June 30, 2022

	Page
INTRODUCTORY SECTION	
Letter of Transmittal	1-5
List of Elected and Appointed Officials	6
Organizational Chart	7
 FINANCIAL SECTION	
Independent Auditor's Report.....	9-12
Management's Discussion and Analysis.....	13-22
 Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	25
Statement of Activities	26
 Governmental Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	27
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position.....	28
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.....	29
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities.....	30
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund.....	31
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – Redevelopment Agency.....	32
 Proprietary Fund Financial Statements:	
Statement of Net Position - Proprietary Funds.....	33
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds.....	34
Statement of Cash Flows - Proprietary Funds	35
 Notes to Financial Statements	36-66
 Required Supplementary Information:	
Schedule of the Proportionate Share of Net Pension Liability.....	69
Schedule of Pension Contributions	70
Notes to Required Supplementary Information	71

CLEARFIELD CITY, UTAH
Table of Contents
For the Year Ended June 30, 2022

	Page
FINANCIAL SECTION (CONTINUED)	
Supplementary Information:	
Schedules of Revenues, Expenditures, and Changes in Fund Balances -	
Budget and Actual:	
Capital Projects Fund	76
Debt Service Fund	77
Combining and Individual Fund Financial Statements and Schedules:	
Combining Balance Sheet – Nonmajor Governmental Funds	78
Combining Statement of Revenues, Expenses and Changes in	
Fund Balances – Nonmajor Governmental Funds	79
Schedules of Revenues, Expenditures, and Changes in Fund Balances -	
Budget and Actual:	
Park Fund (Capital Projects)	80
Cemetery Perpetual Care Fund	81
Combining and Individual Fund Financial Statements and Schedules:	
Combining Balance Sheet – Internal Service Funds	83
Combining Statement of Revenues, Expenses and Changes in	
Fund Balances – Internal Service Funds	84
Combining Statement of Cash Flows – Internal Service Funds	85
STATISTICAL SECTION (UNAUDITED)	
Net Position by Component	89
Changes in Net Position	90-92
Fund Balances of Governmental Funds	93
Changes in Fund Balances of Governmental Funds	94-95
Assessed Value and Estimated Actual Value of Taxable Property	96
Direct and Overlapping Property Tax Rates	97
Principal Property Taxpayers	98
Property Tax Levied and Collections	99
Ratios of Outstanding Debt by Type	100
Ratios of General Bonded Debt Outstanding	101
Direct and Overlapping Governmental Activities Debt	102
Legal Debt Margin Information	103
Pledged-Revenue Coverage	104
Demographic and Economic Statistics	105
Principal Employers	106
Full-time Equivalent City Government Employees by Function	107
Operating Indicators by Function/Program	108
Capital Asset Statistics by Function/Program	109
GOVERNMENT COMPLIANCE SECTION	
Independent Auditor's Reports:	
Report on Internal Control over Financial Reporting and on Compliance	
and Other Matters Based on an Audit of Financial Statements Performed	
in Accordance with <i>Government Auditing Standards</i>	113-114
Report on Compliance and Report on Internal Control Over Compliance	
As Required by the <i>State Compliance Audit Guide</i>	115-117
Schedule of Findings	118-120

INTRODUCTORY SECTION



December 28, 2022

To the Honorable Mayor, Members of the City Council, and the Citizens of Clearfield City:

It is my pleasure to present the Annual Comprehensive Financial Report (ACFR) of Clearfield City (the City) for the fiscal year ended June 30, 2022.

This report is formatted to comply with the Governmental Accounting Standards Board (GASB) Statement 34. Additionally, State law requires that all local governments publish a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited in accordance with Government Auditing Standards by a firm of licensed certified public accountants. This ACFR accomplishes these requirements.

The government-wide financial statements include a Statement of Net Position which provide the total net position of the City including all capital assets and the Statement of Activities that shows the cost of providing government services.

This report is published to provide the City Council, staff, residents, the State of Utah and other interested groups, including investors, creditors, and grantor agencies, with detailed information concerning the financial condition and activities of the city government. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with city management.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

GENERAL INFORMATION

History and Background

Clearfield originally incorporated on July 17, 1922. Bordering the east side of Clearfield City is Hill Air Force Base (HAFB). The Base was established in 1941 at the onset of World War II. Less than a year later, Army and Navy engineers chose Clearfield as a strategic site for the largest U.S. Naval Supply Depot, which was completed in 1942. In 1963, the Clearfield Naval Supply Depot was sold for private ownership and became what is now known as the Freeport Center—a large industrial park. After the military installations were established, Clearfield's population grew rapidly. Government sponsored housing projects developed. Roads, culinary water reservoirs, water and sewer lines, sidewalks, and curb and gutters were installed to meet the needs of the new citizens.

The City is home to one of more than 124 centers of Management Training Corporation throughout the United States. Also known as Clearfield Job Corps, it was established in 1966 to provide training to “at risk” youth, equipping them with skills to enter the workforce and to prepare them to interact in society. It currently houses and provides training for young people from every state in the United States, and over 20 countries. Clearfield Job Corps is the 3rd largest facility of its kind in the nation.

Location and Transportation

The City is the fifth largest city in Davis County in terms of population (32,000). The City encompasses 7.67 square miles and is approximately 92% developed. Located in Northern Utah, Clearfield is 38 miles North of Salt Lake City. The City is easily accessible by Interstate 15, which runs North and South through the City. The Salt Lake International Airport can be reached within 35 minutes. Additionally, the Utah Transit Authority (UTA) provides daily mass transit service throughout the City and along the Wasatch Front.

ORGANIZATION

Clearfield City is considered a *Third-Class* city (population between 30,000 and 60,000), operating under the Council-Manager form of government by ordinance. The legislative body is comprised of five council members and the Mayor, who establishes policy and procedure for the administration, organization, operation, conduct, and business of the City. They adopt and amend the budget. They are assisted by the City Manager who is appointed by the City Council and is responsible for implementing City policy and overseeing the day-to-day management of the City.

The Mayor and Council members are elected at large to serve four-year terms. Elections, which are held every two years, are staggered to help facilitate the continuity of the City Council.

The Combined Financial Statements of the City include all government activities, organizations, and functions for which the City is financially accountable, as defined by the Governmental Accounting Standards Board.

The City provides a range of services, including police, dispatch, justice court, planning and zoning, building inspections, business licensing, operating a pool and fitness center, multiple parks and a cemetery, arts and recreation services, maintenance of streets, water, sewer, and storm water systems, solid waste, fleet management, facility maintenance, and administrative services.

ECONOMIC CONDITION AND OUTLOOK

The City is a prime location in northern Davis County. Hill Air Force Base is one of the largest employers in the State of Utah and has been awarded several contracts to maintain military aircraft, such as the new F-35 fighter jet. The ongoing development of the 550-acre Falcon Hill project is underway, with four office buildings “behind the gate” and one retail building and a hotel “outside the gate” complete. It is anticipated that 6 – 8 million square feet of new office space and incidental retail will be built over the next twenty years. Clearfield provides municipal services to the southern portion of Falcon Hill.

Earlier this year, the City broke ground on the public infrastructure construction for Clearfield Station, a 55+-acre commuter rail stop. The Master Development Plan includes up to 600,000 SF of office space, up to 1000 residential units, public open space, and approximately 30,000 SF of retail space, including a regional climbing gym.

In the “Civic Center” of the Downtown Small Area Plan, the new Davis County Library is now open, just as demolition and reconstruction of the North Davis Fire Station commences.

In the “heart” of our new downtown redevelopment efforts, plans for the redevelopment of the old Lakeside Square Shopping Center have been approved by the Council. Adjacent to Mabey Pond, the north end will be vertical mixed use with a main street promenade space for art installations, public gatherings around the pond, a bandstand, and a family beach area, all focused on “creating a place where people want to be.” Across the street, the Lotus Anthem project is under construction on the old Clearfield Mobile Home Park property. Phase one of the project was approved and includes 211 apartments and 33 townhomes and a half-acre park. Plans for phases two and three were recently updated and approved for 19 and 47 additional townhomes, respectively.

East of I-15, construction of the Bravada 193 mixed-use development is well underway. The project includes a Sinclair convenience store that opened in 2020 and 328 apartments (in four, five-story buildings) to anchor this nearly 11-acre parcel. Now in review is the Bravada 193 office building; the 30,000 SF office complex on the corner of the project that must be vertical prior to the developer's receiving occupancy on the final apartment building.

It is also worth noting that the Kent's Market grocery store closed its doors in fall 2021, and Rancho Markets opened their doors in September of 2022. This is a great regional draw for the city.

Other noteworthy projects:

- Holiday Oil Gas Station opened in summer 2022
- The Heights at Legend Hills Luxury Apartments- 225 units started leasing Summer 2022
- Antelope Drive Flex Space- 50,000 SF of Commercial/Flex- now leasing
- Clearfield Junction Apartments- Building 3 and 4 under construction
- City Plaza apartments- 108 units under construction
- Mayfly Rise townhomes- 48 units started leasing summer 2022
- Hillside Estates mixed-use- 28 units and 4,000 SF of commercial under construction
- Depot Crossing mixed-use- 32 townhomes and a commercial daycare completed
- Indigo 880 townhomes- 62 townhomes under construction
- The Hart @ City Centre apartments- 107 units under construction
- Union Townhomes- 61 townhomes under construction
- Second and State Apartments- 116 units under construction

In addition to the multifamily development along the downtown corridor, a number of single-family developments have started or are nearing completion this year.

- Wilcox Farms - 101 homes
- Heritage East- 56 homes
- Hamblin Estates- 30 homes
- Autumn Ridge Phase- 13 homes
- Weaver Meadows- 9 homes
- Woods Court- 14 homes
- Ball Fields Subdivision- 9 homes

MAJOR INITIATIVES

- Community Services-** In FY2015, the city adopted a Parks, Arts, Recreation, Aquatic, and Trails (PARAT) sales tax. A PARAT master plan, developed with the Mayor and Council, serves as the basis for deciding PARAT projects in the future.
- Proprietary Funds -** The City provides Water, Sewer, Storm Water and Solid Waste Services to over 6,700 residential and commercial accounts through Proprietary Funds. The City contracted with a third party to update a utility rate model that will help project long term operational costs, capital projects, cash flow and funding.
- Administration -** City administration completed a comprehensive analysis of the compensation plan to address recruiting and retention issues and it was implemented early 2022 and sustained in the FY23 budget. Initiated a Leadership Academy for future Clearfield Leaders.

FINANCIAL INFORMATION

Accounting System and Budgetary Control

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*, with revenues being recorded when available and measurable, and expenditures being recorded when the services or goods are received, and the liabilities are incurred.

The City considers the adequacy of internal control structure in developing and maintaining its accounting system. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding:

- (1) The safeguarding of assets against loss from unauthorized use or disposition; and
- (2) The reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that:
 - (a) the cost of a control should not exceed the benefits likely to be derived; and
 - (b) the evaluation of costs and benefits requires estimates and judgments by management.

The City's internal controls adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

The City operates an integrated budgetary and accounting system, which incorporates the adoption of a formal legal budget. The City Council sets goals and objectives for the City staff, which then adopts the annual budget prepared by city management. State statutes define the legal level of budgetary control at the department level. Expenditures should not exceed appropriations at that level. Individual Departments can produce financial reports from current data at any time, where the department head is responsible for monitoring their own departmental budgets. If needed, the budget is amended as required to consider necessary adjustments.

Financial Policies

The City Council has adopted several financial policies along with strategic plans to give overall planning and guidance to staff. Two primary policies are the Fund Balance and Debt Service. The Fund Balance policy gives guidance on the unrestricted portion levels to maintain and how to prioritize any excess. The Debt Service policy is designed to give guidance on types of long-term debt and how it may be issued. One item in this policy limits the amount of debt service to 25% of the fund's annual revenues.

The City also adopted a strategic plan that is updated yearly. This plan not only determines where we want to go, but exactly how we will get there. The plan identifies current conditions, a vision, policy priorities, goals and strategies and three-year project plans. This current plan can be found on the city's web site.

OTHER INFORMATION

Independent Audit

Section 10-6-150 of the Utah Code Unannotated, and section III.D.01 of the State of Utah Uniform Accounting Manual require third class cities to prepare an annual financial report, and that an annual audit be conducted by an independent certified public accountant. The City has contracted with HBME, LLC, Certified Public Accountants. Their independent auditor's report has been included in this report.

Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire city staff who were instrumental in the successful completion of this report.

I would like to thank the Mayor and members of the City Council for their interest and support in the financial operations of the City, for demonstrating fiscal responsibility, and for striving to fulfill the duties and responsibilities of their respective offices.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Rich Knapp", is written over a horizontal line.

Rich Knapp
Finance Director

Elected Officials

Mark Shepherd	Mayor
Tim Roper	City Council Member, Mayor Pro Tem
Kent Bush	City Council Member
Nike Peterson	City Council Member
Vern Phipps	City Council Member
Karece Thompson	City Council Member

Administration

JJ Allen	City Manager
Summer Palmer	Assistant City Manager
Stuart Williams	City Attorney

Statutory Appointed Officials

Nancy Dean	City Recorder
Rich Knapp	City Treasurer

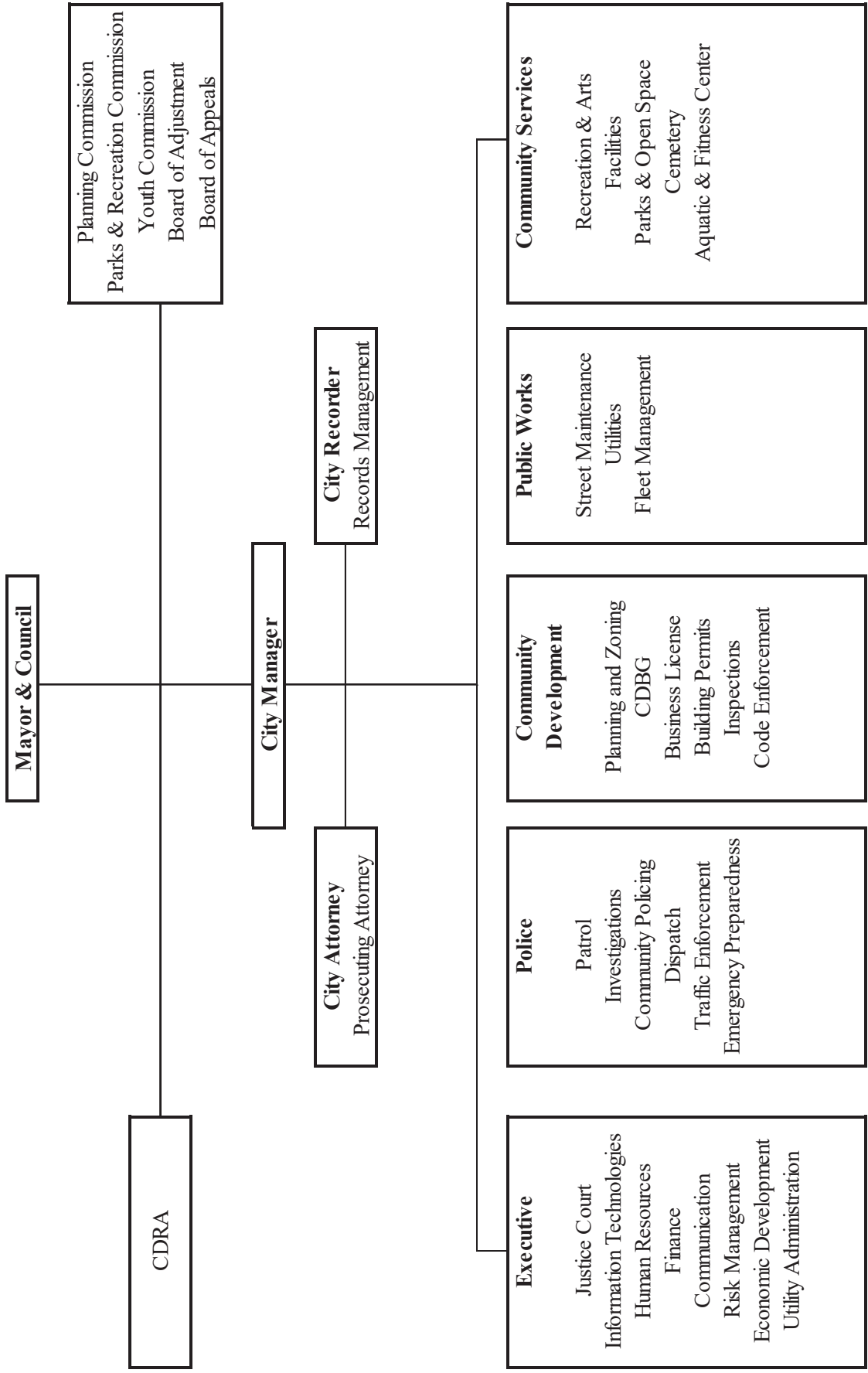
Department Heads

Spencer Brimley	Community Development Director
Adam Favero	Public Works Director
Eric Howes	Community Services Director
Kelly Bennett	Police Chief

Other City Officials

Devon Rogers	Assistant Police Chief
Ricki Miller	Human Resource Manager

Clearfield City, Utah Organization Chart



FINANCIAL SECTION



COMMITTED. EXPERIENCED. TRUSTED

INDEPENDENT AUDITOR'S REPORT

CERTIFIED PUBLIC ACCOUNTANTS

E. LYNN HANSEN, CPA
CLARKE R. BRADSHAW, CPA
GARY E. MALMROSE, CPA
EDWIN L. ERICKSON, CPA
MICHAEL L. SMITH, CPA
JASON L. TANNER, CPA
ROBERT D. WOOD, CPA
AARON R. HIXSON, CPA
TED C. GARDINER, CPA
JEFFREY B. MILES, CPA
SHAWN F. MARTIN, CPA

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Clearfield City, Utah (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Clearfield City, Utah, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund and major special revenue redevelopment agency fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 13-22 and pension schedules on pages 69-71 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

HBMC, LLC

December 28, 2022

Management's Discussion and Analysis

As management of Clearfield City (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-5 of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$117,279,395 (net position). The unrestricted net position, which represents the amounts available to meet the City's ongoing obligations to citizens and creditors, was \$1,193,833.
- The City's total net position increased \$13,201,167, primarily because \$5,092,432 in Federal ARPA grant funding during the current period. Other increases are related to ongoing State *Class C Road* funds and developer impact fees.
- At the close of the current fiscal year, the City's governmental funds reported combined fund balances of \$51,004,318, an increase of \$22,457,488. Of this amount, \$10,936,996, or 21%, is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unrestricted fund balance (the total of the *committed*, *assigned*, and *unassigned* components of *fund balance*) for the general fund was \$14,626,418, or approximately 56% of total general fund expenditures.

Overview of the Financial Statements

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

Government-wide Financial Statements. The *government-wide financial statements* 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 financial information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

Management's Discussion and Analysis

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, highways and streets, sanitation, and culture and recreation. The business-type activities of the City include water, sewer, storm, and garbage.

The government-wide financial statements can be found on pages 25-26 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 the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary 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 *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

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

The City maintains four individual governmental funds; however, during the year, the City decided to suspend use of the *general obligation debt service fund*. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the community development and renewal fund (special revenue), the capital projects fund, and the debt service fund, which are major funds. Data from the other two governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The City adopts an annual appropriated budget for each of its funds. A budgetary comparison statement has been provided for the general fund, to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 27-32 of this report.

Proprietary Funds. The City maintains five 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 utility admin, water, sewer, storm water, and solid waste. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for the management of its retained risks and for its fleet of vehicles. Because both services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Management's Discussion and Analysis

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for water, sewer, solid waste, and storm, all of which are major funds of The City. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The basic proprietary fund financial statements can be found on pages 33-35 of this report.

Notes to the Financial Statements. The notes provide additional information that is necessary to acquire 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 36-66 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning The City's progress in funding its obligations to provide pension and OPEB benefits to its employees. Required supplementary information can be found immediately after the notes to the financial statements on pages 69-71.

The combining statements referred to earlier in connection with nonmajor governmental funds, internal service funds and pension (and other employee benefit) trust funds are presented immediately following the required supplementary information on pensions and OPEB. Combining and individual fund statements and schedules can be found on pages 76-85 of this report.

Government-wide Overall Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of The City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$117,279,395, at the close of the most recent fiscal year.

Management's Discussion and Analysis

CLEARFIELD CITY's Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 62,932,551	\$ 35,772,096	\$ 12,061,867	\$ 12,495,754	\$ 74,994,418	\$ 48,267,850
Capital assets	43,320,691	38,681,034	42,718,063	43,631,564	86,038,754	82,312,598
Total Assets	<u>106,253,242</u>	<u>74,453,130</u>	<u>54,779,930</u>	<u>56,127,318</u>	<u>161,033,172</u>	<u>130,580,448</u>
Total deferred outflows of resources	1,402,547	1,130,291	153,763	115,877	1,556,310	1,246,168
Current and other liabilities	8,483,228	6,503,268	1,211,506	1,532,726	9,694,734	8,035,994
Long-term liabilities	28,199,413	14,624,924	2,361	122,344	28,201,774	14,747,268
Total Liabilities	<u>36,682,641</u>	<u>21,128,192</u>	<u>1,213,867</u>	<u>1,655,070</u>	<u>37,896,508</u>	<u>22,783,262</u>
Total deferred inflows of resources	6,970,087	4,732,160	443,492	232,966	7,413,579	4,965,126
Net position						
Net investment in capital assets	37,130,839	23,552,524	42,718,063	43,631,564	79,848,902	67,184,088
Restricted	36,236,660	5,296,149	-	485,908	36,236,660	5,782,057
Unrestricted	(9,364,438)	20,874,396	10,558,271	10,237,687	1,193,833	31,112,083
Total Net Position	<u>\$ 64,003,061</u>	<u>\$ 49,723,069</u>	<u>\$ 53,276,334</u>	<u>\$ 54,355,159</u>	<u>\$ 117,279,395</u>	<u>\$ 104,078,228</u>

Current and other assets increased in governmental activities by \$27.1 million from the prior year, due mainly to the issuance of the sales tax revenue bonds, series 2021, for \$21.7 million. All proceeds remained unspent as of June 30, .

Liabilities in governmental activities increased \$15.5 million from the previous year, due to the issuance of the 2021 sales tax bonds, offset by the complete payoff of the series 2018 excise tax bonds of \$6.9 million.

Long-term liabilities, consist of bonds, a purchase agreement, compensated absences, and URS pension obligations increased greatly by \$13,454,506 from the previous year, for governmental and business-type activities combined. The City's net pension liability decreased to \$0, due to the actuarially determined share of the state's retirement plan liability, and the bond liability increased due to the issuance of the series 2021 sales tax revenue bonds for \$21,764,000.

By far, the largest portion of the City's net position, \$79,848,902, reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure), net of accumulated depreciation and less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, \$36,236,660 represents resources that are subject to external restrictions on how they may be used. As of the end of the current year, the City's unrestricted net position was \$1,193,833.

Management's Discussion and Analysis

The City's overall net position increased \$13,201,167 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

CLEARFIELD CITY's Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 7,040,915	\$ 7,030,833	\$ 11,756,660	\$ 11,624,735	\$ 18,797,575	\$ 18,655,568
Operating grants and contributions	2,902,575	4,404,935	-	-	2,902,575	4,404,935
Capital grants and contributions	8,342,816	-	404,783	-	8,747,599	-
General revenues:						
Property taxes	3,166,275	5,229,043	-	-	3,166,275	5,229,043
Energy use and sales taxes	9,337,194	8,420,461	-	-	9,337,194	8,420,461
Franchise taxes	780,468	811,563	-	-	780,468	811,563
Other taxes	380,110	364,745	-	-	380,110	364,745
Investment earnings	(90,380)	167,037	63,793	67,088	(26,587)	234,125
Miscellaneous	765,515	106,096	19,059	341,045	784,574	447,141
Gain on sale of assets	156,242	-	-	-	156,242	-
Total revenues	32,781,730	26,534,713	12,244,295	12,032,868	45,026,025	38,567,581
Expenses:						
General government	5,337,268	7,408,996	-	-	5,337,268	7,408,996
Public safety	6,082,214	5,002,043	-	-	6,082,214	5,002,043
Streets and public improvements	1,140,504	717,112	-	-	1,140,504	717,112
Culture and recreation	5,079,099	4,792,215	-	-	5,079,099	4,792,215
Community development	1,412,954	2,214,917	-	-	1,412,954	2,214,917
Interest on long-term debt	837,788	491,372	-	-	837,788	491,372
Public utility administration	-	-	391,151	11,587,126	391,151	11,587,126
Water utility	-	-	3,756,946	-	3,756,946	-
Sewer utility	-	-	4,727,977	-	4,727,977	-
Solid waste utility	-	-	1,505,286	-	1,505,286	-
Storm drain utility	-	-	1,553,671	-	1,553,671	-
Total expenses	19,889,827	20,626,655	11,935,031	11,587,126	31,824,858	32,213,781
Increase (decrease) in net position before transfers	12,891,903	5,908,058	309,264	445,742	13,201,167	6,353,800
Transfers	1,388,089	246,145	(1,388,089)	(246,145)	-	-
Increase (decrease) in net position	14,279,992	6,154,203	(1,078,825)	199,597	13,201,167	6,353,800
Net position - beginning	49,723,069	43,568,866	54,355,159	54,155,562	104,078,228	97,724,428
Net position - ending	\$ 64,003,061	\$ 49,723,069	\$ 53,276,334	\$ 54,355,159	\$ 117,279,395	\$ 104,078,228

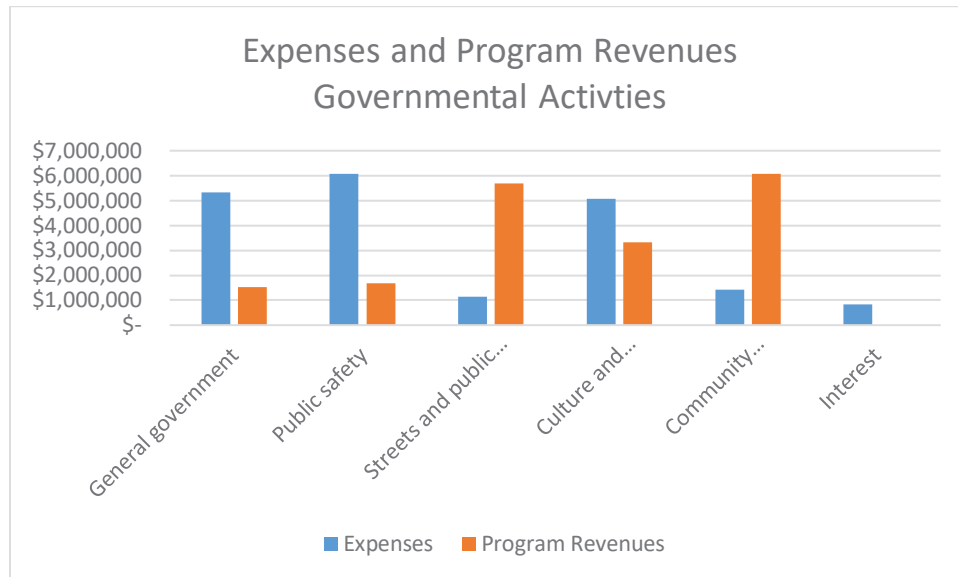
Governmental Activities. During the current fiscal year, net position for governmental activities increased \$14,279,992 from the prior fiscal year, for an ending balance of \$64,003,061. The increase in the overall net position of governmental activities is primarily due to the \$8.3 million in federal grants received during the current year that will provide funds for current and future capital projects.

Revenues increased \$6,247,017, primarily due to an increase in capital grants and contributions. The state and federal government increased their funding for infrastructure projects, because of the most recent budgets and stimulus packages. Energy and sales taxes remain the largest sources of revenue, at \$9.3 million for the current fiscal year.

Management's Discussion and Analysis

Expenses decreased slightly during the current year, from \$20,626,655 to \$19,889,827. An increase in interest on long-term debt of \$346,416, resulted from interest on additional sales tax bonds issued in 2021, which supports capital improvements and debt reduction.

As shown in the chart below, revenues generated by the City's programs are not sufficient to cover the costs. The City relies on property taxes, sales taxes, investment income and other general revenues to cover the costs associated with the various programs.



Business-type Activities. The results of operations for the current fiscal year increased net position, before transfers, by \$309,264. The total decrease, including transfers, in net position for all the utility funds was \$1,078,825.

Financial Analysis of Governmental Funds

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

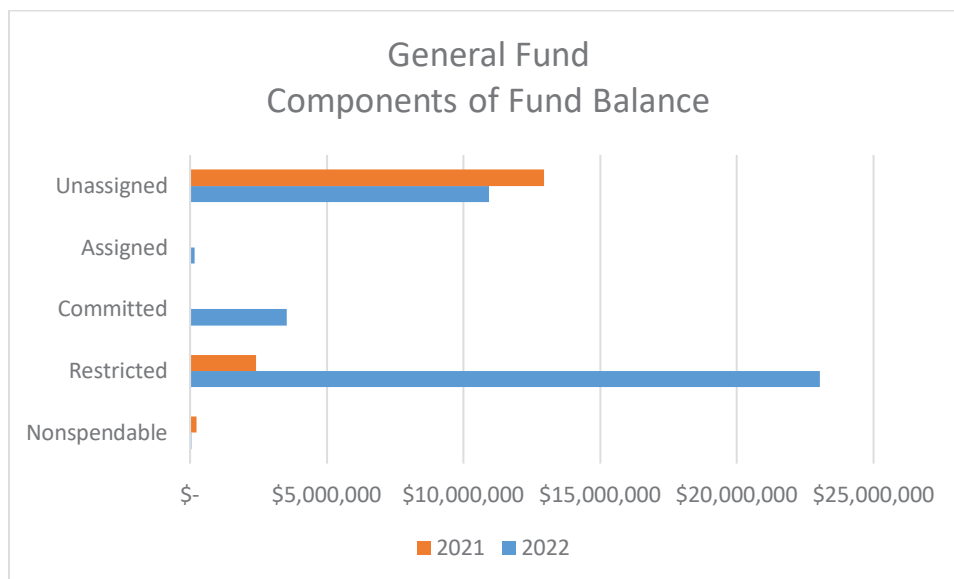
Governmental Funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure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

As of June 30, 2022, the City's governmental funds reported combined fund balances of \$51,004,318, an increase of \$22,457,488 in comparison with the prior year. Of this amount, \$10,936,996, or 21%, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance is either *nonspendable*, *restricted*, *committed*, or *assigned* to indicate that it is (1) not in spendable form, \$120,123; (2) restricted for particular purposes, \$36,236,660; (3) committed for particular purposes, \$3,533,456; or (4) assigned for particular purposes, \$177,083.

Management's Discussion and Analysis

Analysis of Individual Funds

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$10,936,996, while total fund balance increased to \$37,711,540. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents 42.2% of total general fund expenditures, while total fund balance represents 145% of that same amount.



The fund balance of the City's general fund increased by \$22,125,204 during the current fiscal year. As discussed earlier, in connection with governmental activities, the increase was due to the issuance of sales tax revenue bonds for \$21.4 million.

The capital projects fund, a major fund, had a \$2,215,309 decrease in fund balance during the current fiscal year, which put the overall fund balance at \$1,327,730.

The debt service fund ended the current year with no fund balance, after a transfer of \$67,274 to the general fund. The City used it for the payment of general obligation bonds, which have all been paid off. The fund is now considered inactive.

Proprietary Funds. The City's proprietary funds provide the same type of information found in the business-type activities portion of the government-wide financial statements, but in more detail. Unrestricted net position of the business-type funds decreased \$1,078,825.

Management's Discussion and Analysis

General Fund Budgetary Highlights

Original budget compared to final budget. During the year, there was no need for any significant amendments to increase either the original estimated revenues or original budgeted appropriations. However, there was a need to make an amendment to reallocate appropriations among departments when it became clearer which departments would actually be charged for certain employee benefits such as pensions and other postemployment benefits. Generally, the movement of the appropriations between departments was *not* significant.

Over the last decade the City has worked to identify and implement more charges for various programs and activities. This has included certain housing programs, but has been especially true in the case of various cultural activities (e.g., performing arts) and recreational activities (e.g., use of recreational facilities such as swimming pools, indoor basketball courts, charges for night time lighting of outdoor facilities). The goal of this effort was to increase the percentage of total revenues that are provided by this classification. As discussed in the letter of transmittal this effort has been moderately successful in increasing the proportion of total revenues of governmental funds that results from these charges.

A review of actual expenditures compared to the appropriations in the final budget yields the following significant variances:

- Sales tax revenue was \$1,404,942 more than originally anticipated
- Federal ARPA grant revenue of \$3,533,456 was earmarked for a future period
- The sales tax revenue bonds, series 2021, proceeds of \$21,764,000, were earmarked for a future period; in addition, the City intended to transfer these proceeds to the capital projects fund, but later decided to make transfers based upon actually spending

Capital Assets and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of June 30, 2022, amounts to \$86,038,754 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery, equipment, vehicles, park facilities, roads, bridges, intangibles, and water treatment infrastructure. The total increase in capital assets for the current fiscal year was 4.5%.

Clearfield City's Capital Assets (net of depreciation)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Land and rights of way	\$ 5,613,960	\$ 5,613,960	\$ 1,404,577	\$ 1,404,577	\$ 7,018,537	\$ 7,018,537
Construction in progress	6,962,789	2,872,548	2,259,358	3,790,407	9,222,147	6,662,955
Water rights and shares	25,200	25,200	9,162	9,162	34,362	34,362
Buildings	14,250,012	14,253,679	4,740,632	4,783,756	18,990,644	19,037,435
Building improvements	3,755,598	3,788,371	431,216	442,384	4,186,814	4,230,755
Equipment and vehicles	3,147,197	2,795,917	279,371	318,584	3,426,568	3,114,501
Infrastructure	9,565,935	9,331,359	33,593,747	32,882,694	43,159,682	42,214,053
Total Capital Assets	<u>\$ 43,320,691</u>	<u>\$ 38,681,034</u>	<u>\$ 42,718,063</u>	<u>\$ 43,631,564</u>	<u>\$ 86,038,754</u>	<u>\$ 82,312,598</u>

Management's Discussion and Analysis

Major capital assets events during the current fiscal year included the following:

- Various projects related to buildings, streets, sidewalks, and utility infrastructure at a cost of \$4,902,022 and \$1,116,857 for governmental and business-type activities, respectively, in construction in progress.
- The purchase of various vehicles and equipment at a total cost of \$1,098,306 within the fleet management fund.

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

Long-term Debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$27,755,000, and a purchase agreement of \$1,499,613.

Clearfield City's Outstanding Debt

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Revenue bonds	\$ 27,755,000	\$ 13,617,000	\$ -	\$ -	\$ 27,755,000	\$ 13,617,000
Unamortized discount	-	(7,661)	-	-	-	(7,661)
Purchase agreement	1,499,613	1,684,473	-	-	1,499,613	1,684,473
Total	<u>\$ 29,254,613</u>	<u>\$ 15,293,812</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,254,613</u>	<u>\$ 15,293,812</u>

The City's total debt increased by \$13,960,801 (91.2%) during the current fiscal year. The following are the reasons for the overall increase:

During the current year, the City issued sales tax revenue bonds for \$21.7. The City has paid off its issuance of excise tax bonds for a total of \$6.9 million.

The City maintained an "AA" rating from Standard & Poor's for general obligation debt. As of June 30, 2022, the City has no general obligation debt.

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

Economic Factors and Next Year's Budgets and Rates

The following economic factors currently affect the City and were considered in developing the FY23 budget.

- A low unemployment rate and high wage growth, especially in public safety, necessitated increased compensation.
- Severe drought in Utah resulted in the City enacting emergency water use rates, in May 2022, to entice conservation while still generating sufficient revenues to offset costs.
- Water, sewer, and storm rates will incrementally increase each year, per the guidance from a recent third-party utility rate study
- A property tax rate decrease of 9% but an increase from the prior year revenue, to fund increases in recurring expenditure obligations.
- Strong growth in sales tax revenue is beginning to slow down
- An increase in the rates on the City's current fee schedule.
- Several new revenue sources were enacted in recent years including Aquatic Center fees and recreation. Interest rates continue to increase
- On the expenditure side, increases are expected in health insurance premiums and wages

Management's Discussion and Analysis

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 requests for additional financial information should be directed to the Finance Director at 801-525-2720.

BASIC FINANCIAL STATEMENTS

CLEARFIELD CITY, UTAH
Statement of Net Position
June 30, 2022

	Primary Government		
	Governmental	Business-type	
	Activities	Activities	Total
ASSETS			
Cash and cash equivalents	\$ 11,747,425	\$ 9,076,758	\$ 20,824,183
Restricted cash and cash equivalents	24,626,242	755,271	25,381,513
Investments	19,021,274	-	19,021,274
Receivables:			
Accounts, net	152,396	1,108,529	1,260,925
Taxes	4,718,036	-	4,718,036
Intergovernmental receivable	363,686	-	363,686
Prepays	50,438	799,957	850,395
Land held for sale	69,685	-	69,685
Net pension asset	2,183,369	321,352	2,504,721
Capital assets not being depreciated	12,601,949	3,673,097	16,275,046
Capital assets, net of accumulated depreciation	30,718,742	39,044,966	69,763,708
Total assets	106,253,242	54,779,930	161,033,172
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	141,687	-	141,687
Pension related	1,260,860	153,763	1,414,623
Total deferred outflows of resources	1,402,547	153,763	1,556,310
LIABILITIES			
Accounts payable	4,443,228	304,151	4,747,379
Accrued liabilities	627,415	53,615	681,030
Accrued interest payable	300,106	-	300,106
Deposits, retainage, and cash held in trust	1,501,066	201,890	1,702,956
Intergovernmental payables	35,063	559,799	594,862
Unearned revenue	4,410	-	4,410
Noncurrent liabilities:			
Due within one year			
Bonds, notes, and compensated absences	1,571,940	92,051	1,663,991
Due in more than one year			
Bonds, notes, and compensated absences	28,199,413	2,361	28,201,774
Total liabilities	36,682,641	1,213,867	37,896,508
DEFERRED INFLOWS OF RESOURCES			
Property taxes	3,110,530	-	3,110,530
Pension related	3,859,557	443,492	4,303,049
Total deferred inflows of resources	6,970,087	443,492	7,413,579
NET POSITION			
Net investment in capital assets	37,130,839	42,718,063	79,848,902
Restricted for:			
Debt service	870,348	-	870,348
Community development projects	21,560,182	-	21,560,182
Capital improvements - redevelopment	8,698,549	-	8,698,549
Culture and recreation purposes	4,214,936	-	4,214,936
Cemetery care	288,491	-	288,491
Public safety	604,154	-	604,154
Unrestricted (deficit)	(9,364,438)	10,558,271	1,193,833
Total net position	\$ 64,003,061	\$ 53,276,334	\$ 117,279,395

The accompanying notes are an integral part of this financial statement.

CLEARFIELD CITY, UTAH
Statement of Activities
For the Year Ended June 30, 2022

Program Revenues				Net (Expense) Revenues and Changes in Net Position		
				Primary Government		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Business-type Activities	
					Governmental Activities	Total
<i>Primary Government</i>						
Governmental activities						
General government	\$ 5,337,268	\$ 1,520,376	\$ -	\$ -	\$ (3,816,892)	\$ (3,816,892)
Public safety	6,082,214	1,332,084	343,653	-	(4,406,477)	(4,406,477)
Streets and public improvements	1,140,504	407,289	1,146,201	4,138,786	4,551,772	4,551,772
Culture and recreation	5,079,099	2,375,804	-	950,180	(1,753,115)	(1,753,115)
Community development	1,412,954	1,405,362	1,412,721	3,253,850	4,658,979	4,658,979
Interest	837,788	-	-	-	(837,788)	(837,788)
Total governmental activities	19,889,827	7,040,915	2,902,575	8,342,816	(1,603,521)	(1,603,521)
Business-type activities						
Public utility administration	391,151	165,519	-	-	\$ (225,632)	(225,632)
Water utility	3,756,946	3,832,700	-	110,399	186,153	186,153
Sewer utility	4,727,977	4,730,947	-	276,885	279,855	279,855
Solid waste utility	1,505,286	1,696,698	-	-	191,412	191,412
Storm drain utility	1,553,671	1,330,796	-	17,499	(205,376)	(205,376)
Total business-type activities	11,935,031	11,756,660	-	404,783	226,412	226,412
Total primary government	\$ 31,824,858	\$ 18,797,575	\$ 2,902,575	\$ 8,747,599	226,412	(1,377,109)
General Revenues:						
Taxes						
Property					3,166,275	3,166,275
Energy use and sales					9,337,194	9,337,194
Franchise					780,468	780,468
Other					380,110	380,110
Investment earnings					(90,380)	(26,587)
Gain on sale of capital assets					156,242	156,242
Miscellaneous					765,515	784,574
Transfers - net					1,388,089	-
Total general revenue and transfers					15,883,513	14,578,276
Change in net position					14,279,992	13,201,167
Net position - beginning					49,723,069	104,078,228
Net position - ending					\$ 64,003,061	\$ 117,279,395

The accompanying notes are an integral part of this financial statement.

CLEARFIELD CITY, UTAH
Balance Sheet – Governmental Funds
June 30, 2022

	General	Special Revenue CRDA	Capital Projects	General Obligation Debt Service	Total Nonmajor Funds	Total
ASSETS						
Cash and cash equivalents	\$ -	\$ 8,705,669	\$ 2,962,444	\$ -	\$ 24,050	\$ 11,692,163
Restricted cash and cash equivalents	21,281,810	171,668	-	-	3,172,764	24,626,242
Investments	19,021,274	-	-	-	-	19,021,274
Receivables:						
Accounts, net	152,396	-	-	-	-	152,396
Taxes	4,718,036	-	-	-	-	4,718,036
Intergovernmental receivable	363,686	-	-	-	-	363,686
Prepaid items	50,438	-	-	-	-	50,438
Land held for resale	-	69,685	-	-	-	69,685
Total assets	\$ 45,587,640	\$ 8,947,022	\$ 2,962,444	\$ -	\$ 3,196,814	\$ 60,693,920
LIABILITIES						
Accounts payable	\$ 2,598,177	\$ 178,788	\$ 1,634,714	\$ -	\$ -	\$ 4,411,679
Liabilities payable from restricted assets	5,211	-	-	-	-	5,211
Contracts payable	800	-	-	-	-	800
Retainage payable	1,482,487	-	-	-	-	1,482,487
Accrued liabilities	621,643	-	-	-	-	621,643
Deposits payable	17,779	-	-	-	-	17,779
Intergovernmental payables	35,063	-	-	-	-	35,063
Unearned revenue	4,410	-	-	-	-	4,410
Total liabilities	4,765,570	178,788	1,634,714	-	-	6,579,072
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	3,110,530	-	-	-	-	3,110,530
Total deferred inflows of resources	3,110,530	-	-	-	-	3,110,530
FUND BALANCES						
Nonspendable:						
Prepaid items	50,438	-	-	-	-	50,438
Land held for resale	-	69,685	-	-	-	69,685
Restricted:						
Debt service	870,348	-	-	-	-	870,348
Cemetery care	-	-	-	-	288,491	288,491
Impact fees - parks and recreation	-	-	1,306,613	-	2,908,323	4,214,936
Community development projects	21,560,182	-	-	-	-	21,560,182
Capital improvements - redevelopment	-	8,698,549	-	-	-	8,698,549
Public safety	604,154	-	-	-	-	604,154
Committed:						
Community development (ARPA funds)	3,533,456	-	-	-	-	3,533,456
Assigned:						
Culture and recreation purposes	155,966	-	21,117	-	-	177,083
Unassigned	10,936,996	-	-	-	-	10,936,996
Total fund balances	37,711,540	8,768,234	1,327,730	-	3,196,814	51,004,318
Total liabilities, deferred inflows of resources and fund balances	\$ 45,587,640	\$ 8,947,022	\$ 2,962,444	\$ -	\$ 3,196,814	\$ 60,693,920

The accompanying notes are an integral part of this financial statement.

CLEARFIELD CITY, UTAH
Reconciliation of the Balance Sheet - Governmental Funds to the
Statement of Net Position
June 30, 2022

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

Total fund balances - governmental funds	\$	51,004,318
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Capital assets of \$85,355,889, net of accumulated depreciation of \$44,413,092, used in governmental activities are not financial resources and, therefore, are not reported in the funds.		40,942,797
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Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (URS pension) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.

Deferred outflows - pension related	1,247,457	
Deferred inflows - pension related	(3,820,899)	
Total deferred outflows and inflows related to postemployment benefits		(2,573,442)

Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds.

Sales tax bonds payable	(27,755,000)	
Purchase agreement payable	(1,499,613)	
Compensated absences	(516,740)	
Accrued interest payable on long-term debt	(300,106)	
Total long-term liabilities		(30,071,459)

Governmental funds report the effect of refundings and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Deferred amount on refunding		141,687
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Net pension asset is not available to pay for current period expenditures and, therefore, is not reported in the funds.		2,155,357
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Internal service funds are used by management to charge the cost of fleet management and risk management to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the statement of net position.		2,403,803
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Net position - governmental activities	\$	64,003,061
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The accompanying notes are an integral part of this financial statement.

CLEARFIELD CITY, UTAH
Statement of Revenues, Expenditures, and Changes in Fund Balances –
Governmental Funds
For the Year Ended June 30, 2022

	General	Special Revenue CRDA	Capital Projects	General Obligation Debt Service	Total Nonmajor Funds	Total
REVENUES						
Property taxes	\$ 3,166,275	\$ -	\$ -	\$ -	\$ -	\$ 3,166,275
Energy use and sales taxes	9,337,194	-	-	-	-	9,337,194
Franchise taxes	780,468	-	-	-	-	780,468
Other taxes	380,110	-	-	-	-	380,110
Licenses and permits	817,246	-	-	-	-	817,246
Intergovernmental	7,729,486	2,565,725	-	-	-	10,295,211
Charges for services	3,753,481	-	-	-	9,700	3,763,181
Fines and forfeitures	458,104	-	-	-	-	458,104
Investments earnings	(173,497)	51,551	18,970	-	12,596	(90,380)
Special assessments - impact fees	-	-	-	-	950,180	950,180
Miscellaneous	274,573	490,942	-	-	-	765,515
Total revenues	26,523,440	3,108,218	18,970	-	972,476	30,623,104
EXPENDITURES						
Current:						
General government	5,235,907	-	-	-	-	5,235,907
Public safety	6,217,018	-	-	-	-	6,217,018
Streets and public improvements	565,339	-	-	-	-	565,339
Culture and recreation	4,205,905	-	-	-	-	4,205,905
Community development	1,139,669	-	-	-	-	1,139,669
Debt service:						
Principal	7,810,860	-	-	-	-	7,810,860
Interest and other financial	497,965	-	-	-	-	497,965
Issuance costs	100,000	-	-	-	-	100,000
Capital outlay:						
Streets and public improvements	-	221,953	4,950,064	-	358,485	5,530,502
Culture and recreation	170,782	-	-	-	-	170,782
Total expenditures	25,943,445	221,953	4,950,064	-	358,485	31,473,947
Excess (deficiency) of revenues over expenditures	579,995	2,886,265	(4,931,094)	-	613,991	(850,843)
OTHER FINANCING SOURCES (USES)						
Transfers in	2,496,994	1,132,780	2,715,785	-	-	6,345,559
Transfers out	(2,715,785)	(1,967,290)	-	(67,274)	(207,121)	(4,957,470)
Sales tax revenue bonds issued	21,764,000	-	-	-	-	21,764,000
Sale of general capital assets	-	156,242	-	-	-	156,242
Total other financing sources (uses)	21,545,209	(678,268)	2,715,785	(67,274)	(207,121)	23,308,331
Net change in fund balances	22,125,204	2,207,997	(2,215,309)	(67,274)	406,870	22,457,488
Fund balances, beginning of year	15,586,336	6,560,237	3,543,039	67,274	2,789,944	28,546,830
Fund balances, end of year	\$ 37,711,540	\$ 8,768,234	\$ 1,327,730	\$ -	\$ 3,196,814	\$ 51,004,318

The accompanying notes are an integral part of this financial statement.

CLEARFIELD CITY, UTAH
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund
Balances - Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2022

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

Net change in fund balances - total governmental funds	\$	22,457,488
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.

Capital outlay	5,701,284	
Depreciation expense	<u>(1,429,954)</u>	
		4,271,330

The net effect of a transaction involving capital assets is to decrease net position.

Expense an abandoned construction project	(123,633)
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Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position.

Issuance of sales tax revenue bonds	(21,764,000)	
Principal paid on bonds	7,626,000	
Principal paid on purchase agreement	<u>184,860</u>	
		(13,953,140)

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

Accrued interest on long-term debt	(208,547)	
Amortization of bond discount and deferred amounts of refunding	(31,276)	
Compensated absences	(23,408)	
Changes in pension liabilities and related deferred outflows and inflows of resources	<u>1,263,903</u>	
		1,000,672

The internal service funds are used by management to charge the costs of fleet management and risk management to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.

	<u>627,275</u>	
Change in net position - governmental activities	<u>\$</u>	<u>14,279,992</u>

The accompanying notes are an integral part of this financial statement.

CLEARFIELD CITY, UTAH
Statement of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual – General Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 2,872,162	\$ 2,872,162	\$ 3,166,275	\$ 294,113
Sales taxes	7,932,252	7,932,252	9,337,194	1,404,942
Franchise taxes	805,000	805,000	780,468	(24,532)
Other taxes	334,000	334,000	380,110	46,110
Licenses and permits	449,400	449,400	817,246	367,846
Intergovernmental	3,701,025	3,713,525	7,729,486	4,015,961
Charges for services	3,543,102	3,543,102	3,753,481	210,379
Fines and forfeitures	539,750	539,750	458,104	(81,646)
Investments earnings	60,000	60,000	(173,497)	(233,497)
Miscellaneous	178,000	178,000	274,573	96,573
Total revenues	20,414,691	20,427,191	26,523,440	6,096,249
EXPENDITURES				
Current:				
General government:				
Mayor and council	299,924	348,102	301,052	47,050
Justice court	498,535	511,544	435,979	75,565
City manager	466,851	474,382	455,323	19,059
Recorder	244,505	258,014	233,111	24,903
Legal	565,835	601,438	596,664	4,774
Human resources	330,429	343,578	293,356	50,222
Information technology	812,489	824,349	749,339	75,010
Finance	510,491	521,716	506,256	15,460
Customer service	331,028	351,918	285,689	66,229
Facilities	697,108	711,429	746,612	(35,183)
Elections	47,100	47,100	19,208	27,892
Non-departmental	641,772	682,509	613,318	69,191
Total general government	5,446,067	5,676,079	5,235,907	440,172
Public safety:				
Police	4,953,431	5,290,404	4,989,924	300,480
Dispatch and emergency services	890,170	1,035,714	922,828	112,886
Code enforcement and inspections	363,589	406,556	304,266	102,290
Total public safety	6,207,190	6,732,674	6,217,018	515,656
Highways and streets:				
Administrative	120,084	134,087	117,949	16,138
Streets	643,861	642,650	447,390	195,260
Total highways and streets	763,945	776,737	565,339	211,398
Culture and recreation:				
Administrative	469,268	518,685	516,587	2,098
Recreation and events	883,516	951,016	748,490	202,526
Parks and open spaces	1,308,243	1,340,939	1,117,903	223,036
Aquatic center	1,808,489	1,934,402	1,739,446	194,956
Cemetery	148,567	149,806	83,479	66,327
Total culture and recreation	4,618,083	4,894,848	4,205,905	688,943
Community development				
Administrative	72,096	169,817	23,054	146,763
Communications	291,390	288,322	201,322	87,000
Federal funds - CDBG	217,737	519,945	494,010	25,935
Planning and zoning	498,149	510,368	421,283	89,085
Total community development	1,079,372	1,488,452	1,139,669	348,783
Debt service:				
Principal	7,810,860	7,810,860	7,810,860	-
Interest and other financial	314,484	500,891	497,965	2,926
Issuance costs	-	-	100,000	(100,000)
Total debt service	8,125,344	8,311,751	8,408,825	(97,074)
Capital outlay:				
Culture and recreation	350,000	350,000	170,782	179,218
Total capital outlay	350,000	350,000	170,782	179,218
Total expenditures	26,590,001	28,230,541	25,943,445	2,287,096
Excess (deficiency) of revenues over expenditures	(6,175,310)	(7,803,350)	579,995	8,383,345
OTHER FINANCING SOURCES (USES)				
Transfers in	2,432,321	2,432,321	2,496,994	64,673
Transfers out	(2,715,785)	(23,215,785)	(2,715,785)	20,500,000
Sales tax revenue bonds issued	-	-	21,764,000	21,764,000
Total other financing sources (uses)	(283,464)	(20,783,464)	21,545,209	42,328,673
Net change in fund balance	\$ (6,458,774)	\$ (28,586,814)	22,125,204	\$ 50,712,018
Fund balance, beginning of year			15,586,336	
Fund balance, end of year			\$ 37,711,540	

The accompanying notes are an integral part of this financial statement.

CLEARFIELD CITY, UTAH
Statement of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual – Community Development & Renewal Agency Fund
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 2,472,812	\$ 2,472,812	\$ 2,565,725	\$ 92,913
Investment earnings	30,000	30,000	51,551	21,551
Miscellaneous	-	-	490,942	490,942
Total revenues	<u>2,502,812</u>	<u>2,502,812</u>	<u>3,108,218</u>	<u>605,406</u>
EXPENDITURES				
Capital outlay				
Highways and streets	<u>1,212,041</u>	<u>1,228,542</u>	<u>221,953</u>	<u>1,006,589</u>
Total expenditures	<u>1,212,041</u>	<u>1,228,542</u>	<u>221,953</u>	<u>1,006,589</u>
Excess (deficiency) of revenues over expenditures	<u>1,290,771</u>	<u>1,274,270</u>	<u>2,886,265</u>	<u>1,611,995</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,134,177	1,134,177	1,132,780	(1,397)
Transfers out	(1,967,290)	(1,967,290)	(1,967,290)	-
Sale of general capital assets	-	-	156,242	156,242
Total other financing sources (uses)	<u>(833,113)</u>	<u>(833,113)</u>	<u>(678,268)</u>	<u>154,845</u>
Net change in fund balance	<u>\$ 457,658</u>	<u>\$ 441,157</u>	<u>2,207,997</u>	<u>\$ 1,766,840</u>
Fund balance, beginning of year			<u>6,560,237</u>	
Fund balance, end of year			<u>\$ 8,768,234</u>	

The accompanying notes are an integral part of this financial statement.

CLEARFIELD CITY, UTAH
Statement of Net Position – Proprietary Funds
June 30, 2022

	Business-type Activities					Governmental Activities
	Public Utility Administration	Water Utility	Sewer Utility	Solid Waste Utility	Storm Drain Utility	Internal Service Funds
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 175,455	\$ 630,390	\$ 3,304,924	\$ 1,625,512	\$ 3,340,477	\$ 9,076,758
Restricted cash and cash equivalents	-	414,287	189,623	-	151,361	755,271
Accounts receivable, net	22,476	359,752	443,140	152,957	130,204	1,108,529
Prepaid items	-	799,957	-	-	-	799,957
Total current assets	197,931	2,204,386	3,937,687	1,778,469	3,622,042	11,740,515
Noncurrent assets:						
Net pension asset	39,898	102,753	92,646	15,383	70,672	321,352
Capital assets:						
Land and right of ways	-	-	-	-	1,404,577	1,404,577
Construction in progress	-	1,745,360	265,351	50,172	198,475	2,259,358
Water rights and shares	-	9,162	-	-	-	9,162
Buildings	-	4,447,431	1,071,648	1,064,062	1,066,512	7,649,653
Building improvements	-	632,897	-	-	55,398	688,295
Equipment and vehicles	-	1,488,999	34,697	-	43,450	1,567,146
Infrastructure	-	31,216,395	22,053,732	-	25,564,548	78,834,675
Less accumulated depreciation	-	(20,090,815)	(13,407,362)	(22,324)	(16,174,302)	(49,694,803)
Net capital assets	-	19,449,429	10,018,066	1,091,910	12,158,658	42,718,063
Total noncurrent assets	39,898	19,552,182	10,110,712	1,107,293	12,229,330	43,039,415
Total assets	237,829	21,756,568	14,048,399	2,885,762	15,851,372	54,779,930
						2,461,168
DEFERRED OUTFLOWS OF RESOURCES						
Pension related	19,090	49,167	44,330	7,360	33,816	153,763
						13,403
LIABILITIES						
Current liabilities:						
Accounts payable	-	80,257	3,498	216,871	3,525	304,151
Accrued liabilities	5,671	16,900	16,299	2,375	12,370	53,615
Compensated absences	18,776	26,050	28,740	4,541	13,944	92,051
Customer deposits payable	201,890	-	-	-	-	201,890
Intergovernmental payable	-	-	559,799	-	-	559,799
Total current liabilities	226,337	123,207	608,336	223,787	29,839	1,211,506
						32,110
Noncurrent liabilities:						
Compensated absences	482	668	737	116	358	2,361
Total noncurrent liabilities	482	668	737	116	358	2,361
Total liabilities	226,819	123,875	609,073	223,903	30,197	1,213,867
						32,110
DEFERRED INFLOWS OF RESOURCES						
Pension related	55,062	141,809	127,859	21,229	97,533	443,492
						38,658
NET POSITION						
Net investment in capital assets	-	19,449,429	10,018,066	1,091,910	12,158,658	42,718,063
Unrestricted	(24,962)	2,090,622	3,337,731	1,556,080	3,598,800	10,558,271
Total net position	\$ (24,962)	\$ 21,540,051	\$ 13,355,797	\$ 2,647,990	\$ 15,757,458	\$ 53,276,334
						\$ 2,403,803

The accompanying notes are an integral part of this financial statement.

CLEARFIELD CITY, UTAH
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds
For the Year Ended June 30, 2022

	Business-type Activities					Governmental Activities
	Public Utility Administration	Water Utility	Sewer Utility	Solid Waste Utility	Storm Drain Utility	Internal Service Funds
OPERATING REVENUES						
Charges for services:						
Metered sales and connection fees	\$ 13,177	\$ 3,832,700	\$ 4,730,947	\$ -	\$ 1,330,796	\$ 9,907,620
Collection fees	-	-	-	1,696,698	-	1,696,698
Fleet management	-	-	-	-	-	1,519,983
Risk management	-	-	-	-	-	339,086
Fines and late fees	152,342	-	-	-	-	152,342
Miscellaneous	-	2,670	16,389	-	-	19,059
Total operating revenues	165,519	3,835,370	4,747,336	1,696,698	1,330,796	11,775,719
OPERATING EXPENSES						
Personnel services	154,159	411,966	382,356	57,965	295,247	1,301,693
Materials and supplies	236,014	679,445	449,635	50,373	358,382	1,773,849
Contractual services	-	2,004,968	3,294,063	1,383,105	83,889	6,766,025
Depreciation	-	501,864	576,383	4,799	672,617	1,755,663
Total operating expenses	390,173	3,598,243	4,702,437	1,496,242	1,410,135	11,597,230
Operating income (loss)	(224,654)	237,127	44,899	200,456	(79,339)	178,489
NONOPERATING REVENUES (EXPENSES)						
Investment earnings	-	7,813	24,354	10,142	21,484	63,793
Gain (loss) on disposal of capital assets	-	(137,584)	-	-	(137,111)	(274,695)
Interest expense and bank fees	(978)	(21,119)	(25,540)	(9,044)	(6,425)	(63,106)
Total nonoperating revenues (expenses)	(978)	(150,890)	(1,186)	1,098	(122,052)	(274,008)
Income (loss) before transfers and other	(225,632)	86,237	43,713	201,554	(201,391)	(95,519)
Special assessment - impact fees	-	110,399	276,885	-	17,499	404,783
Transfers in	323,815	-	-	-	-	323,815
Transfers out	(1,132,780)	(293,709)	(184,626)	(16,665)	(84,124)	(1,711,904)
Change in net position	(1,034,597)	(97,073)	135,972	184,889	(268,016)	(1,078,825)
Net position, beginning of year	1,009,635	21,637,124	13,219,825	2,463,101	16,025,474	54,355,159
Net position, ending of year	\$ (24,962)	\$ 21,540,051	\$ 13,355,797	\$ 2,647,990	\$ 15,757,458	\$ 53,276,334

The accompanying notes are an integral part of this financial statement.

CLEARFIELD CITY, UTAH
Statement of Cash Flows – Proprietary Funds
For the Year Ended June 30, 2022

	Enterprise Funds					Governmental Activities	
	Public Utility Administration	Water Utility	Sewer Utility	Solid Waste Utility	Storm Drain Utility	Total	Internal Service Funds
Cash flows from operating activities							
Receipts from customers and users	\$ 163,776	\$ 3,867,473	\$ 4,733,082	\$ 1,699,534	\$ 1,310,038	\$ 11,773,903	\$ 1,859,069
Payments to suppliers	(204,593)	(2,942,735)	(4,030,412)	(1,330,727)	(446,252)	(8,954,719)	(852,922)
Payments to employees	(195,055)	(471,463)	(431,719)	(67,967)	(335,011)	(1,501,215)	(147,519)
Net cash provided by operating activities	(235,872)	453,275	270,951	300,840	528,775	1,317,969	858,628
Cash flows from noncapital financing activities							
Cash paid for bank fees	(978)	(21,119)	(25,540)	(9,044)	(6,425)	(63,106)	-
Due to / from other funds	1,134,177	-	-	-	-	1,134,177	-
Transfers to/from other funds	(808,965)	(293,709)	(184,626)	(16,665)	(84,124)	(1,388,089)	-
Net cash provided (used) by noncapital financing activities	324,234	(314,828)	(210,166)	(25,709)	(90,549)	(317,018)	-
Cash flows from capital and related financing activities							
Acquisition of capital assets	-	(768,158)	(229,905)	(1,484)	(117,310)	(1,116,857)	(1,001,944)
Proceeds from sale of assets	-	-	-	-	-	-	160,755
Proceeds from developer impact fees	-	110,399	276,885	-	17,499	404,783	-
Net cash provided (used) by capital and related financing activities	-	(657,759)	46,980	(1,484)	(99,811)	(712,074)	(841,189)
Cash flows from investing activities							
Interest on investments	-	7,813	24,354	10,142	21,484	63,793	-
Net cash provided by investing activities	-	7,813	24,354	10,142	21,484	63,793	-
Net increase (decrease) in cash and cash equivalents	88,362	(511,499)	132,119	283,789	359,899	352,670	17,439
Cash and cash equivalents, beginning of year	87,093	1,556,176	3,362,428	1,341,723	3,131,939	9,479,359	37,823
Cash and cash equivalents, end of year	\$ 175,455	\$ 1,044,677	\$ 3,494,547	\$ 1,625,512	\$ 3,491,838	\$ 9,832,029	\$ 55,262
As presented on the statement of net position:							
Cash and cash equivalents	\$ 175,455	\$ 630,390	\$ 3,304,924	\$ 1,625,512	\$ 3,340,477	\$ 9,076,758	\$ 55,262
Restricted cash and cash equivalents	-	414,287	189,623	-	151,361	755,271	-
Total Cash	\$ 175,455	\$ 1,044,677	\$ 3,494,547	\$ 1,625,512	\$ 3,491,838	\$ 9,832,029	\$ 55,262
Reconciliation of operating income to net cash provided (used) by operating activities							
Operating income (loss)	\$ (224,654)	\$ 237,127	\$ 44,899	\$ 200,456	\$ (79,339)	\$ 178,489	\$ 483,960
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation	-	501,864	576,383	4,799	672,617	1,755,663	492,544
Net pension adjustment	(38,253)	(74,345)	(65,796)	(11,703)	(46,163)	(236,260)	(24,932)
Changes in assets and liabilities:							
Accounts receivable	(1,743)	32,103	(14,254)	2,836	(20,758)	(1,816)	-
Prepays	-	(24,452)	-	-	-	(24,452)	4,228
Inventories	-	-	-	-	-	-	-
Accounts payable	216	(233,870)	(286,714)	102,751	(3,981)	(421,598)	(13,483)
Accrued liabilities	(10,969)	2,284	1,757	(77)	3,340	(3,665)	(83,689)
Deposits and retainage	31,205	-	-	-	-	31,205	-
Compensated absences	8,326	12,564	14,676	1,778	3,059	40,403	-
Net cash provided (used) by operating activities	\$ (235,872)	\$ 453,275	\$ 270,951	\$ 300,840	\$ 528,775	\$ 1,317,969	\$ 858,628

The accompanying notes are an integral part of this financial statement.

CLEARFIELD CITY, UTAH
Notes to the Financial Statements
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

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

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

Component Unit

The Clearfield City Community Development and Renewal Agency (CRDA) was established to prepare and carry out plans to improve, rehabilitate and redevelop blighted areas within the City. The CRDA is governed by a board of trustees composed of the City Mayor and members of the City Council. Although it is a legally separate entity from the City, the CRDA is reported as if it were part of the primary government because of the City's ability to impose its will upon the operations of the CRDA. The CRDA is included in these financial statements as the Redevelopment Agency Special Revenue Fund. Separate financial statements are not issued for the CRDA.

Government-Wide and Fund Financial Statements

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

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those which are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

The use of financial resources to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as an *other financing source*. Amounts paid to reduce long-term debt of the City are reported as a reduction of the related liability, rather than an expenditure in the government-wide financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt-service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Governmental funds do not report donated capital assets received unless the sale of those assets is imminent. The assets are reported in the government-wide financial statements.

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Sales taxes, use taxes, franchise taxes, and earned but unreimbursed state and federal grants associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Property taxes are measurable as of the date levied (assessed) and are recognized as revenues when they become available. Available means when due, or past due, and received within the current period or collected soon enough thereafter (within 60 days) to be used to pay liabilities of the current period. All other revenues are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The *general fund* is the City's primary operating fund. It accounts for and reports all financial resources of the general government, except those required to be accounted for in another fund.

The *community development & renewal agency fund* accounts for and reports community development and renewal transactions conducted by the City, including property acquisition, site improvements, preparation cost, installation of public improvements, and administration cost, most of which are funded through property taxes and rents charged on the properties held by the City.

The *debt service fund* is used to account for and report principal and interest on governmental bonds used to finance construction in the City.

The *capital projects fund* accounts for and reports the ongoing acquisition and replacement of major capital assets and infrastructure improvements needed to maintain the operations of the City. General government resources provide the primary source of funding, while grants and other government resources provide additional funding, as available.

The government reports the following major enterprise funds:

The *public utility administration fund* accounts for and reports the administration of the City's public utility system, specifically related to service charges and late fees charged to customers that offset the cost of utility shut-off.

The *water utility fund* accounts for and reports the activities of the City's water distribution operations.

The *sewer utility fund* accounts for and reports the activities of the City's sewer operations.

The *waste collection fund* accounts for and reports the activities of the City's waste collection operations.

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

The *storm drain fund* accounts for and reports the activities of the City's storm sewer operations.

Additionally, the City reports the following fund types:

The *fleet management internal service fund* accounts for and reports the fleet vehicles owned by the City.

The *risk management internal service fund* accounts for and reports risk management for the City.

As a rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments to the General Fund by various enterprise funds for the providing of administrative and billing services for such funds. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of all enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Cash, Cash Equivalents, and Investments

Cash includes cash on hand, demand deposits with banks and other financial institutions, and deposits in other types of accounts or cash management pools that have the general characteristics of demand deposit accounts. City policy allows for the investment of funds in time certificates of deposit with federally insured depositories, investment in the Utah Public Treasurer's Investment Fund (PTIF) and other investments allowed by the State of Utah's Money Management Act. Investments are reported at fair value. The PTIF operates in accordance with state laws and regulations. The reported value of the Fund is the same as the fair value of the Fund shares.

Cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Investments with maturities of three months or less when purchased meet this definition.

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Equity (Continued)

Cash, Cash Equivalents, and Investments (Continued)

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

Certain resources of the City's governmental funds are set aside for the following: debt, class C roads, capital improvements, and E911 as required by applicable federal and state regulations.

Receivables

All trade, property, sales, and franchise tax receivables are shown net of an allowance for uncollectible accounts. Trade accounts receivables more than 180 days comprise the trade accounts receivable allowance for uncollectible accounts.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to or due from other funds."

Other receivables as of June 30, 2022, consist of property tax, franchise tax, sales tax, grants, fines, and accounts (billings for user charged services, including unbilled utility services). Taxes, grants and fines are deemed collectible in full. The allowance for doubtful proprietary account receivables at June 30, 2022 is \$0.

Sales taxes are collected by the State Tax Commission and remitted to the City monthly. Franchise taxes are collected by telephone, natural gas companies, electric utilities, and by cable TV operations. Funds collected are remitted to the City monthly.

Inventories

Inventories represents mainly supplies and parts used for various utility projects and is valued using the first-in/first-out (FIFO) method. As of June 30, 2022, the City did not record any inventory balances.

Prepaid Items

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

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Equity (Continued)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the government chose to include all such items regardless of their acquisition date or amount. The government was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets, donated works of art, historical treasures and similar assets, and capital assets received in a service concession arrangement are recorded at acquisition value.

Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	15 - 50
Public domain infrastructure	50
System infrastructure	30
Building improvements	15 - 20
Vehicles	5 - 10
Equipment	3 - 7

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Equity (Continued)

Compensated Absences

City employees are granted vacation and sick leave in varying amounts, based on length of service. Unused vacation up to 240 hours may carry over into the next year and is paid upon termination. Sick leave more than 80 hours may be converted to five days of vacation leave or to cash at one-fourth of the value.

Sick leave is forfeited upon termination. Certain eligible employees can, upon retirement, convert unused sick leave into prepaid health insurance premiums (up to 5 years) or receive an equivalent lump sum payment.

The government's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary related benefits, where applicable.

Unearned revenue

Unearned revenue for the City represents amounts received on donations whose purpose restrictions have not been met. Revenue is recognized only when all restrictions on those funds are satisfied.

Deferred Inflows and Outflows of Resources

In addition to assets, financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources.

This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Equity (Continued)

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums, and discounts are deferred and amortized over the life of the applicable debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pensions

For purposes of measuring the net pension asset and liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems Pension Plan (URS) and additions to/deductions from URS's fiduciary net position have been determined on the same basis as they are reported by URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Fund Balance/Net Position

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as follows:

Nonspendable fund balance - Amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact.

Restricted fund balance - Amounts restricted by enabling legislation. Also reported if (a) externally imposed by creditors, grantors, contributors, or laws/regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance - Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the City Council. That formal action is by adoption of an ordinance prior to the end of the fiscal year. The commitment can only be removed through the same action.

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Equity (Continued)

Assigned fund balance - Amounts that are constrained by the government's intent to be used for specific purposes but are neither restricted nor committed. The City Council has by resolution authorized the finance director to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment.

Unassigned fund balance - Residual classification of the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purpose within the General Fund.

Equity is classified in the government-wide financial statements as net position and is displayed in three components:

Net investment in capital assets - Capital assets including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balance of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

Restricted net position - Net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

Restricted Assets

Restricted assets are comprised of cash restricted for future payments of principal and interest on debt service as well as unexpended portions of bonds issued for capital construction purposes. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Equity (Continued)

Change in Accounting Principles – GASB 87

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

The City has adopted this standard for the fiscal year ended June 30, 2022. However, an in-depth analysis of the City's agreements found no lease arrangements which are subject to GASB 87.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Budgets are prepared and adopted by the City Council, in accordance with Utah State law, on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for the general, special revenue, debt service, and capital projects funds. Tentative budgets must be adopted on or before June 22nd for the following fiscal year, beginning July 1st. Final adoption of the budget must be no later than August 17th. Budgets may be increased by resolution of the Council at any time during the year. A public hearing must be held regarding any proposed increase in a fund's appropriations. The budget is adopted by fund, function, and department. The government's department heads may make transfers of appropriations within a department. Transfers of appropriations between Departments require the approval of the City Council. The legal level of budgetary control is at the departmental level. Appropriations lapse as of June 30th.

Budgets for the General Fund, Special Revenue Funds, and Capital Projects Funds are prepared using the modified accrual basis of accounting. Encumbrances are used only as an internal management control device during the year. Appropriations lapse at year end. Therefore, encumbrances are not reflected in the accompanying financial statements. However, encumbrances generally are appropriated and honored as part of the following year's budget. The Council made several supplemental budgetary appropriations throughout the year. Budget and actual statements for funds reported as major are included in this report. The supplemental budgetary appropriations made in nonmajor funds were not material.

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Fund Balance Compliance

Utah State Law allows for any unassigned fund balance more than 5% of total revenues of the General Fund to be utilized for budget purposes. The law also allows for the accumulation of a fund balance in the General Fund in an amount equal to 35% of the total current year revenue of the General Fund. If the fund balance, at the end of the fiscal year, is in excess of that allowed, the City has one year to determine an appropriate use and then the excess must be included as an available resource in the General Fund budget. For the current year, the City is not in compliance based on the above range. As of June 30, 2022, unrestricted general fund balance was 55.1% of total general fund revenues, excluding *other financing sources (uses)*.

State law states the governing body of any city may not make any appropriation in the final budget of any fund in excess of the estimated expendable revenue for the budget period of the fund. As of June 30, 2022, the public utility administration fund, and the fleet management fund, each reported a negative unrestricted net position.

Tax Revenues

Property taxes are collected by the Davis County Treasurer and remitted to the City in five to six installments in November, December, and January of each fiscal year and a final settlement by March 31st. Taxes are levied and are due and payable on November 1st and delinquent after November 30th of each year at which time they become liens if not paid. An accrual of delinquent current and prior year's property taxes beyond that which was received within 60 days after fiscal year end has not been made, as the amounts are not deemed material. An accrual for current year property taxes estimated to be collected the following November and December is made each year.

Sales taxes are collected by the Utah State Tax Commission and remitted to the City monthly. An accrual has been made for all taxes received by the State for the period ended June 30th and thus due and payable to the City.

Franchise taxes are charged to various utility companies doing business with the City including telephone, cable television, gas utility, and electric utility companies. The fees are remitted on a monthly, quarterly, semi-annual, or annual basis. An accrual has been made for fees due and payable to the City at June 30th.

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

3. CASH, CASH EQUIVALENTS, AND INVESTMENTS

Cash and Investments

Deposits and investments for the City are governed by the Utah Money Management Act (Utah Code Annotated, Title 51, Chapter 7, “the Act”) and by rules of the Utah Money Management Council (the Council). Following are discussions of the City’s exposure to various risks related to its cash management activities.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City’s deposits may not be recovered. The City’s policy for managing custodial credit risk is to adhere to the Money Management Act. The Act requires all deposits of the City to be in a qualified depository, defined as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Council. At times during the year, the City’s bank balances may have exceeded the insured levels under FDIC guidelines.

Credit Risk

Credit risk is the risk that the counterparty to an investment will not fulfill its obligations. The City’s policy for limiting the credit risk of investments is to comply with the Utah Money Management Act (UMMA). UMMA requires investment transactions to be conducted only through qualified depositories, certified dealers, or directly with issuers of investment securities. Permitted investments include deposits of qualified depositories; repurchase agreements; commercial paper that is classified as “first-tier” by two nationally recognized statistical rating organizations, one of which must be Moody’s Investor Service or Standard & Poor’s; bankers acceptances; obligations of the U.S. Treasury and U.S. Government sponsored enterprise; bonds and notes of political subdivision of the State of Utah; fixed rate corporate obligations and variable rated securities rated “A” or higher by two nationally recognized statistical rating services as defined in the UMMA.

The Utah Money Management Council has the responsibility to advise the State Treasurer about investment policies, and to promote measures that will assist in strengthening the banking and credit structure of the State. The Utah Money Management Council also reviews the rules adopted under the authority of the UMMA that relate to the deposit and investment of public funds. As of June 30, 2022, the City had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)	
		Less than 1 year	1 - 5 years
Utah Public Treasurer Investment Fund	\$ 43,418,257	\$ 43,418,257	\$ -
Corporate bonds	19,021,274	6,614,706	12,406,568
Total Investments at Fair Value	<u>\$ 62,439,531</u>	<u>\$ 50,032,963</u>	<u>\$ 12,406,568</u>

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

3. CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

As of June 30, 2022, the City had the following investments and quality ratings:

Investment Type	Fair Value	Quality Rating		
		A	B	Unrated
Utah Public Treasurer Investment Fund	\$ 43,418,257	\$ -	\$ -	\$ 43,418,257
Corporate bonds	19,021,274	18,331,719	449,833	239,722
Total Investments at Fair Value	<u>\$ 62,439,531</u>	<u>\$ 18,331,719</u>	<u>\$ 449,833</u>	<u>\$ 43,657,979</u>

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City manages its exposure to declines in fair value by limiting the maximum length of investment maturity to five years.

Fair Value of Investments

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

- *Level 1*: Quoted prices for identical investments in active markets;
- *Level 2*: Observable inputs other than those in Level 1; and
- *Level 3*: Unobservable inputs.

As of June 30, 2022, the City had the following recurring fair value measurements:

Investments by Fair Value Level	Fair Value	Level 1	Level 2	Level 3
Utah Public Treasurer Investment Fund	\$ 43,418,257	\$ -	\$ 43,418,257	\$ -
Corporate bonds	19,021,274	-	19,021,274	-
Total Investments at Fair Value	<u>\$ 62,439,531</u>	<u>\$ -</u>	<u>\$ 62,439,531</u>	<u>\$ -</u>

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

3. CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

Public Treasurers Investment Fund (PTIF) – External Investment Pool

The City invests in the external investment pool which is administered by the Treasurer of the State of Utah. State agencies, municipalities, counties, and local governments within the state are allowed to invest in the PTIF. There is no required participation and no minimum balance or minimum/maximum transaction requirements.

The PTIF is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Money Management Act, Chapter 51-7, Utah Code Annotated, 1953, as amended. The Act establishes the Money Management Council which oversees the activities of the State Treasurer and the PTIF. The Act details the investments that are authorized, which are high-grade securities, and therefore, there is very little credit risk except in the most unusual and unforeseen circumstances.

Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah and participants share proportionally in any realized gains or losses on investments.

The PTIF allocates income and issues statements on a monthly basis. The PTIF operates and reports to participants on an amortized cost basis.

Twice a year, at June 30 and December 31, the investments are valued at fair value.

As of June 30, 2022, the City had \$43,418,257 invested in the PTIF. Due to the insignificance of the amount of unrealized gains and losses in relation to the funds affected by these changes, the fair value of investments in this external investment pool is deemed to be the amortized cost of the investment.

4. RECEIVABLES

Receivables as of June 30, 2022 for the City's governmental and business-type funds, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Business-Type Utility Funds	Total
Receivables:			
Accounts, net	\$ 152,396	\$ 1,108,529	\$ 1,260,925
Property taxes	3,160,152	-	3,160,152
Sales taxes	1,206,353	-	1,206,353
Franchise taxes	294,873	-	294,873
Other taxes	56,658	-	56,658
Gross receivables	4,870,432	1,108,529	5,978,961
Less: allowance for doubtful accounts	-	-	-
Total receivables, net	<u>\$ 4,870,432</u>	<u>\$ 1,108,529</u>	<u>\$ 5,978,961</u>

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

5. CAPITAL ASSETS

Capital Assets

Capital asset activity for the year ended June 30, 2022 for governmental activities was as follows:

	07/01/21	Increases	Decreases	Transfers	06/30/22
<u>Governmental activities</u>					
Capital assets, not being depreciated:					
Land and rights of way	\$ 5,613,960	\$ -	\$ -	\$ -	\$ 5,613,960
Construction in progress	2,872,548	4,902,022	(123,633)	(688,148)	6,962,789
Water rights and shares	25,200	-	-	-	25,200
Total capital assets, not being depreciated	8,511,708	4,902,022	(123,633)	(688,148)	12,601,949
Capital assets, being depreciated:					
Buildings	26,377,753	-	-	626,532	27,004,285
Building improvements	5,766,877	193,465	-	49,794	6,010,136
Equipment and vehicles	9,264,681	1,098,336	(276,706)	-	10,086,311
Infrastructure	34,848,826	509,405	-	11,822	35,370,053
Total capital assets, being depreciated	76,258,137	1,801,206	(276,706)	688,148	78,470,785
Accumulated depreciation:					
Buildings	(12,124,074)	(630,199)	-	-	(12,754,273)
Building improvements	(1,978,506)	(276,032)	-	-	(2,254,538)
Equipment and vehicles	(6,468,764)	(729,616)	259,266	-	(6,939,114)
Infrastructure	(25,517,467)	(286,651)	-	-	(25,804,118)
Total accumulated depreciation	(46,088,811)	(1,922,498)	259,266	-	(47,752,043)
Total capital assets being depreciated, net	30,169,326	(121,292)	(17,440)	688,148	30,718,742
Governmental capital assets, net	\$ 38,681,034	\$ 4,780,730	\$ (141,073)	\$ -	\$ 43,320,691

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

5. CAPITAL ASSETS (CONTINUED)

Capital asset activity for the year ended June 30, 2022, for business-type activities was as follows:

	07/01/21	Increases	Decreases	Transfers	06/30/22
<u>Business-type activities</u>					
Capital assets, not being depreciated:					
Land and rights of ways	\$ 1,404,577	\$ -	\$ -	\$ -	\$ 1,404,577
Construction in progress	3,790,407	1,116,857	-	(2,647,906)	2,259,358
Water rights and shares	9,162	-	-	-	9,162
Total capital assets, not being depreciated	5,204,146	1,116,857	-	(2,647,906)	3,673,097
Capital assets, being depreciated:					
Buildings	7,649,653	-	-	-	7,649,653
Building improvements	688,295	-	-	-	688,295
Equipment and vehicles	1,567,146	-	-	-	1,567,146
Infrastructure	76,862,935	-	(676,166)	2,647,906	78,834,675
Total capital assets, depreciated	86,768,029	-	(676,166)	2,647,906	88,739,769
Accumulated depreciation:					
Buildings	(2,865,897)	(43,124)	-	-	(2,909,021)
Building improvements	(245,911)	(11,168)	-	-	(257,079)
Equipment and vehicles	(1,248,562)	(39,213)	-	-	(1,287,775)
Infrastructure	(43,980,241)	(1,662,158)	401,471	-	(45,240,928)
Total accumulated depreciation	(48,340,611)	(1,755,663)	401,471	-	(49,694,803)
Total capital assets being depreciated, net	38,427,418	(1,755,663)	(274,695)	2,647,906	39,044,966
Business-type capital assets, net	\$ 43,631,564	\$ (638,806)	\$ (274,695)	\$ -	\$ 42,718,063

In the government-wide financial statements depreciation was charged as follows by program or activity:

Governmental activities:	
General government	\$ 400,211
Public safety	129,562
Streets and public improvements	403,585
Culture and recreation	818,288
Community development	170,852
Total depreciation expense - governmental activities	<u>\$ 1,922,498</u>
Business-type activities:	
Water utility	\$ 501,864
Sewer utility	576,383
Solid waste utility	4,799
Storm drain utility	672,617
Total depreciation expense - business-type activities	<u>\$ 1,755,663</u>

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At June 30, 2022, no interfund balances existed.

Transfers were made which will not be repaid. Such amounts for the fiscal year ended June 30, 2022 were as follows:

	Transfers in:				Total
	Governmental funds			Enterprise fund	
	General Fund	CDRA Fund	Capital Projects Fund	Public Utility Admin Fund	
Transfers out:					
General fund	\$ -	\$ -	\$ 2,715,785	\$ -	\$ 2,715,785
CDRA fund	1,967,290	-	-	-	1,967,290
Debt service fund	67,274	-	-	-	67,274
Nonmajor governmental funds	207,121	-	-	-	207,121
Public utility admin fund	-	1,132,780	-	-	1,132,780
Water fund	180,560	-	-	113,149	293,709
Sewer fund	74,749	-	-	109,877	184,626
Solid waste fund	-	-	-	16,665	16,665
Storm drain fund	-	-	-	84,124	84,124
	<u>\$ 2,496,994</u>	<u>\$ 1,132,780</u>	<u>\$ 2,715,785</u>	<u>\$ 323,815</u>	<u>\$ 6,669,374</u>

7. LONG-TERM DEBT

The City has bonds, a purchase agreement note, compensated absences, and net pension liability payables. Long-term debts outstanding as of June 30, 2022 are as follows:

	07/01/21	Increases	Decreases	06/30/22	Due in One Year
Governmental activities					
Bonds payable:					
Revenue bonds	\$ 13,617,000	\$ 21,764,000	\$ (7,626,000)	\$ 27,755,000	\$ 876,000
Discount	(7,661)	-	7,661	-	-
Total bonds payable	<u>13,609,339</u>	<u>21,764,000</u>	<u>(7,618,339)</u>	<u>27,755,000</u>	<u>876,000</u>
Compensated absences	493,332	418,073	(394,665)	516,740	505,337
Purchase agreement	1,684,473	-	(184,860)	1,499,613	190,603
Net pension liability - actuarily funded	729,086	-	(729,086)	-	-
Total governmental activities	<u>\$ 16,516,230</u>	<u>\$ 22,182,073</u>	<u>\$ (8,926,950)</u>	<u>\$ 29,771,353</u>	<u>\$ 1,571,940</u>

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

7. LONG-TERM DEBT (CONTINUED)

Revenue Bonds

The City has issued revenue bonds, where the revenues and assets of the issuing fund are pledged as security for the bonds.

Purchase Agreement

In 2017, the City entered into a purchase agreement for the acquisition of energy efficient equipment originally valued at \$2,423,270. None of the items of equipment individually meets the City's capitalization limits.

A summary of the long-term bonds, by type, and the purchase agreement, are as follows:

	Original Borrowing	Interest Rates	Final Maturity	06/30/22
Governmental activities				
Bonds payable:				
Sales Tax Revenue Bonds, Series 2021	\$ 21,764,000	.40% - 3.20%	7/1/2044	\$ 21,764,000
Sales Tax Revenue Refunding Bonds, Series 2016	9,592,000	2.40%	7/1/2028	5,991,000
Total bonds payable	<u>31,356,000</u>			<u>27,755,000</u>
Purchase agreement:				
Equipment note 2016	2,423,270	1.98%	8/5/2029	1,499,613
Total governmental activities	<u>\$ 33,779,270</u>			<u>\$ 29,254,613</u>

The future principal and interest lease payments as of June 30, are as follows:

Year Ending June 30,	Bonds payable		Purchase agreement		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 876,000	\$ 566,727	\$ 190,603	\$ 28,753	\$ 1,066,603	\$ 595,480
2024	887,000	547,133	196,478	24,951	1,083,478	572,084
2025	909,000	527,047	202,488	21,032	1,111,488	548,079
2026	936,000	506,305	208,637	16,993	1,144,637	523,298
2027	956,000	484,912	214,927	12,832	1,170,927	497,744
2028-2032	6,279,000	2,084,971	486,480	13,434	6,765,480	2,098,405
2033-2037	5,895,000	1,643,454	-	-	5,895,000	1,643,454
2038-2042	6,530,000	966,849	-	-	6,530,000	966,849
2043-2045	4,487,000	273,639	-	-	4,487,000	273,639
	<u>\$ 27,755,000</u>	<u>\$ 7,601,036</u>	<u>\$ 1,499,613</u>	<u>\$ 117,995</u>	<u>\$ 29,254,613</u>	<u>\$ 7,719,031</u>

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

8. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City uses an insurance broker to manage its risk of loss, by purchasing appropriate insurance policies. As of June 30, 2022 there were no outstanding unpaid claims. Also, the City had no claim settlements during the three years ending June 30, 2022 which exceeded its insurance coverage.

9. URS PENSION

Plan Description

Eligible plan participants are provided with pensions through the Utah Retirement Systems (URS). URS is comprised of the following Pension Trust Funds:

Defined Benefit Plans

- Public Employees Noncontributory Retirement System (Noncontributory System) is a multiple employer, cost sharing, public employee retirement system.
- Public Safety Retirement System (Public Safety System) is a mixed agent and cost-sharing, multiple-employer public employee retirement system.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System) is a multiple employer, cost-sharing, public employee retirement system.
- Tier 2 Public Safety and Firefighter Contributory Retirement System (Tier 2 Public Safety and Firefighters System) is a multiple employer, cost sharing, public employee retirement system.

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

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Utah State Retirement Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms.

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

9. URS PENSION (CONTINUED)

URS issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 E. 200 S, Salt Lake City, Utah 84102 or visiting the website: www.urs.org.

Benefits Provided

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

Summary of Benefits by System

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

*Actuarial reductions are applied.

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

Contribution Rate Summary

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

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

9. URS PENSION (CONTINUED)

Contribution rates as of June 30, 2022 are as follows:

	<u>Employee</u>	<u>Employer</u>	<u>Employer 401(k)</u>
Contributory System			
111- Local Governmental Division Tier 2	N/A	16.07%	0.62%
Noncontributory System			
15- Local Governmental Division Tier 1	N/A	18.47%	N/A
Public Safety System			
<i>Contributory</i>			
122- Tier 2 DB Hybrid Public Safety	2.27	25.83%	N/A
<i>Noncontributory</i>			
43- Other Div A with 2.5% COLA	N/A	34.04%	N/A
Tier 2 DC Only			
211- Local Government	N/A	6.69%	10.00%
222- Public Safety	N/A	11.83%	14.00%

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

For fiscal year ended June 30, 2022, the employer and employee contributions to the Systems were as follows:

<u>System</u>	<u>Employer Contributions</u>	<u>Employee Contributions</u>
Noncontributory System	\$ 500,965	N/A
Public Safety System	251,811	-
Tier 2 Public Employees System	317,977	-
Tier 2 Public Safety and Firefighter	277,313	-
Tier 2 DC Only System	32,273	N/A
Tier 2 DC Public Safety and Firefighter System	24,369	N/A
Total Contributions	<u>\$ 1,404,708</u>	<u>\$ -</u>

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

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

9. URS PENSION (CONTINUED)

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

As of June 30, 2022, the City reported a net pension asset of \$2,504,721 and a net pension liability of \$0.

	Measurement Date: December 31, 2021				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2020	Change (Decrease)
Noncontributory System	\$ 1,886,767	\$ -	0.3294451%	0.3233147%	0.0061304%
Public Safety System	561,066	-	0.6908472%	0.7299981%	-0.0391509%
Tier 2 Public Employees System	38,799	-	0.0916719%	0.0908389%	0.0008330%
Tier 2 Public Safety and Firefighter	18,089	-	0.3578908%	0.3529126%	0.0049782%
Total Net Pension Asset / Liability	<u>\$ 2,504,721</u>	<u>\$ -</u>			

The net pension asset and liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2021 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2022, the City recognized pension expense of (\$120,908).

As of June 30, 2022, the reported deferred outflows of resources and deferred inflows of resources related to pensions are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 279,721	\$ 7,971
Changes in assumptions	331,923	21,597
Net difference between projected and actual earnings on pension plan investments	-	4,207,976
Changes in proportion and differences between contributions and proportionate share of contributions	54,928	65,505
Contributions subsequent to the measurement date	748,051	-
Total	<u>\$ 1,414,623</u>	<u>\$ 4,303,049</u>

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

9. URS PENSION (CONTINUED)

\$748,051 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021.

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

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	\$ (744,398)
2023	(1,252,880)
2024	(1,016,363)
2025	(690,703)
2026	10,053
Thereafter	57,815

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

For the year ended June 30, 2022, the City recognized pension expense of (\$275,490).

As of June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 197,619	\$ -
Changes in assumptions	177,080	12,179
Net difference between projected and actual earnings on pension plan investments	-	2,540,279
Changes in proportion and differences between contributions and proportionate share of contributions	25,713	3,745
Contributions subsequent to the measurement date	260,258	-
Total	<u>\$ 660,670</u>	<u>\$ 2,556,203</u>

\$260,258 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to fiscal year end, but subsequent to the measurement date of December 31, 2021.

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

9. URS PENSION (CONTINUED)

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

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	\$ (404,888)
2023	(714,662)
2024	(614,165)
2025	(422,076)
2026	-
Thereafter	-

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

For the year ended June 30, 2022, the City recognized pension expense of (\$75,737).

As of June 30, 2022, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 47,753	\$ -
Changes in assumptions	98,367	5,836
Net difference between projected and actual earnings on pension plan investments	-	1,516,541
Changes in proportion and differences between contributions and proportionate share of contributions	-	59,721
Contributions subsequent to the measurement date	126,316	-
Total	<u>\$ 272,436</u>	<u>\$ 1,582,098</u>

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

9. URS PENSION (CONTINUED)

\$126,316 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to fiscal year end, but subsequent to the measurement date of December 31, 2021.

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

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	\$ (309,561)
2023	(500,705)
2024	(374,285)
2025	(251,428)
2026	-
Thereafter	-

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

For the year ended June 30, 2022, the City recognized pension expense of \$134,664.

As of June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 18,849	\$ 4,999
Changes in assumptions	36,177	367
Net difference between projected and actual earnings on pension plan investments	-	95,867
Changes in proportion and differences between contributions and proportionate share of contributions	19,590	-
Contributions subsequent to the measurement date	186,074	-
Total	<u>\$ 260,690</u>	<u>\$ 101,233</u>

\$186,074 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to fiscal year end, but subsequent to the measurement date of December 31, 2021.

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

9. URS PENSION (CONTINUED)

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

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	\$ (18,075)
2023	(23,154)
2024	(16,813)
2025	(9,707)
2026	7,437
Thereafter	33,697

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

For the year ended June 30, 2022, the City recognized pension expense of \$95,655.

As of June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 15,500	\$ 2,972
Changes in assumptions	20,299	3,215
Net difference between projected and actual earnings on pension plan investments	-	55,289
Changes in proportion and differences between contributions and proportionate share of contributions	9,625	2,039
Contributions subsequent to the measurement date	175,403	-
Total	<u>\$ 220,827</u>	<u>\$ 63,515</u>

\$175,403 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to fiscal year end, but subsequent to the measurement date of December 31, 2021.

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

9. URS PENSION (CONTINUED)

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

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	\$ (11,874)
2023	(14,359)
2024	(11,100)
2025	(7,492)
2026	2,616
Thereafter	24,118

Actuarial Assumptions

The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.25 - 9.25 percent, average, including inflation
Investment rate of return	6.85 percent, net of pension plan investment expense, including inflation

Mortality rates were adopted from an actuarial experience study dated January 1, 2021. The retired mortality tables are developed using URS retiree experience and are based upon gender, occupation, and age as appropriate with projected improvement using 80% of the ultimate rates from the MP-2019 improvement assumption using a base year of 2020. The mortality assumption for active members is the PUB-2010 Employees Mortality Table for public employees, teachers, and public safety members, respectively.

The actuarial assumptions used in the January 1, 2021, valuation were based on the results of an actuarial experience study for the five-year period ending December 31, 2019.

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

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

9. URS PENSION (CONTINUED)

Asset Class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
Equity securities	37.00%	6.58%	2.43%
Debt securities	20.00%	-0.28%	-0.06%
Real assets	15.00%	5.77%	0.87%
Private equity	12.00%	9.85%	1.18%
Absolute return	16.00%	2.91%	0.47%
Cash and cash equivalents	0.00%	-1.01%	0.00%
Totals	100.00%		4.89%
	Inflation		2.50%
	Expected arithmetic nominal return		7.39%

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

Discount Rate

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

Sensitivity of the Proportionate Share of the Net Pension Asset and Liability to Changes in the Discount Rate

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

System	1% Decrease (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
Noncontributory System	\$ 1,014,572	\$ (1,886,767)	\$ (4,307,369)
Public Safety System	1,383,774	(561,066)	(2,140,412)
Tier 2 Public Employees System	231,173	(38,799)	(246,081)
Tier 2 Public Safety and Firefighter	145,116	(18,089)	(147,651)
Total	\$ 2,774,635	\$ (2,504,721)	\$ (6,841,513)

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

9. URS PENSION (CONTINUED)

Defined Contribution Pension Plans

The Defined Contribution Savings Plans are administered by the Utah Retirement Systems Board and are generally supplemental plans to the basic retirement benefits of the Retirement Systems, but may also be used as a primary retirement plan. These plans are voluntary tax-advantaged retirement savings programs authorized under sections 401(k), 457(b) and 408 of the Internal Revenue code. Detailed information regarding plan provisions is available in the separately issued URS financial report.

Clearfield City, Utah participates in the following Defined Contribution Savings Plans with Utah Retirement Systems:

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

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

	2022	2021	2020
401(k) Plan			
Employer Contributions	\$ 169,624	\$ 153,246	\$ 94,466
Employee Contributions	138,693	99,862	66,326
457 Plan			
Employer Contributions	-	-	-
Employee Contributions	6,963	11,443	13,737
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	32,648	28,787	17,612

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

10. COMMITMENTS AND CONTINGENCIES

Litigation

From time to time, the City is a defendant in certain legal actions and pending actions, or in process for miscellaneous claims. City management is of the opinion that the City's stop-loss insurance coverage is adequate for any possible loss contingency for claims currently known.

Compliance with Grant Agreements

The City receives assistance from federal and state agencies in the form of grants. The use of these funds generally requires compliance with conditions specified in the grant agreements. Any disallowed claims resulting from subsequent audits could become a liability of the general fund. The City administration believes such disallowance, if any, would not be significant.

Utah Infrastructure Agency (UIA)

The City entered into a Fiber Communication Service and Acquisition Contract with the Utah Infrastructure Agency (UIA) to provide broadband connection services in the City. The City has pledged franchise tax revenue to guarantee that UIA fulfills its revenue requirement from bonds issued by UIA in August 2020 (\$12,645,000 Telecommunications and Franchise Tax Revenue Bonds (Clearfield City Project), Series 2020). UIA is required by the Series 2020 bond covenants to have sufficient revenue to pay annual debt service on the bonds. In the event there is a shortfall, the City has agreed to lend franchise tax revenues, limited to a yearly maximum of \$737,200. This pledge is in place until the bonds mature in October of 2047. The total amount of the City's pledge through maturity is \$19,822,920. Fiscal year 2022 revenues from franchise tax were \$2,837,260. If the City is called upon to make a pledge payment, the payment amount would require 26% of pledged revenues. UIA has sufficient revenue to service the debt, and it is unlikely the City's pledge will be required.

11. TAX ABATEMENTS

As of June 30, 2022, neither the City nor the CRDA has any tax abatement agreements outstanding, which would reduce its legal claim on the associated tax revenue.

CLEARFIELD CITY, UTAH
Notes to the Financial Statements (Continued)
June 30, 2022

12. CONDUIT DEBT ISSUANCE

The City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of residential low-income housing and the purchase of manufacturing equipment. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issue. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2022, the following bonds were outstanding:

<u>Company</u>	<u>Issuance</u>	<u>Original Issuance</u>
Oakstone, L.C.	series 2008	\$12,100,000 and \$3,090,000
Utah Stamping Company	2005	\$3,000,000

13. SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 28, 2022, the date that the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

CLEARFIELD CITY, UTAH
Schedule of the Proportionate Share of the Net Pension Liability
Utah Retirement Systems
Last 10 Fiscal Years*

	Noncontributory Retirement System	Public Safety System	Tier 2 Public Employees Retirement System	Tier 2 Public Safety and Firefighters Retirement
2021				
Proportion of the net pension liability (asset)	0.3294451%	0.6908472%	0.0916719%	0.3578908%
Proportionate share of the net pension liability (asset)	\$ (1,886,767)	\$ (561,066)	\$ (38,799)	\$ (18,089)
Covered payroll	\$ 2,589,422	\$ 914,923	\$ 1,700,636	\$ 855,854
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-72.86%	-61.32%	-2.28%	-2.11%
Plan fiduciary net position as a percentage of its covered payroll	108.70%	104.20%	103.80%	102.80%
2020				
Proportion of the net pension liability (asset)	0.3233147%	0.7299981%	0.0908389%	0.3529126%
Proportionate share of the net pension liability (asset)	\$ 165,842	\$ 606,075	\$ 13,065	\$ 31,654
Covered payroll	\$ 2,538,509	\$ 1,023,536	\$ 1,452,122	\$ 696,061
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	6.53%	59.21%	0.90%	4.55%
Plan fiduciary net position as a percentage of its covered payroll	99.20%	95.50%	98.30%	93.10%
2019				
Proportion of the net pension liability (asset)	0.3166729%	0.7743415%	0.1007580%	0.3425610%
Proportionate share of the net pension liability (asset)	\$ 1,193,499	\$ 1,243,296	\$ 22,661	\$ 32,223
Covered payroll	\$ 2,469,995	\$ 1,109,015	\$ 1,400,392	\$ 564,605
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	48.32%	112.11%	1.62%	5.71%
Plan fiduciary net position as a percentage of its covered payroll	93.70%	90.90%	96.50%	89.60%
2018				
Proportion of the net pension liability (asset)	0.3221902%	0.7568791%	0.1045139%	0.3643941%
Proportionate share of the net pension liability (asset)	\$ 2,372,520	\$ 1,947,136	\$ 44,761	\$ 9,130
Covered payroll	\$ 2,498,683	\$ 1,200,364	\$ 1,221,321	\$ 488,198
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	94.95%	162.21%	3.66%	1.87%
Plan fiduciary net position as a percentage of its covered payroll	87.00%	87.70%	90.80%	95.60%
2017				
Proportion of the net pension liability (asset)	0.3162596%	0.7634211%	0.1174857%	0.4071432%
Proportionate share of the net pension liability (asset)	\$ 1,385,628	\$ 1,197,547	\$ 10,358	\$ (4,711)
Covered payroll	\$ 2,433,567	\$ 1,229,818	\$ 1,149,764	\$ 429,777
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	56.94%	97.38%	0.90%	-1.10%
Plan fiduciary net position as a percentage of its covered payroll	91.90%	90.20%	97.40%	103.00%
2016				
Proportion of the net pension liability (asset)	0.3037055%	0.7546618%	0.0993670%	0.3082666%
Proportionate share of the net pension liability (asset)	\$ 1,950,161	\$ 1,531,417	\$ 11,081	\$ (2,676)
Covered payroll	\$ 2,420,787	\$ 1,245,031	\$ 814,640	\$ 254,696
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	80.56%	123.00%	1.36%	-1.05%
Plan fiduciary net position as a percentage of its covered payroll	87.30%	86.50%	95.10%	103.60%
2015				
Proportion of the net pension liability (asset)	0.3092115%	0.7831462%	0.9484830%	0.3868592%
Proportionate share of the net pension liability (asset)	\$ 1,749,669	\$ 1,402,812	\$ (207)	\$ (5,652)
Covered payroll	\$ 2,481,043	\$ 1,208,489	\$ 612,830	\$ 230,174
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	70.52%	116.08%	-0.03%	-2.46%
Plan fiduciary net position as a percentage of its covered payroll	87.80%	87.10%	100.20%	110.70%

Note:

*In accordance with paragraph 81.a of GASB 68, employers will need to disclose a 10-year history of their proportionate share of net pension liability (asset) in their RSI. This schedule will be built prospectively.

CLEARFIELD CITY, UTAH
Schedule of Pension Contributions
Utah Retirement Systems
Last 10 Fiscal Years*

	As of fiscal year ended June 30,	Actuarial Determined Contributions	Contributions In relation to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
Noncontributory System	2013	\$ 505,433	\$ 505,433	\$ -	\$ 3,086,705	16.37%
	2014	508,305	508,305	-	2,785,219	18.25%
	2015	522,143	522,143	-	2,605,217	20.04%
	2016	447,180	447,180	-	2,428,434	18.41%
	2017	443,611	443,611	-	2,409,929	18.41%
	2018	452,921	452,921	-	2,470,542	18.33%
	2019	460,766	460,766	-	2,503,511	18.40%
	2020	453,736	453,736	-	2,465,549	18.40%
	2021	477,801	477,801	-	2,595,783	18.41%
	2022	500,965	500,965	-	2,721,529	18.41%
Public Safety System	2013	\$ 431,262	\$ 431,262	\$ -	\$ 1,487,632	28.99%
	2014	449,220	449,220	-	1,203,354	37.33%
	2015	406,337	406,337	-	1,203,354	33.77%
	2016	359,842	359,842	-	1,239,005	29.04%
	2017	362,743	362,743	-	1,271,099	28.54%
	2018	331,827	331,827	-	1,185,967	27.98%
	2019	343,429	343,429	-	1,176,905	29.18%
	2020	325,980	325,980	-	1,067,840	30.53%
	2021	297,704	297,704	-	988,018	30.13%
	2022	251,811	251,811	-	871,740	28.89%
Tier 2 Public Employees System*	2013	\$ 22,526	\$ 22,526	\$ -	\$ 263,157	8.56%
	2014	36,111	36,111	-	424,836	8.50%
	2015	40,559	40,559	-	486,900	8.33%
	2016	104,114	104,114	-	698,283	14.91%
	2017	148,755	148,755	-	997,681	14.91%
	2018	183,915	183,915	-	1,217,170	15.11%
	2019	201,456	201,456	-	1,296,373	15.54%
	2020	222,210	222,210	-	1,418,969	15.66%
	2021	242,427	242,427	-	1,534,350	15.80%
	2022	317,977	317,977	-	1,979,456	16.06%
Tier 2 Public Safety and Firefighter System*	2013	\$ 1,543	\$ 1,543	\$ -	\$ 13,901	11.10%
	2014	5,585	5,585	-	50,681	11.02%
	2015	18,669	18,669	-	172,859	10.80%
	2016	52,823	52,823	-	234,767	22.50%
	2017	76,906	76,906	-	341,806	22.50%
	2018	106,211	106,211	-	470,585	22.57%
	2019	117,034	117,034	-	506,859	23.09%
	2020	141,211	141,211	-	610,509	23.13%
	2021	205,666	205,666	-	796,229	25.83%
	2022	277,313	277,313	-	1,073,108	25.84%
Tier 2 Public Employees DC Only System*	2013	\$ -	\$ -	\$ -	\$ -	0.00%
	2014	5,853	5,853	-	104,893	5.58%
	2015	8,062	8,062	-	119,973	6.72%
	2016	14,564	14,564	-	217,700	6.69%
	2017	21,780	21,780	-	325,565	6.69%
	2018	19,711	19,711	-	294,630	6.69%
	2019	24,975	24,975	-	373,313	6.69%
	2020	26,194	26,194	-	391,535	6.69%
	2021	32,583	32,583	-	487,041	6.69%
	2022	32,273	32,273	-	482,402	6.69%
Tier 2 Public Safety and Firefighter DC Only System*	2013	\$ -	\$ -	\$ -	\$ -	0.00%
	2014	3,902	3,902	-	39,255	9.94%
	2015	5,603	5,603	-	47,360	11.83%
	2016	10,249	10,249	-	86,639	11.83%
	2017	6,753	6,753	-	57,085	11.83%
	2018	9,968	9,968	-	84,259	11.83%
	2019	15,292	15,292	-	129,261	11.83%
	2020	19,336	19,336	-	163,450	11.83%
	2021	20,181	20,181	-	170,595	11.83%
	2022	24,369	24,369	-	205,996	11.83%

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

Tier 2 systems were created effective July 1, 2011.

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

CLEARFIELD CITY, UTAH
Notes to the Required Supplementary Information
June 30, 2022

1. ACTUARIALLY DETERMINED PENSION CONTRIBUTIONS

Changes in Assumptions

The investment return assumption was decreased by 0.10% to 6.85% for use in the January 1, 2021 actuarial valuation. This assumption change was based on analysis performed by the actuary and adopted by the Utah State Retirement Board. In aggregate, this assumption change resulted in a \$509 million increase in the Total Pension Liability, which is about 1.3% of the Total Pension Liability as of December 31, 2020 for all systems combined. The demographic assumptions were reviewed and updated in the January 1, 2020 actuarial valuation and are currently scheduled to be reviewed in the year 2023.

SUPPLEMENTARY INFORMATION

CLEARFIELD CITY, UTAH
Governmental Funds Descriptions
June 30, 2022

Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned for the acquisition and construction of major capital facilities other than those financed by proprietary and trust funds.

Capital Projects Fund - This fund accounts for the ongoing acquisition and replacement of major capital assets and infrastructure improvements needed to maintain the operations of the City. General government resources provide the primary source of funding with grants and other government resources providing additional funding as available.

Debt Service Funds

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment bond principal and interest from special assessment levies when the government is obligated in some manner for the payment.

Debt Service Fund - This fund is used to account for principal and interest on the governmental bonds used to finance construction in the City.

NONMAJOR GOVERNMENTAL FUNDS

Parks Capital Projects Fund - This fund is used to account for the acquisition and development of City parks. Federal and State grant revenues along with general governmental resources provide funding for these projects.

Permanent funds are used to account for and report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Cemetery Perpetual Care Permanent Fund - This fund is used to account for principal trust amounts received and related interest income. The interest portion of the trust is used to maintain the City's cemetery.

CLEARFIELD CITY, UTAH
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Capital Projects Fund
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
REVENUES				
Investment earnings	\$ 15,000	\$ 15,000	\$ 18,970	\$ 3,970
Total revenues	<u>15,000</u>	<u>15,000</u>	<u>18,970</u>	<u>3,970</u>
EXPENDITURES				
Capital outlay				
Highways and streets	8,491,401	28,999,601	4,950,064	24,049,537
Total expenditures	<u>8,491,401</u>	<u>28,999,601</u>	<u>4,950,064</u>	<u>24,049,537</u>
Excess (deficiency) of revenues over expenditures	<u>(8,476,401)</u>	<u>(28,984,601)</u>	<u>(4,931,094)</u>	<u>24,053,507</u>
OTHER FINANCING SOURCES				
Transfers in	2,170,301	2,170,301	2,715,785	545,484
Total other financing sources	<u>2,170,301</u>	<u>2,170,301</u>	<u>2,715,785</u>	<u>545,484</u>
Net change in fund balance	<u>\$ (6,306,100)</u>	<u>\$ (26,814,300)</u>	<u>(2,215,309)</u>	<u>\$ 24,598,991</u>
Fund balance, beginning of year			<u>3,543,039</u>	
Fund balance, end of year			<u>\$ 1,327,730</u>	

CLEARFIELD CITY, UTAH
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual – Debt Service Fund
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Total revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
OTHER FINANCING SOURCES				
Transfers out	-	(67,274)	(67,274)	-
Total other financing sources	-	(67,274)	(67,274)	-
Net change in fund balance	<u>\$ -</u>	<u>\$ (67,274)</u>	(67,274)	<u>\$ -</u>
Fund balance, beginning of year			<u>67,274</u>	
Fund balance, end of year			<u>\$ -</u>	

CLEARFIELD CITY, UTAH
Combining Balance Sheet – Nonmajor Governmental Funds
June 30, 2022

	<u>Capital Projects</u>	<u>Permanent Fund</u>	
	<u>Parks</u>	<u>Cemetery Perpetual Care</u>	<u>Total Nonmajor Funds</u>
ASSETS			
Cash and cash equivalents	\$ -	\$ 24,050	\$ 24,050
Restricted cash and cash equivalents	2,908,323	264,441	3,172,764
Total assets	<u>2,908,323</u>	<u>288,491</u>	<u>3,196,814</u>
LIABILITIES			
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Restricted:			
Impact fees - parks and recreation	2,908,323	-	2,908,323
Cemetery care	-	288,491	288,491
Total fund balances	<u>2,908,323</u>	<u>288,491</u>	<u>3,196,814</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,908,323</u>	<u>\$ 288,491</u>	<u>\$ 3,196,814</u>

CLEARFIELD CITY, UTAH
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	<u>Capital Projects</u>	<u>Permanent Fund</u>	
	<u>Parks</u>	<u>Cemetery Perpetual Care</u>	<u>Total Nonmajor Funds</u>
REVENUES			
Charges for services	\$ -	\$ 9,700	\$ 9,700
Investments earnings	11,379	1,217	12,596
Special assessments - impact fees	950,180	-	950,180
Total revenues	<u>961,559</u>	<u>10,917</u>	<u>972,476</u>
EXPENDITURES			
Capital outlay:			-
Highways and streets	358,485	-	358,485
Total expenditures	<u>358,485</u>	<u>-</u>	<u>358,485</u>
Excess of revenues over expenditures	<u>603,074</u>	<u>10,917</u>	<u>613,991</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(207,121)	-	(207,121)
Total other financing sources (uses)	<u>(207,121)</u>	<u>-</u>	<u>(207,121)</u>
Net change in fund balances	395,953	10,917	406,870
Fund balances, beginning of year	<u>2,512,370</u>	<u>277,574</u>	<u>2,789,944</u>
Fund balances, end of year	<u><u>\$ 2,908,323</u></u>	<u><u>\$ 288,491</u></u>	<u><u>\$ 3,196,814</u></u>

CLEARFIELD CITY, UTAH
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual – Parks Fund (Capital Projects)
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Investments earnings	\$ 3,000	\$ 3,000	\$ 11,379	\$ 8,379
Special assessments - impact fees	60,000	60,000	950,180	890,180
Total revenues	<u>63,000</u>	<u>63,000</u>	<u>961,559</u>	<u>898,559</u>
EXPENDITURES				
Capital expenditures:				
Highways and public improvements	900,000	1,025,000	358,485	666,515
Total expenditures	<u>900,000</u>	<u>1,025,000</u>	<u>358,485</u>	<u>666,515</u>
Excess (deficiency) of revenues over expenditures	<u>(837,000)</u>	<u>(962,000)</u>	<u>603,074</u>	<u>1,565,074</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(207,121)</u>	<u>(207,121)</u>	<u>(207,121)</u>	<u>-</u>
Total other financing sources (uses)	<u>(207,121)</u>	<u>(207,121)</u>	<u>(207,121)</u>	<u>-</u>
Net change in fund balance	<u>\$ (1,044,121)</u>	<u>\$ (1,169,121)</u>	395,953	<u>\$ 1,565,074</u>
Fund balance, beginning of year			<u>2,512,370</u>	
Fund balance, end of year			<u>\$ 2,908,323</u>	

CLEARFIELD CITY, UTAH
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual – Cemetery Perpetual Care Fund
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 9,000	\$ 9,000	\$ 9,700	\$ 700
Investments earnings	1,200	1,200	1,217	17
Total revenues	<u>10,200</u>	<u>10,200</u>	<u>10,917</u>	<u>717</u>
EXPENDITURES				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 10,200</u>	<u>\$ 10,200</u>	10,917	<u>\$ 717</u>
Fund balance, beginning of year			<u>277,574</u>	
Fund balance, end of year			<u>\$ 288,491</u>	

CLEARFIELD CITY, UTAH
Internal Service Descriptions
June 30, 2022

Internal Service Funds

Internal service funds are used to account for services provided to other departments or agencies of the government, or to other governments on a cost-reimbursement basis.

Fleet Management Fund – to account for the government’s transportation fleet, including fleet acquisition and disposal, preventative maintenance, repairs, and the rental of motor vehicles to other departments and related costs.

Risk Management Fund – to account for the central management and billing of workers’ compensation, general liability, and property damage.

CLEARFIELD CITY, UTAH
Combining Statement of Net Position
Internal Service Funds
June 30, 2022

	Internal Service Funds		
	Fleet Management	Risk Management	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 16,381	\$ 38,881	\$ 55,262
Total current assets	16,381	38,881	55,262
Noncurrent assets:			
Net pension asset	28,012	-	28,012
Capital assets:			-
Machinery, equipment, and vehicles	5,716,845	-	5,716,845
Less accumulated depreciation	(3,338,951)	-	(3,338,951)
Net capital assets	2,377,894	-	2,377,894
Total noncurrent assets	2,405,906	-	2,405,906
Total assets	2,422,287	38,881	2,461,168
DEFERRED OUTFLOWS OF RESOURCES			
Pension related	13,403	-	13,403
LIABILITIES			
Current liabilities:			
Accounts payable	26,338	-	26,338
Accrued liabilities	5,772	-	5,772
Total current liabilities	32,110	-	32,110
Total liabilities	32,110	-	32,110
DEFERRED INFLOWS OF RESOURCES			
Pension related	38,658	-	38,658
NET POSITION			
Net investment in capital assets	2,377,894	-	2,377,894
Unrestricted	(12,972)	38,881	25,909
Total net position	\$ 2,364,922	\$ 38,881	\$ 2,403,803

CLEARFIELD CITY, UTAH
Combining Statement of Revenues, Expenses, and Changes in
Net Position – Internal Service Funds
For the Year Ended June 30, 2022

	Internal Service Funds		
	Fleet Management	Risk Management	Total
OPERATING REVENUES			
Charges for services:			
Fleet management	\$ 1,519,983	\$ -	\$ 1,519,983
Risk management	-	339,086	339,086
Total operating revenues	<u>1,519,983</u>	<u>339,086</u>	<u>1,859,069</u>
OPERATING EXPENSES			
Personnel services	123,198	-	123,198
Materials and supplies	245,984	42,064	288,048
Contractual services	189,286	282,033	471,319
Depreciation	492,544	-	492,544
Total operating expenses	<u>1,051,012</u>	<u>324,097</u>	<u>1,375,109</u>
Operating income (loss)	<u>468,971</u>	<u>14,989</u>	<u>483,960</u>
NONOPERATING REVENUES (EXPENSES)			
Gain on disposal of capital assets	<u>143,315</u>	<u>-</u>	<u>143,315</u>
Change in net position	612,286	14,989	627,275
Net position, beginning of year	<u>1,752,636</u>	<u>23,892</u>	<u>1,776,528</u>
Net position, ending of year	<u>\$ 2,364,922</u>	<u>\$ 38,881</u>	<u>\$ 2,403,803</u>

CLEARFIELD CITY, UTAH
Combining Statement of Cash Flows –
Internal Service Funds
For the Year Ended June 30, 2022

	Internal Service Funds		
	Fleet Management	Risk Management	Total
Cash flows from operating activities			
Receipts from customers and users	\$ 1,519,983	\$ 339,086	\$ 1,859,069
Payments to suppliers	(514,894)	(338,028)	(852,922)
Payments to employees	(147,519)	-	(147,519)
Net cash provided by operating activities	857,570	1,058	858,628
Net cash from noncapital financing activities	-	-	-
Cash flows from capital and related financing activities			
Acquisition of capital assets	(1,001,944)	-	(1,001,944)
Proceeds from sale of assets	160,755	-	160,755
Net cash used by capital and related financing activities	(841,189)	-	(841,189)
Net cash from investing activities	-	-	-
Net increase in cash and cash equivalents	16,381	1,058	17,439
Cash and cash equivalents, beginning of year	-	37,823	37,823
Cash and cash equivalents, end of year	<u>\$ 16,381</u>	<u>\$ 38,881</u>	<u>\$ 55,262</u>
Reconciliation of operating income to net cash provided by operating activities			
Operating income	\$ 468,971	\$ 14,989	\$ 483,960
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	492,544	-	492,544
Net pension adjustment	(24,932)	-	(24,932)
Changes in assets and liabilities:			
Prepays	-	4,228	4,228
Accounts payable	4,676	(18,159)	(13,483)
Accrued liabilities	(83,689)	-	(83,689)
Net cash provided by operating activities	<u>\$ 857,570</u>	<u>\$ 1,058</u>	<u>\$ 858,628</u>

STATISTICAL SECTION

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

Financial Trends

Table 1-4

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity

Table 5-8

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt Capacity

Table 9-13

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

Table 14-15

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information

Table 16-18

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

Clearfield City Corporation
Table 1 - Net Position by Component
 Last Ten Fiscal Years
 (accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net investment in capital assets										
Restricted	\$ 12,312,930	\$ 13,743,040	\$ 13,842,330	\$ 17,188,047	\$ 17,460,343	\$ 19,596,728	\$ 21,939,095	\$ 24,942,878	\$ 23,552,524	\$ 37,130,839
Unrestricted	3,693,214	3,151,603	6,198,871	11,970,081	3,264,609	5,662,767	5,392,939	4,110,132	5,296,149	36,236,660
	7,698,069	7,956,826	9,622,198	1,171,194	11,871,363	10,347,764	12,070,960	14,515,857	20,874,397	(9,364,438)
Total governmental activities net position	23,704,213	24,851,469	29,663,399	30,329,322	32,596,315	35,607,259	39,402,994	43,568,867	49,723,070	64,003,061
Business-type activities										
Net investment in capital assets										
Restricted	43,787,842	43,854,192	42,710,692	42,989,995	42,474,017	44,988,425	44,343,070	43,718,806	43,631,564	42,718,063
Unrestricted	1,982,181	1,856,320	2,166,247	595,525	884,189	727,144	834,031	834,081	485,908	-
	11,866,408	10,673,362	11,960,596	12,857,867	12,775,204	10,361,768	9,628,674	9,602,673	10,237,687	10,558,271
Total business-type activities net position	57,636,431	56,383,874	56,837,535	56,443,387	56,133,410	56,077,337	54,805,775	54,155,560	54,355,159	53,276,334
Primary government										
Net investment in capital assets										
Restricted	56,100,772	57,597,232	56,553,022	60,178,042	59,934,360	64,585,153	66,282,165	68,661,684	67,184,088	79,848,902
Unrestricted	5,675,395	5,007,923	8,365,118	12,565,606	4,148,798	6,389,911	6,226,970	4,944,213	5,782,057	36,236,660
	19,564,477	18,630,188	21,582,794	14,029,061	24,646,567	20,709,532	21,699,634	24,118,530	31,112,084	1,193,833
Total primary government net position	\$ 81,340,644	\$ 81,235,343	\$ 86,500,934	\$ 86,772,709	\$ 88,729,725	\$ 91,684,596	\$ 94,208,769	\$ 97,724,427	\$ 104,078,229	\$ 117,279,395

Clearfield City Corporation
Table 2 - Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities:										
General government										
Public safety	\$ 4,408,533	\$ 4,419,080	\$ 4,329,895	\$ 4,813,376	\$ 7,738,481	\$ 5,378,484	\$ 5,416,073	\$ 4,743,228	\$ 7,408,996	\$ 5,337,268
Streets and public improvements	4,298,248	4,258,275	3,957,058	4,173,640	4,442,821	4,325,896	4,626,574	4,872,126	5,002,043	6,082,214
Culture and recreation	579,064	583,792	558,575	385,530	443,261	669,861	191,245	441,358	717,112	1,140,504
Community development	3,755,723	4,196,122	3,872,112	4,176,153	3,075,324	4,985,491	5,067,242	5,424,658	4,792,215	5,079,099
Interest	534,675	460,111	732,537	4,255,926	737,824	880,389	2,646,393	2,397,943	2,214,917	1,412,954
Total governmental activities	912,002	828,074	720,704	474,319	412,616	397,612	575,311	559,443	491,372	837,788
	14,488,245	14,745,454	14,170,881	18,278,944	16,850,327	16,637,733	18,522,838	18,438,756	20,626,655	19,889,827
Business-type activities:										
Public utility administration	249,164	258,759	200,901	340,698	337,737	341,628	368,975	409,789	474,338	391,151
Water utility	3,079,128	3,325,788	3,287,895	3,526,735	3,316,149	3,182,598	3,624,037	3,851,855	3,777,628	3,756,946
Sewer utility	2,366,004	3,034,977	3,138,422	3,651,194	4,213,793	4,532,916	4,745,493	4,560,511	4,597,047	4,727,977
Solid waste utility	1,047,633	1,083,652	1,123,454	1,086,447	1,069,575	1,172,750	1,190,105	1,391,443	1,482,228	1,505,286
Storm drain utility	865,544	980,594	1,036,699	1,108,333	1,259,851	1,224,999	1,565,268	1,461,728	1,255,885	1,553,671
Total business-type activities	7,607,473	8,683,770	8,787,371	9,713,407	10,197,105	10,454,891	11,493,878	11,675,326	11,587,126	11,935,031
Total primary government	22,095,718	23,429,224	22,958,252	27,992,351	27,047,432	27,092,624	30,016,716	30,114,082	32,213,781	31,824,858

Clearfield City Corporation
Table 2 - Changes in Net Position - continued
Last Ten Fiscal Years
(accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Program Revenues										
Governmental activities:										
Charges for services										
General government	932,311	836,863	848,079	1,182,894	1,158,318	1,106,325	1,129,331	1,309,694	1,203,166	1,520,376
Public safety	1,282,823	1,219,731	1,152,194	1,183,288	1,168,875	1,419,129	1,400,908	1,302,159	1,190,952	1,332,084
Streets and public improvements	32,414	61,254	129,397	145,018	437,006	53,484	324,225	216,880	1,466,331	407,289
Culture and recreation	1,690,649	1,758,678	1,988,549	1,964,858	1,842,692	1,825,028	1,718,949	1,194,438	1,582,873	2,375,804
Community development	361,685	348,428	452,456	412,356	674,382	380,508	613,164	777,287	1,587,511	1,405,362
Operating grants and contributions	883,706	899,337	962,484	1,070,777	1,553,353	1,491,952	1,678,557	2,285,231	4,404,935	2,902,575
Capital grants and contributions	345,019	304,303	167,832	182,451	48,727	-	272,266	61,705	-	8,342,816
Total governmental activities	5,528,607	5,428,594	5,700,991	6,141,642	6,883,353	6,276,426	7,137,400	7,147,394	11,435,768	18,286,306
Business-type activities:										
Charges for services										
Public utility administration	156,063	149,946	154,218	154,715	154,377	171,317	170,236	139,204	152,621	165,519
Water utility	3,456,368	3,459,034	3,388,274	3,428,137	3,498,768	3,642,991	3,549,052	3,724,705	3,821,626	3,832,700
Sewer utility	2,493,762	2,757,461	3,243,892	3,619,940	3,999,611	4,471,947	4,497,006	4,538,774	4,472,289	4,730,947
Solid waste utility	1,230,271	1,239,842	1,257,671	1,365,841	1,408,998	1,413,770	1,416,655	1,637,773	1,676,148	1,696,698
Storm drain utility	863,469	894,103	934,516	947,179	978,778	1,021,895	1,058,473	1,108,580	1,184,357	1,330,796
Impact fees	288,422	280,838	563,245	469,699	291,939	50,124	93,985	98,609	317,694	404,783
Capital grants and contributions	1,461,653	-	-	-	-	-	-	-	-	-
Total business-type activities	9,950,008	8,781,224	9,541,816	9,985,511	10,332,471	10,772,044	10,785,407	11,247,645	11,624,735	12,161,443
Total primary government	15,478,615	14,209,818	15,242,807	16,127,153	17,215,824	17,048,470	17,922,807	18,395,039	23,060,503	30,447,749
Net (expense)/revenue										
Governmental activities	(8,959,638)	(9,316,860)	(8,469,890)	(12,137,302)	(9,966,974)	(10,361,307)	(11,385,438)	(11,291,362)	(9,190,887)	(1,603,521)
Business-type activities	2,342,535	97,454	754,445	272,104	135,366	317,153	(708,471)	(427,681)	37,609	226,412
Total net (expense)/revenue	(6,617,103)	(9,219,406)	(7,715,445)	(11,865,198)	(9,831,608)	(10,044,154)	(12,093,909)	(11,719,043)	(9,153,278)	(1,377,109)

Clearfield City Corporation
Table 2 - Changes in Net Position - continued
Last Ten Fiscal Years
(accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities:										
Taxes										
Property	5,249,766	5,200,014	5,543,631	4,738,368	4,083,583	4,327,255	5,237,352	5,528,569	5,229,043	3,166,275
Sales	5,785,193	6,010,502	6,207,352	6,357,804	6,538,020	7,034,374	7,486,080	7,761,852	8,420,461	9,337,194
Franchise	892,791	888,626	812,423	868,717	879,629	889,489	843,672	832,641	811,563	780,468
Other	5,380	7,139	59,007	218,841	230,445	260,690	268,430	309,265	364,745	380,110
Investment earnings	77,621	99,266	116,633	200,323	125,449	122,044	601,171	382,549	167,037	(90,380)
Gain on sale of capital assets	-	-	-	-	-	-	-	-	-	156,242
Miscellaneous	12,300	(67,631)	176,888	9,400	11,750	134,503	80,758	38,331	106,096	765,515
Transfers - net	439,081	559,827	256,838	754,433	594,644	603,896	609,555	604,031	246,145	1,388,089
Loss on sale of land held for sale	-	-	-	(414,549)	-	-	54,152	-	-	-
Contribution of capital asset	-	-	109,049	69,888	-	-	-	-	-	-
Total governmental activities	12,462,132	12,697,743	13,281,821	12,803,225	12,463,520	13,372,251	15,181,170	15,457,238	15,345,090	15,883,513
Business-type activities:										
Investment earnings	84,951	41,848	61,709	151,438	142,763	226,833	276,897	249,391	67,088	63,793
Miscellaneous	48,779	880	3,394	6,631	6,537	3,836	151,865	132,103	341,045	19,059
Transfers	(439,081)	(559,827)	(256,838)	(754,433)	(594,644)	(603,896)	(609,555)	(604,031)	(246,145)	(1,388,089)
Contribution of capital asset	-	-	(109,049)	(69,888)	-	-	(382,294)	-	-	-
Total business-type activities	(305,351)	(517,099)	(300,784)	(666,252)	(445,344)	(373,227)	(563,087)	(222,537)	161,988	(1,305,237)
Total primary government	12,156,781	12,180,644	12,981,037	12,136,973	12,018,176	12,999,024	14,618,083	15,234,701	15,507,078	14,578,276
Change in Net Position										
Governmental activities	3,502,494	3,380,883	4,811,931	665,923	2,496,546	3,010,944	3,795,732	4,165,876	6,154,203	14,279,992
Business-type activities	2,037,184	(419,645)	453,661	(394,148)	(309,978)	(56,074)	(1,271,558)	(650,218)	199,597	(1,078,825)
Total primary government	\$ 5,539,678	\$ 2,961,238	\$ 5,265,592	\$ 271,775	\$ 2,186,568	\$ 2,954,870	\$ 2,524,174	\$ 3,515,658	\$ 6,353,800	\$ 13,201,167

Clearfield City Corporation
Table 3 - Fund Balances of Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General fund										
Nonspendable	\$ 80,285	\$ 150,117	\$ 157,836	\$ 104,949	\$ 230,532	\$ 167,162	\$ 199,963	\$ 179,168	\$ 227,844	\$ 50,438
Restricted	1,490,318	1,428,739	1,612,349	11,059,160	1,900,229	4,142,696	3,933,168	2,502,692	2,414,413	23,034,684
Committed	1,232,272	1,340,742	1,476,747	184,731	585,125	161,807	114,625	91,394	-	3,533,456
Assigned	98,408	-	-	-	33,351	28,024	41,206	71,476	-	155,966
Unassigned	3,798,077	3,802,746	3,461,664	5,908,388	5,470,360	6,626,368	7,017,086	7,969,239	12,944,079	10,936,996
Total general fund	6,699,360	6,722,344	6,708,596	17,257,228	8,219,597	11,126,057	11,306,048	10,813,969	15,586,336	37,711,540
All other governmental funds										
Restricted for:										
Debt service funds	-	89,858	95,341	30,528	83,843	187,864	237,480	237,490	67,274	-
Capital projects funds	85,606	152,532	212,504	415,496	829,386	863,193	912,786	1,066,582	2,491,253	12,913,485
Special revenue funds	1,863,714	1,134,148	3,914,777	246,473	246,473	246,473	69,685	69,685	69,685	69,685
Cemetery perpetual care	173,291	196,209	206,064	218,424	204,678	222,541	239,820	233,703	253,524	288,491
Committed	454,059	835,201	183,733	1,081,689	1,538,000	504,072	267,072	911,292	2,942,397	-
Assigned, reported in:										
Capital projects funds	1,178,595	489,406	1,506,826	875,594	972,985	826,052	1,761,321	2,076,271	645,809	21,117
Special revenue funds	1,799,424	4,512,051	3,466,835	4,392,526	5,122,086	4,595,470	5,428,603	6,269,082	6,490,552	-
Unassigned, reported in:										
Capital projects funds	-	(36,342)	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 5,554,689	\$ 7,373,063	\$ 9,586,080	\$ 7,260,730	\$ 8,997,451	\$ 7,445,665	\$ 8,916,767	\$ 10,864,085	\$ 12,960,494	\$ 13,292,778
General fund balance unrestricted										
% of total revenue for current year	37.80%	37.82%	35.58%	41.04%	38.06%	41.39%	40.42%	45.52%	52.15%	55.15%

Table 4 - Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
 (modified accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<u>Revenues</u>										
Taxes	\$ 11,933,130	\$ 12,106,281	\$ 12,622,413	\$ 12,183,730	\$ 11,731,677	\$ 12,511,808	\$ 13,835,534	\$ 14,432,327	\$ 14,825,812	\$ 13,664,047
Rents and other services	890,085	799,995	773,646	1,128,700	1,038,067	1,091,025	1,118,331	1,296,644	1,184,466	817,246
Intergovernmental	1,241,025	1,210,825	1,482,186	1,454,828	1,667,830	1,507,252	1,961,823	2,359,986	4,423,635	10,295,211
Charges for services	2,557,761	2,626,777	2,616,847	2,713,793	2,971,280	2,873,823	2,990,607	2,653,500	3,857,338	3,763,181
Impact fees	32,414	61,254	129,397	145,018	437,006	53,484	324,225	216,880	1,466,331	950,180
Fines and forfeitures	777,396	700,060	633,352	654,509	660,669	750,842	742,414	620,384	503,998	458,104
Investment earnings	54,221	75,866	98,338	133,989	148,683	145,263	629,891	411,269	210,340	(90,380)
Miscellaneous revenue	23,437	20,325	59,154	20,201	93,479	119,448	80,758	38,331	106,096	765,515
Total revenues	17,509,469	17,601,383	18,415,333	18,434,768	18,748,691	19,052,945	21,683,583	22,029,321	26,578,016	30,623,104
<u>Expenditures</u>										
Current										
General government	4,066,466	3,865,151	3,745,404	4,105,100	6,522,367	4,686,401	4,631,411	4,573,574	6,251,832	5,235,907
Public safety	4,223,155	4,182,267	3,985,536	4,201,941	4,449,426	4,329,030	4,528,560	4,811,358	5,272,075	6,217,018
Streets and public improvements	435,336	419,032	400,535	322,279	483,448	435,129	524,274	414,811	491,885	565,339
Culture and recreation	3,435,059	3,735,613	3,510,477	3,839,258	4,270,133	4,499,369	4,658,571	5,030,424	4,613,761	4,205,905
Community development	534,675	534,927	568,389	4,258,803	738,918	5,660,679	2,642,308	2,375,886	2,231,119	1,139,669
Capital outlay	426,296	1,018,145	2,066,651	624,404	904,848	3,616,416	1,035,299	1,382,191	1,581,963	5,701,284
Debt service										
Principal retirement	1,618,000	1,680,000	1,670,000	1,735,000	1,811,000	1,929,000	1,998,000	2,018,000	1,686,000	7,810,860
Interest and fiscal charges	914,058	853,556	700,789	633,120	555,269	377,716	600,881	584,767	507,972	497,965
Cost of issuance	-	-	87,985	116,206	-	45,500	-	-	-	100,000
Total expenditures	15,653,045	16,288,691	16,735,766	19,836,111	19,735,409	25,579,240	20,619,304	21,191,011	22,636,607	31,473,947
Excess (deficiency) revenues over expenditures	1,856,424	1,312,692	1,679,567	(1,401,343)	(986,718)	(6,526,295)	1,064,279	838,310	3,941,409	(850,843)

Clearfield City Corporation
Table 4 - Changes in Fund Balances of Governmental Funds - continued
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Other Financing Sources (Uses)										
Issuance of bonds payable	-	-	-	-	-	7,277,076	-	-	-	21,764,000
Issuance of refunding bonds	-	-	5,465,000	9,592,000	-	-	-	-	-	-
Payment to refunding bonds escrows	-	-	(5,719,513)	-	(9,340,000)	-	-	-	-	-
Premium on bond issuance	-	-	342,498	-	-	-	-	-	-	-
Issuance of capital lease	-	-	-	-	2,423,270	-	-	-	-	-
Proceeds from sale of capital assets	8,057	(31,161)	174,878	13,623	7,894	-	54,893	12,900	2,681,223	156,242
Loss on sale of land held for sale	-	-	-	(414,549)	-	-	54,152	-	-	-
Land inventory contributed	-	-	-	-	-	-	(131,788)	-	-	-
Transfers in	2,824,234	2,648,906	3,429,716	2,534,462	3,116,618	2,924,767	3,253,804	3,882,313	3,274,233	6,345,559
Transfers (out)	(2,385,153)	(2,089,079)	(3,172,877)	(2,100,911)	(2,521,974)	(2,320,873)	(2,644,249)	(3,278,282)	(3,028,089)	(4,957,470)
Total other financing sources	447,138	528,666	519,702	9,624,625	(6,314,192)	7,880,970	586,812	616,931	2,927,367	23,308,331
Net change in fund balances	2,303,562	1,841,358	2,199,269	8,223,282	(7,300,910)	1,354,675	1,651,091	1,455,241	6,868,776	22,457,488
Fund balances - beginning of year	9,950,487	12,254,049	14,095,407	16,294,676	24,517,958	17,217,047	18,571,724	20,222,813	21,678,054	28,546,830
Fund balances - end of year	\$ 12,254,049	\$ 14,095,407	\$ 16,294,676	\$ 24,517,958	\$ 17,217,048	\$ 18,571,722	\$ 20,222,815	\$ 21,678,054	\$ 28,546,830	\$ 51,004,318
Debt service as a percentage of noncapital expenditures	16.90%	16.40%	16.05%	12.54%	13.54%	13.37%	14.16%	14.04%	10.59%	32.63%

Clearfield City Corporation
Table 5 - Assessed Value and Estimated
Actual Value of Taxable Property
Last Ten Fiscal Years

Last Ten Fiscal Years									
Fiscal Year	Real Property				Personal Property (in thousands)	Taxable Value (in thousands)	Total Direct Tax Rate	Estimated Actual Value (in thousands)	Ratio of Taxable to Estimated Actual Value
	Residential Property (in thousands)	Commercial Property (in thousands)							
2012-13	\$ 530,775	\$ 493,899	\$ 267,077	\$ 1,291,751	0.001800	\$ 1,719,166	75.1%		
2013-14	539,807	518,593	283,013	1,341,413	0.001800	1,776,035	75.5%		
2014-15	597,272	525,565	318,908	1,441,745	0.001800	1,925,723	74.9%		
2015-16	612,132	538,133	340,321	1,490,586	0.001800	1,987,969	75.0%		
2016-17	667,772	553,341	344,355	1,565,468	0.001745	1,761,803	88.9%		
2017-18	737,490	569,114	344,260	1,650,864	0.001607	1,903,767	86.7%		
2018-19	838,706	643,615	356,595	1,838,916	0.001437	2,163,570	85.0%		
2019-20	964,934	713,651	368,331	2,046,916	0.001437	2,445,027	83.7%		
2020-21	947,603	712,982	364,380	2,024,965	0.001437	2,567,377	78.9%		
2021-22	\$ 1,200,500	\$ 762,529	\$ 383,050	2,346,079	0.001307	\$ 3,325,571	70.5%		

Sources: Davis County Auditor's Office
Utah State Tax Commission

Clearfield City Corporation
Table 6 - Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years

Overlapping Rates

Fiscal Year	Clearfield City			Davis County School				Davis County			Total		
	Operating Rates	Service Rates	Debt Rates	Operating Rates	Service Rates	Debt Rates	Total County School Rates	Operating Rates	Service Rates	Debt Rates	County Rates	Special Districts	Total Levy for Clearfield City
2013	0.1100%	0.0700%	0.1800%	0.6139%	0.2571%	0.2571%	0.8710%	0.1935%	0.0126%	0.0126%	0.2061%	0.3171%	1.5742%
2014	0.1037%	0.0763%	0.1800%	0.5688%	0.2571%	0.2571%	0.8259%	0.1797%	0.0114%	0.0114%	0.1911%	0.3088%	1.5058%
2015	0.1178%	0.0622%	0.1800%	0.5984%	0.2571%	0.2571%	0.8555%	0.1795%	0.0110%	0.0110%	0.1905%	0.3005%	1.5265%
2016	0.1235%	0.0565%	0.1800%	0.5554%	0.2571%	0.2571%	0.8125%	0.1703%	0.0076%	0.0076%	0.1779%	0.2852%	1.4556%
2017	0.1204%	0.0541%	0.1745%	0.5004%	0.2571%	0.2571%	0.7575%	0.1924%	0.0069%	0.0069%	0.1993%	0.2788%	1.4101%
2018	0.1112%	0.0495%	0.1607%	0.5132%	0.2569%	0.2569%	0.7701%	0.1782%	0.0062%	0.0062%	0.1844%	0.2706%	1.3858%
2019	0.1004%	0.0433%	0.1437%	0.5239%	0.2569%	0.2569%	0.7808%	0.1685%	0.0075%	0.0075%	0.1760%	0.2502%	1.3507%
2020	0.1234%	0.0203%	0.1437%	0.5101%	0.2569%	0.2569%	0.7670%	0.1636%	0.0071%	0.0071%	0.1707%	0.2427%	1.3241%
2021	0.1437%	0.0000%	0.1437%	0.5627%	0.2015%	0.2015%	0.7642%	0.1372%	0.0063%	0.0063%	0.1435%	0.2742%	1.3256%
2022	0.1307%	0.0000%	0.1307%	0.4795%	0.1629%	0.1629%	0.6424%	0.1089%	0.0000%	0.0000%	0.1089%	0.2195%	1.1015%

Source: Davis County Auditor's Office

Percentages are applied to the taxable value of property as stated.

Clearfield City Corporation
Table 7 - Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2022			2013		
	Taxable Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Value	Rank	Percentage of Total Taxable Assessed Value
Freeport Center Associates	\$ 236,497,064	1	9.57%	\$ 190,774,128	1	12.20%
USA, Northrop Grumman	225,330,635	2	9.12%			
Lifetime Products	97,057,840	3	3.93%	35,490,065	3	2.75%
Union Pacific Railroad Co.	52,771,862	4	2.14%	19,592,624	7	1.52%
Pacific Corp	35,642,899	5	1.44%	26,098,462	5	2.02%
HRA Mountain View Owner LLC	27,355,899	6	1.11%			
Utility Trailer Manufacturing Company	26,195,146	7	1.06%	19,443,807	8	1.51%
K & M Two LLC	25,070,002	8	1.01%			
Belleuu, Wayne & Teton Investment Holding LLC	21,261,900	9	0.86%	29,793,042	4	2.31%
Clearfield Junction LLC	19,729,544	10	0.80%			
ATK Aerospace				88,435,749	2	6.85%
Worthington Foods, Inc.				25,439,962	6	1.97%
Prologis First Us Properties, LP				17,290,774	9	1.34%
BG Properties Clearfield LLC/Northrop Grumman				17,004,000	10	1.32%
	<u>\$ 766,912,791</u>			<u>\$ 469,362,613</u>		

Sources: Davis County Assessor's Office
Davis County Auditor's Office

Clearfield City Corporation
Table 8 - Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy for Fiscal Year	Collected within the				Collections in Subsequent Years	Total Collections To Date	
		Fiscal Year of the Levy		Percent of Levy	Amount		Percent of Levy	
		Amount						
2012-13	2,026,140	1,793,649		88.53%		4,710	2,063,404	101.84%
2013-14	2,176,638	1,972,289		90.61%		4,414	2,231,928	102.54%
2014-15	2,711,862	2,542,141		93.74%		38,933	2,581,074	95.18%
2015-16	2,137,367	2,148,974		100.54%		51,748	2,200,722	102.96%
2016-17	2,335,250	2,488,076		106.54%		48,683	2,536,759	108.63%
2017-18	2,333,217	2,377,911		101.92%		104,809	2,482,720	106.41%
2018-19	2,361,008	2,360,647		99.98%		145,729	2,506,376	106.16%
2019-20	2,348,873	2,507,558		106.76%		49,680	2,557,238	108.87%
2020-21	2,441,837	2,186,676		89.55%		18,459	2,205,135	90.31%
2021-22	3,380,729	3,111,375		92.03%		58,632	3,170,006	93.77%

Source: Davis County Auditor's Office

Clearfield City Corporation
Table 9 - Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Revenue Bonds	Purchase Agreements	Revenue Bonds	Purchase Agreements					
2012-13	7,285,396	13,591,036	-	2,012,132	-		22,888,564	0.19%	760.11	
2013-14	6,497,482	12,676,644	-	1,755,109	-		20,929,235	0.17%	689.01	
2014-15	6,022,484	11,891,646	-	1,486,063	-		19,400,193	0.16%	636.41	
2015-16	4,683,332	20,664,861	-	1,211,063	-		26,559,256	0.21%	866.45	
2016-17	3,666,249	10,469,468	2,350,625	926,063	-		17,412,405	0.12%	564.33	
2017-18	2,634,166	16,788,136	2,201,012	629,040	-		22,252,354	0.16%	709.51	
2018-19	1,567,083	15,801,229	2,038,186	322,017	-		19,728,515	0.13%	617.15	
2019-20	500,000	14,794,322	1,864,425	-	-		17,158,747	0.11%	525.66	
2020-21	-	13,609,339	1,684,473	-	-		15,293,812	0.09%	468.53	
2021-22	-	27,755,000	1,499,613	-	-		29,254,613	0.15%	896.23	

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. See table 15 for personal income and population data.

Clearfield City Corporation
Table 10 - Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	Estimated Population	Actual Taxable Value of Property (in thousands)	Gross Obligation Bonds	Debt Service Monies Available	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2013	30,112	1,291,751	7,285,396	1,017,826	6,267,570	0.49%	208.14
2014	30,376	1,341,413	6,497,481	1,124,461	5,373,020	0.40%	176.88
2015	30,484	1,441,745	5,754,983	1,141,957	4,613,026	0.32%	151.33
2016	30,653	1,490,586	4,683,332	10,579,118	(5,895,786)	-0.40%	(192.34)
2017	30,855	1,565,468	3,666,249	1,248,543	2,417,706	0.15%	78.36
2018	31,363	1,903,767	2,634,166	3,738,230	(1,104,064)	-0.06%	(35.20)
2019	31,967	2,163,570	1,567,083	3,514,185	(1,947,102)	-0.09%	(60.91)
2020	32,642	2,163,570	500,000	2,355,907	(1,855,907)	-0.09%	(56.86)
2021	32,642	2,567,377	-	2,036,499	(2,036,499)	-0.08%	(62.39)
2022	32,642	2,346,079	-	-	-	0.00%	-

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. General Obligation Bonds are net of discounts and premiums.

Clearfield City Corporation
Table 11 - Direct and Overlapping Governmental Activities Debt
As of June 30, 2022

<u>Name of Governmental Unit</u>	2021 Taxable Value	City's Estimated Portion of Taxable Value	Percent Applicable to Clearfield (C)	Net Outstanding Debt (1)	Amount Applicable to Clearfield
State of Utah	\$ 365,408,105,821	2,467,010,786	0.68% \$	2,162,715,000	14,601,322
Davis County School District	31,124,853,431	2,467,010,786	7.93%	504,010,000	39,948,722
Davis County	31,124,853,431	2,467,010,786	7.93%	-	-
Weber Basin Water Conservancy District	83,768,914,503	2,467,010,786	2.95%	10,095,000	297,300
North Davis County Sewer District	14,314,895,906	2,467,010,786	17.23%	10,120,000	1,744,068
Total overlapping debt					56,591,411
Clearfield City - direct	2,467,010,786	2,467,010,786	100.00%	-	-
Total direct and overlapping					<u>\$ 56,591,411</u>

1) Source: Davis County Auditor's Office
Includes general bonded debt only.

Note A: The State of Utah general obligation debt is not included in the debt ratios because the State of Utah currently levies no ad valorem tax for payment of general obligation bonds.

Note B: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

Note C: For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

Clearfield City Corporation
Table 12 - Legal Debt Margin Information
Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	51,670,040	53,656,520	57,669,800	59,623,440	62,618,720	66,034,560	73,556,640	81,876,640	80,998,600	99,151,982
Total net debt applicable to limit	7,160,000	6,390,000	5,380,000	4,455,000	3,495,000	2,520,000	1,510,000	500,000	-	-
Legal debt margin	44,510,040	47,266,520	52,289,800	55,168,440	59,123,720	63,514,560	72,046,640	81,376,640	80,998,600	99,151,982
Total net debt applicable to the limit as a percentage of debt limit	13.86%	11.91%	9.33%	7.47%	5.58%	3.82%	2.05%	0.61%	0.00%	0.00%
Legal Debt Margin Calculation for Fiscal Year 2022										
	Total Assessed Actual Value									\$ 2,478,799,552
	Debt limit - 4% of total actual value									\$ 99,151,982
	Total amount of debt applicable to debt limit									-
Legal debt margin									\$ 99,151,982	

Note: Under State Finance Law, the City's outstanding general obligation debt should not exceed 4% of total assessed property value.

Clearfield City Corporation
Table 13 - Revenue Bond Coverage
Last Ten Fiscal Years

Water Revenue Bonds

Fiscal Year	Water Utility Revenue	Operating Transfers	Expenses		Net Revenue Available For Debt Service	Principal	Interest	Total	Coverage
			Net of Interest	Net of Interest					
2013	\$ 3,628,948	\$ (263,711)	\$ 2,198,163	\$ 2,198,163	\$ 1,167,074	\$ 245,000	\$ 88,167	\$ 333,167	3.50
2014	3,605,224	(356,677)	2,316,351	2,316,351	932,196	255,000	78,300	333,300	2.80
2015	3,659,779	(187,857)	2,288,528	2,288,528	1,183,394	265,000	68,043	333,043	3.55
2016	3,737,691	(977,336)	2,562,991	2,562,991	197,364	275,000	59,200	334,200	0.59
2017	3,516,981	(374,188)	2,216,641	2,216,641	926,152	285,000	46,300	331,300	2.80
2018	3,752,705	(365,456)	2,252,033	2,252,033	1,135,216	295,000	34,834	329,834	3.44
2019	3,465,288	(398,542)	2,482,021	2,482,021	584,725	305,000	22,966	327,966	1.78
2020	3,737,476	(405,879)	2,821,221	2,821,221	510,376	320,000	10,667	330,667	1.54
2021	4,043,319	(301,125)	2,902,553	2,902,553	839,641	-	-	-	-
2022	3,843,183	(293,709)	3,096,379	3,096,379	453,095	-	-	-	-

Sales Tax Revenue Bonds

Fiscal Year	Sales Tax Revenue	Principal	Interest	Total	Coverage
2017	\$ 6,538,020	\$ 61,000	\$ 169,651	\$ 230,651	28.35
2018	7,034,374	544,000	221,753	765,753	9.19
2019	7,486,080	723,000	472,397	1,195,397	6.26
2020	7,761,852	738,000	504,907	1,242,907	6.24
2021	8,420,461	1,186,000	486,992	1,672,992	5.03
2022	9,337,194	1,224,000	636,443	1,860,443	5.02

Clearfield City Corporation
Table 14 - Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population	Personal Income (Amounts Expressed In Thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate (%)
2013	30,112	\$ 12,359,481	38,372	25.8	5,605	7.7
2014	30,376	12,782,159	38,770	25.8	5,725	7
2015	30,484	12,782,159	38,770	25.8	5,659	3.8
2016	30,653	13,410,934	39,941	25.8	5,645	3.3
2017	30,855	14,149,468	41,339	25.8	5,613	3.4
2018	31,363	14,149,468	41,339	25.8	5,514	3.1
2019	31,967	15,332,970	44,106	25.8	5,717	2.9
2020	32,642	15,689,630	48,939	28.1	4,832	5.0
2021	32,642	16,965,630	52,204	28.1	5,505	2.7
2022	32,642	20,134,617	54,820	28.1	5,601	2.1

Data Sources:

Population: Davis County Department of Community & Economic Development

Personal Income: US Bureau of Economic Analysis

Per Capital Personal Income: US Bureau of Economic Analysis

Median Age: Davis County Department of Community & Economic Development

School Enrollment: Davis County School District

Unemployment Rate: US Bureau of Labor Statistics, Local Area Unemployment Statistics

Note: Personal income information and per capital information are totals for the year and based on totals for Davis County in its entirety. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year.

Clearfield City Corporation
Table 15 - Principal Employers
Current Year and Nine Years Ago

	2022			2013		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Department of Defense	23,000	1	62.00%	23,000	1	63.50%
Lifetime Products	2,000	2	0.06%	1,750	2	0.06%
ATK Space Systems Inc.	1,634	3	0.05%	1,300	3	0.05%
Utility Trailer Man	780	4	0.04%			
AAA Member Service Center, INC	688	5	0.03%			
Pioneer Adult Rehabilitation Center	350	6	0.01%			
Clearfield Job Corp	348	7	0.01%			
Bonnell Aluminum Clearfield, Inc.	265	8	0.01%			
Rocky Mountain Care	258	9	0.01%			
Morgan Industries	175	10	0.00%			
Alliant				950	4	0.04%
LoftHouse Bakery Products, Inc.				920	5	0.03%
IES, LLC				800	6	0.02%
Arrowpoint Solutions, Inc.				450	7	0.02%
Futura Industries				420	8	0.02%
Northrop Grumman Corp.				350	9	0.02%
Management & Training Corp.				250	10	0.02%
Source:	www.jobs.utah.gov-jobseekers-firmfind-largest-companies-davis-county-download-clearfield-city-business-license-division - Total Employees claimed on business licenses & top employers. Note: Business License report does not include exempt agencies and employees of Department of Defense: http://greaterogden.home.att.net/hillafb.html					

Clearfield City Corporation
Table 16 - Full-time Equivalent Employees By Function
Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Function										
General government										
Judicial	4	4	4	4	4	4	4	4	4	4
Legal	2	2	3	3	3	3	3	4	4	4
Executive	4	4	4	5	5	5	5	5	5	6
Finance	5	4	3	3	4	4	4	4	5	5
Customer service center	n/a	n/a	n/a	n/a	5	6	6	6	5	5
Buildings & plants	2	2	2	2	2	2	2	2	3	3
Planning & zoning	1	1	1	1	1	1	1	1	1	2
Human resources	2	2	2	2	2	2	2	2	2	2
Information technology	3	3	1	1	2	2	2	2	2	2
Public safety										
Police administration	7	7	7	7	5	5	5	5	7	7
Patrol & investigations	28	28	24	22	24	27	27	28	28	28
Liquor	1	1	1	1	1	-	-	-	-	-
Dispatch/emergency services	8	8	8	8	8	8	8	8	8	8
Public works										
Public works administration	2	2	1	2	2	3	3	3	5	6
Shops	2	2	2	2	2	2	2	2	2	2
Roadways	2	2	2	3	2	2	2	2	2	2
Community services										
Administration	2	2	2	3	2	2	2	2	2	2
Parks	5	5	5	6	6	6	6	6	6	6
Recreation	2	3	3	4	3	3	3	4	4	4
Aquatic Center	7	7	7	7	7	5	5	5	5	5
Community development										
Community & economic										
Development administration	1	1	1	1	1	1	1	1	1	1
CDBG	1	1	1	1	1	-	-	-	-	-
Inspections	1	1	1	1	1	1	1	1	1	2
Permitting	1	1	1	1	-	-	-	-	-	-
Code enforcement	2	2	2	2	2	2	2	2	2	2
Enterprise funds										
Utility administration	3	3	3	3	1	-	-	-	-	-
Water	5	5	5	4	4	4	4	5	5	5
Sewer	3	3	3	3	4	4	4	4	4	5
Storm sewer	1	1	1	1	1	1	1	1	1	1
Total employees	<u>107</u>	<u>107</u>	<u>100</u>	<u>103</u>	<u>105</u>	<u>105</u>	<u>105</u>	<u>109</u>	<u>114</u>	<u>119</u>

Data source: Clearfield City Human Resource Department

Clearfield City Corporation
Table 17 - Operating Indicators by Function
Last Ten Fiscal Years

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Incidents	17,015	14,925	15,792	15,125	13,704	14,279	13,372	13,448	13,190	13,067
Parking violations	634	-	196	69	5	449	480	320	183	15
Traffic violations	7,700	9,233	7,018	6,376	7,035	8,296	7,120	4,856	3,332	3,999
Highways and streets										
Street resurfacing	3	3	3	-	17	3	2	-	-	38
Recreation										
Units of service	-	-	192,563	163,491	***	***	***	***	***	***
Aquatic center admissions	90,359	90,359	93,569	124,872	119,367	118,262	106,335	140,921	83,571	89,901
Public works										
Building permits issued	226	221	326	363	504	450	559	717	826	856
Water										
New connections	51	51	51	63	58	15	5	55	81	163
Water main breaks	-	-	47	38	25	30	10	41	45	n/a
Utility customers	6,705	6,886	6,545	6,558	6,821	6,891	6,887	6,893	6,941	7,068
Average daily consumption										
Commercial	1,481,288	16,655,795	16,655,795	1,282,910	1,187,043	1,348,386	1,147,712	1,185,600	1,052,082	964,462
Residential	3,497,022	3,491,011	3,491,011	2,865,912	3,069,460	3,241,416	2,961,717	3,131,989	3,305,334	1,874,559

Data source: Clearfield City Public Safety, Public Works, Community Services, and Finance Departments.

*** We will no longer be tracking units of service due to the change in software

Clearfield City Corporation
Table 18 - Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public safety										
Police stations	1	1	1	1	1	1	1	1	1	1
Highways and streets										
Streets (miles)	78.23	78.23	85.90	85.90	85.90	85.90	85.90	106.40	106.40	106.40
Streetlights	1,183	1,183	1,183	1,183	1,188	1,330	1,330	1,330	1,330	1,330
Recreation										
Parks acreage	81.456	81.456	90.400	90.400	90.900	90.900	90.900	90.900	90.400	90.400
Parks	12	12	14	14	14	14	14	14	14	14
Soccer fields	3	3	6	6	6	6	6	6	6	6
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	5	5	5	5	5	5	5	1	1	1
Skate parks	1	1	1	1	1	1	1	1	1	1
Boweries	5	5	5	5	5	5	5	5	5	5
Softball/baseball diamonds	10	10	10	10	10	10	10	9	9	9
Community centers	1	1	1	1	1	1	1	1	1	1
Trails	2	2	3	3	3	3	3	3	3	3
Water										
Water mains (miles)	114.50	115.00	115.60	115.60	115.90	116.00	117.20	117.10	117.10	117.10
Fire hydrants	1,308	1,310	1,298	1,312	1,321	1,321	1,338	1,412	1,414	1,414
Sewer										
Sanitary sewers (miles)	73.25	73.25	84.20	84.20	86.40	86.40	86.40	86.80	86.20	86.20
Storm sewers (miles)	71.00	71.25	71.25	72.90	73.30	73.70	73.70	76.20	77.10	77.10
Data source: Clearfield City Public Safety, Public Works, Community Services, and Finance Departments.										

GOVERNMENT COMPLIANCE SECTION



COMMITTED. EXPERIENCED. TRUSTED

**CERTIFIED PUBLIC
ACCOUNTANTS**

E. LYNN HANSEN, CPA
CLARKE R. BRADSHAW, CPA
GARY E. MALMROSE, CPA
EDWIN L. ERICKSON, CPA
MICHAEL L. SMITH, CPA
JASON L. TANNER, CPA
ROBERT D. WOOD, CPA
AARON R. HIXSON, CPA
TED C. GARDINER, CPA
JEFFREY B. MILES, CPA
SHAWN F. MARTIN, CPA

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

Independent Auditor's Report

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Clearfield City, Utah (the City) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 28, 2022.

Internal Control over Financial Reporting

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

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards*, as items 2022-1 through 2022-3.

Purpose of this Report

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

HBMC, LLC

December 28, 2022



COMMITTED. EXPERIENCED. TRUSTED

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

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

Report on Compliance

We have audited Clearfield City, Utah's (the City) compliance with the applicable state compliance requirements described in the *Utah State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, for the year ended June 30, 2022.

State compliance requirements were tested for the year ended June 30, 2022 in the following areas:

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

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on the City's compliance based on our audit of the compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *Utah State Compliance Audit Guide*. Those standards and the *Utah State Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the state compliance requirements referred to above that could have a direct and material effect on a state compliance requirement occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each state compliance requirement listed above. However, our audit does not provide a legal determination of the City's compliance with those requirements.

Opinion on Compliance

In our opinion, Clearfield City, Utah complied, in all material respects, with the compliance requirements referred to above for the year ended June 30, 2022.

Other Matter

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

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

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the state compliance requirements referred to above to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with those state compliance requirements and to test and report on internal control over compliance in accordance with the *Utah State Compliance Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

Purpose of This Report

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

HBMC, LLC

December 28, 2022

CLEARFIELD CITY, UTAH
Schedule of Findings
For the Year Ended June 30, 2022

State Compliance Audit Guide Findings

2022-1: General Fund Unrestricted Fund Balance

Statement of Condition

During testing procedures, the auditors noted the City's unrestricted (defined by the Utah State Auditor's Office as committed, assigned, and unassigned) general fund balance as a percentage of total general fund revenue (excluding *other financing sources and uses*), for the year ended June 30, 2022, was as follows:

Unrestricted general fund balance:	\$14,626,418
Total general fund revenue:	\$26,523,440
Unrestricted fund balance as a percentage of revenue:	55.15%

Criteria

State law, *Utah Code 10-6-116-(2)*, requires that the accumulation of a fund balance in the City's general fund may not exceed 35% of the total revenue of the city general fund for the current fiscal year.

Cause

The City appears to have ignored the requirements of this calculation, by not taking the necessary steps to ensure unrestricted fund balance (as defined above) in the general fund did not exceed 35% of total general fund revenues (as defined above) for the fiscal year.

Effect

By not taking the necessary steps to ensure that unrestricted general fund balance, as a percentage of general fund revenues is less than 35% of total general fund revenues, the City is out of compliance with state law.

Recommendation

The City should monitor this calculation and take necessary steps to ensure unrestricted general fund balance remains below 35% of total general fund revenues, to comply with state law.

Management's Response

The City plans on utilizing this fund balance to aid in the many infrastructure projects throughout the City. The City Council appropriated \$2.3 million of these funds, during the original budget process, for the fiscal year ending 2023. Additional projects are under consideration and will be added to future budget amendments. Sales tax revenues exceeded expectations.

CLEARFIELD CITY, UTAH
Schedule of Findings (Continued)
For the Year Ended June 30, 2022

2022-2: Fund Balance Deficit

Statement of Condition

The City has deficit unrestricted net position of \$24,962 in the public utility administration fund and \$12,972 in the fleet management fund.

Criteria

Utah Code 10-6-117(2), stipulates that deficit fund balances/net position in any fund are not permitted.

Cause

During the year, the City Council approved a debt forgiveness for the interfund loan between the public administration utility fund (receivable) and the community development and renewal agency fund (payable). This complete forgiveness required in a transfer of funds from the public administration fund, which was greater than the fund balance.

Effect

By not ensuring that the net position remains positive for the public utility administration fund after the transaction from the debt forgiveness, the City is out of compliance with state law.

Recommendation

The City should take necessary steps to eliminate each deficit unrestricted net position, to comply with state law.

Management's Response

The City will monitor these funds, and budget accordingly, to ensure each deficit net position is fully retired.

CLEARFIELD CITY, UTAH
Schedule of Findings (Continued)
For the Year Ended June 30, 2022

2021-3: Fraud Risk Assessment

Statement of Condition

The auditors noted that the City has not presented the *Fraud Risk Assessment* to the City Council during a public meeting for and during the fiscal year ended June 30, 2022.

Criteria

The Utah Office of the State Auditor requires that the City complete the *Fraud Risk Assessment* and present it to the City Council in a public meeting on an annual basis.

Cause

The City prepared the required *Fraud Risk Assessment* and provided it to the City Council but overlooked the requirement to present the *Fraud Risk Assessment* to the City Council during a public meeting.

Effect

By failing to present the *Fraud Risk Assessment*, the City is out of compliance with the requirements set forth by the Utah Office of the State Auditor.

Recommendation

The Finance Office should complete the *Fraud Risk Assessment* and present it to the City Council during a public meeting annually, in accordance with requirements set forth by the Utah Office of the State Auditor.

Management's Response

Management is aware of this oversight and will make sure that the annual Fraud Risk Assessment will not just be prepared and certified but will also be presented to the City Council at a public meeting during the accounting period.



STAFF REPORT

To: Mayor Shephard and City Council Members
From: Rich Knapp, Finance Manager
Meeting Date: January 17, 2023
Subject: Fiscal Year 2023 Proposed Budget Amendments

Recommended Action

Staff recommends the Mayor and City Council consider the FY2023 proposed budget amendments.

Description / Background

The attached table is draft only. New amendment proposals and/or adjustments may be made before final approval. Final approval is scheduled for Jan 24.

The attached table lists proposed expenditures that do not have budget authority, or which exceed FY 2023 budget authority and require budget amendments as allowed by Utah Code Title 10 Chapter 6 Section 124 to 129.

Corresponding Policy Priorities

- Providing Quality Municipal Services
- Improving Clearfield's Image, Livability, and Economy
- Maintaining a Highly Motivated and Well-Trained Workforce

Hedgehog Score

Budget authority is legally required. Individual expense item scores are listed.

Fiscal Impact

The proposed General Fund amendments net use of unrestricted GF fund balance total \$477,588. This would bring the total budgeted use of General Fund reserves/available cash for FY23 to \$2,848,601 million. The FY22 ending available cash was \$1.8 million over the 35% net revenue metric—removed ARPA funds that financial statements included. Not accounting for less conservative revenue projections, the FY23 year-end reserve balance will be 31% or \$1M less than 35%. These numbers do not include the unknown increased cost for police vehicles or anything else that may come in after the packet.

Alternatives

Most of the recommended amendments are due to expenditures that have already been incurred and/or authorized consistent with previous discussions with the City Council and should consequently

be approved. Others are recommended for approval but are more discretionary and could be removed from the final list.

Schedule / Time Constraints

The budget is typically amended in December or January, and again in June.

List of Attachments

- FY2023 Budget Amendment Items Worksheet

FY2023 Budget Amendment Items

Fund	Expense Account Title	Division-Account#	Expense	Description	Hoglet	Source Account Title	Source
Division	Expense Account Title	Division-Account#	Adjust	Description	High 18-24	Source Account Title	Adjustment
General Fund							
Legal	Special Dept Allowance	104133-645001	11,428	Reallocation-VOCA Housing-grant allows shift of funds		10-334001 State Grants	11,428
Public Works	Payroll	Many		Reallocation - no new monies			
IT	Equipment Purchase	104142-625002	28,000	Reallocation-new switches, firewall, & wireless AP		Annual Maintenance	28,000
City Manager	PT Salary	104131-611501	13,592	Additional-HR Intern more hours		Fund Balance	13,592
Facilities	Building Maintenance	104161-626001	55,000	Additional-Janitorial services new contract		Fund Balance	55,000
Inspections	Out of State Travel	104642-621301	4,500	Additional-Certification training, 2 additional trips to CO		Fund Balance	4,500
Facilities	Capital Projects	104161-673001	12,587	Additional-Multi Purpose Kitchen/Wellness Area		Fund Balance	12,587
Facilities	Capital Projects	104161-625002	79,909	Additional-Locker Room Doors at CAFC		Fund Balance	79,909
Fleet	Vehicle Replacement	104212-674003	?	Additional-4 Explorer Interceptors higher \$ unknown		Fund Balance	?
Patrol	Fleet Repair	104212-625203	7,000	Additional-FY22 deficit in the Fleet Fund		Fund Balance	7,000
Parks	Fleet Repair	104521-625203	6,000	Additional-FY22 deficit in the Fleet Fund		Fund Balance	6,000
Parks	Vehicle Replacement	104521-674003	4,000	Additional-F-150 \$4k higher		Fund Balance	4,000
Transfers	Transfer to Capital	104810-691004	295,000	Additional-transfer to Capital Funds		Fund Balance	295,000
Total New Use of Unrestricted Fund Balance Items			<u>477,588</u>				
CDRA							
RDA #8	Developer Increments	204617-645004	50,000	Additional-Argentine Corner Incentive		Fund Balance	50,000
RDA #8	Capital Projects	204617-645004	606,525	Additional-Purchase of 2 Lakeside properties		Fund Balance	606,525
Cap Project							
Parks	Capital Projects	404521-673001	80,000	Additional-Marquee Monument Signs \$50k Enterprise		Transfer from GF	80,000
Facilities	Capital Projects	454161-673001	10,000	Additional-Police parking lot fencing		Transfer from GF	10,000
Facilities	Capital Projects	454161-673001	205,000	Additional-West Entrance Remodel		Transfer from GF	205,000
Utilites							
Discussed before FY23 but not added to budget							
Water	Vehicle Replacement	515101-674003	10,000	Additional-F-150 \$4k higher, F-550 \$12k higher (half)		Fund Balance	10,000
Sewer	Vehicle Replacement	525201-674003	6,000	Additional-F-550 \$12k higher (half)		Fund Balance	6,000
Water	Transfer to Enterprise F	515101-691005	8,750	Additional-FY22 deficit in the Utility Admin Fund		Fund Balance	8,750
Sewer	Transfer to Enterprise F	525201-691005	9,500	Additional-FY22 deficit in the Utility Admin Fund		Fund Balance	9,500
Storm	Transfer to Enterprise F	535301-691005	5,750	Additional-FY22 deficit in the Utility Admin Fund		Fund Balance	5,750
Garbage	Transfer to Enterprise F	545401-691005	1,250	Additional-FY22 deficit in the Utility Admin Fund		Fund Balance	1,250
Fleet	Vehicle Replacement	614441-674003	18,996	Additional-2 F-150s \$4k each , F-550 \$12k higher		Transfer from	18,996
Fleet	Vehicle Replacement	614441-674003	?	Additional-4 Explorer Interceptors higher \$ unknown		Transfer from GF	?

* item not previously commicated to the Mayor and Council



STAFF REPORT

TO: Mayor Shepherd and City Council Members
FROM: Spencer W. Brimley, Community Development Director
MEETING DATE: Tuesday, January 17, 2023
SUBJECT: Business License Fee Study discussion (adjusted fees) and Good Landlord recommendations.

RECOMMENDED ACTION

Staff recommends that the Mayor and City Council review and discuss the analysis and recommendations for the implementation of the proposed fee as a result from the completed Business license fee study and staff analysis. Also, to consider the future of the Good Landlord Program for Clearfield City.

DESCRIPTION / BACKGROUND

Zions Public Finance, Inc. ("ZPFI") was retained by Clearfield City to complete an analysis of business licensing fees to meet the requirements of Utah law as established by Utah Code Annotated §10-1-203. Additionally, the city requested that ZPFI analyze the current Good Landlord Program (GLP) and provide the city with suitable options to replace this program, given the changes to the statute that have reduced the effectiveness of the original program.

June 14, 2022

During the June 14th work session staff and the consultant presented the draft business license fees, as a result of the study that commenced in February 2022. The Council provided feedback to be incorporated into the final analysis.

November 22, 2022

Following the completion of the full study, Staff began this meeting by reminding the Council that the City had not changed its business license fees since 2008 and now would be the appropriate time to adjust the fees. The analysis behind the proposed changes to the fee schedule included the following factors / data:

- Employee labor (direct hours to process an application)
- Indirect/department overhead
- Training
- Supply and study costs

Staff presented recommendations for fee changes to the Council and explained the efforts that had been made by City staff and the consultant. Members of the Council expressed concern about the impact that increasing fees could have on retaining and attracting businesses to the City, particularly

retail, and wanted to know the comparisons involved in the process. It was pointed out that the market might support increases, but what was right for businesses in Clearfield? The Council directed staff to consider a phased approach to fee implementation.

STUDY / ANALYSIS

Staff reviewed fees charged by neighboring cities in Davis County, and then deliberated on strategic fee levels that could support economic development and cover the City's costs, but not so high as to deter businesses.

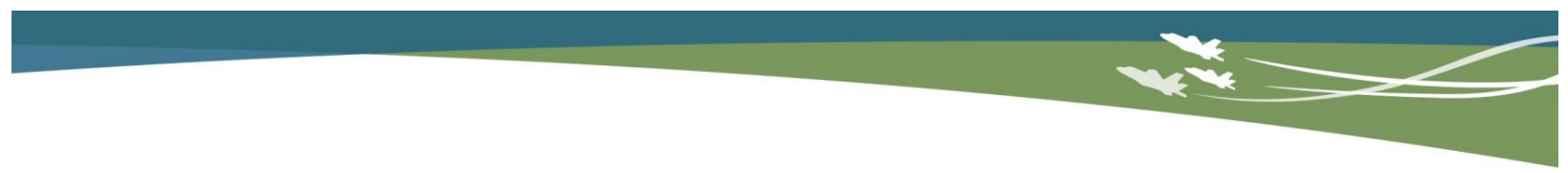
Proposed fee reductions

Because of a) the high amount of the maximum possible fee, and b) the potential benefit to the community and/or city operations, staff is proposing a reduction to the disproportionate fee component for the following business types.

- C-Store (Convenience Stores)
- Entertainment Services
- Grocery Stores
- Restaurant
- Retail (not including retail tobacco shops)
- Lodging
- Daycare
- Non-profit / No fee

SUMMARY TABLE	Police Disproportionate Ratio (less outliers)	Maximum Disproportionate Calls for Service Fee	75% discount of Disportionate fee	50% discount of Disportionate fee	25% discount of Disportionate fee
CONVENIENCE STORE	22.34	\$5,476	\$1,369	\$2,738	\$4,107
DAYCARE	3.07	\$752	\$188	\$376	\$564
ENTERTAINMENT SERVICES	4.02	\$985	\$246	\$492	\$739
GROCERY STORE	11.02	\$2,701	\$675	\$1,350	\$2,026
LODGING	0.36	\$89	\$22	\$45	\$67
NON-PROFIT/NO FEE	0.77	\$188	\$47	\$94	\$141
RESTAURANT	2.84	\$695	\$174	\$348	\$521
RETAIL	1.25	\$307	\$77	\$153	\$230

The table above identifies potential discount amounts of 75%, 50%, 25%. This is meant to provide the council with insight into what the discount would mean and how the new reduced fee could be rolled out. Staff supports the idea of a singular roll out of the fee, rather than a phased approach (ratcheting up over time). A phased approach is something staff would be willing to do, if the council chooses, but a single implementation will be simpler to manage and may be easier for businesses to tolerate (as opposed to increases in two or three consecutive years).



The table above only shows the categories or license types that are being proposed with this adjustment. The other fees (e.g. base administrative costs) and business types not being reduced will remain as proposed in the table of the Business License Report.

CORRESPONDING POLICY PRIORITY (OR PRIORITIES)

Providing Quality Municipal Services

The study supports this policy priority by analyzing current fees in seeking for *continuous improvement through innovation*. The innovative study and recommendations encourage alignment of city licensing fees with their true costs, as well as establishing fees consistent with surrounding communities and will be more financially sustainable by covering the City's costs.

Improving Clearfield's Image, Livability and Economy

The study supports this policy by providing analysis and recommendations that encourage more efficient use of city resources for the oversight of local businesses and licensing of residential developments. By ensuring fees are accurate as it relates to actual costs allows for time and resources to be properly allocated to assist in improving the city's image, livability and economy. This method allows the city to cover those expenses and not have to rely on other sources to do so, while planning for the current and future growth.

FISCAL IMPACT

This project will provide for the continual improvement of the City's business and rental license services by properly evaluating city fees and charging a cost consistent with the time and effort associated with the services provided. Staff believes the proposed fees are in line to cover the costs incurred for the operation of not only administering business and rental license fees, but the ongoing costs of staffing resources. Staff believes the adoption of the maximum fee is best from a cost recovery perspective but recognizes the desire to reduce impacts and support economic development by adopting a lower fee in certain circumstances. Depending on what type of discount the Council deems is appropriate, the annual increase in business license revenue could increase anywhere from \$88,518 (75% discount) to \$213,754 (no discount) over the current level. It would be fair to say that anything less than the maximum fee is the cost of City services that Clearfield taxpayers bear, but which benefit the business licensees.

ALTERNATIVES

The council, after careful consideration may consider the following for the implementation of the proposed business/rental license fees:

- Adopt proposed fee changes as recommended in the Study completed by Zion's Bank for business and rental licenses (i.e. the maximum fee supported by the analysis).

- Adopt the 75% discount amount for the categories listed in the staff report, taken from the Study completed by Zion's Bank
- Adopt the 50% discount amount for the categories listed in the staff report, taken from the Study completed by Zion's Bank
- Adopt the 25% discount amount for the categories listed in the staff report, taken from the Study completed by Zion's Bank
- Adopt a phased schedule for the proposed fee that would result in a smaller increase initially and that would increase in a year, or two years until reaching the maximum fee.
- Some other methodology for process for the adoption of a new fee for licensing of the City.

GOOD LANDLORD HEDGEHOG ANALYSIS

Option 1 - I scored the keeping of the GLP as an 8 in my hoglet review. Stacy Millgate also evaluated this program and scored the keeping of the program as an 8. In January 2021 Staff evaluated this program internally and concluded that the program's reduced effectiveness and unenforceability make it more of a cost to the city than a benefit.

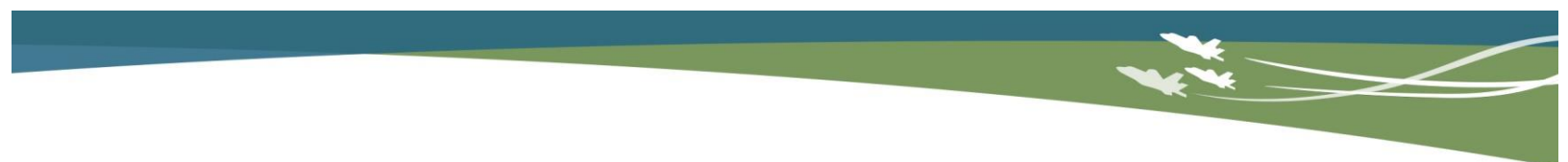
Option 2 - For the discontinuation of the GLP and substituting it with a more proactive approach to enforcement, Stacy and I both came up with scores of 12 and 14. There is value in enforcement and being more proactive and deliberate. 12 and 14 are not particularly high scores for this hoglet/hedgehog process. The increase in the scoring came from "benefit to the public," "need vs. want," and "cost vs. benefit."

During the last November 22 work session with the council, staff did not present the recommendations for the GLP. However, prior to the end of the meeting Mayor Shepherd stated if the GLP demonstrated that it resulted in a reduction in police calls, then he would support keeping it, but without that he considered it not worth the effort and time to administer. There is a cost for managing, training and administering different aspects of the GLP. The validity of the program now and in the future is in question as the State continues to erode what was once a program that required more accountability. The current program is ineffective and does not provide protection or support to improve rental housing in the city.

Recommendations:

There are options for the City as it considers how to move forward with administering its GLP:

- Option 1 – Continue the Good Land Program
 - The City may choose to continue administering the GLP into the future with small changes to bring the program back into alignment with the State's updated requirements. This might result in slightly higher revenues if the City reduces the



discount rate offered to GLP participants. However, the increased time and costs spent on administering the GLP will continue. Moreover, because of the current legal restrictions, the GLP will have little if any ability to reduce the number of police calls to a rental property.

- Option 2 – Discontinue the Good Land Program and consider a more proactive approach to code enforcement
 - The Council may choose to discontinue the GLP and forgo collecting a disproportionate service call fee on rental units. This would result in slightly lower revenues from the rental license fees as outlined in Table 19, but the substantial administrative costs of administering the GLP would be eliminated. It may also benefit the City to consider a more proactive approach to code enforcement to impose penalties on rental properties who are repeat offenders of code violations. These fees can be reduced or waived based on the property owner's participation in a management plan to correct the code violations moving forward.

These two options have been identified as potential courses of action for the City. Other alternatives may also be viable for the City as it considers the most efficient and reasonable way to ensure the community maintains a high standard of living.

SCHEDULE / TIME CONSTRAINTS

Staff has been working with the consultant to fine tune and respond questions from the Council. Adoption the proposed/recommended fees is anticipated for January 2023.

ATTACHMENTS

- Attachment #1 – DRAFT Clearfield Business License Fee Study

Table of Contents

Executive Summary	1
Base Administrative Costs	1
Disproportionate Service Costs	2
Disproportionate Regulatory Service Costs	2
Disproportionate Service Call Costs.....	2
Enhanced Service Costs	2
Total Licensing Costs	2
Good Landlord Program	2
Introduction	4
Base Administrative Costs	4
Employee Costs for Business Licensing	4
Department Operational Costs.....	5
Indirect Costs.....	6
Employee Training Costs	6
Employee Time for Business Licensing	7
Base Administrative Costs	8
Disproportionate Costs	10
Disproportionate Regulatory Costs	11
Disproportionate Service Call Costs.....	11
Enhanced Service Costs	14
Total Licensing Costs.....	14
Good Landlord Program Analysis and Recommendations	16
Current Good Landlord Program	17
Good Landlord Programs in Other Communities	18
Recommendations	20
Appendix A – Business License Fee Comparisons.....	23
Appendix B– Good Landlord Discount in Other Communities.....	26

Executive Summary

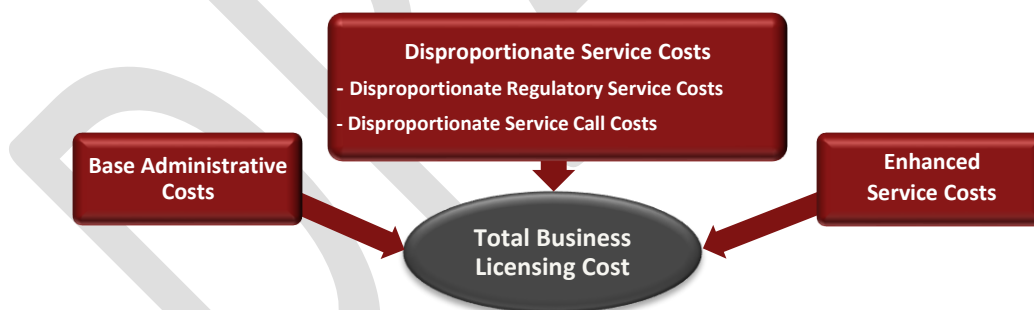
Zions Public Finance, Inc. ("ZPFI") was retained by Clearfield City ("Clearfield" or the "City") to complete an analysis of business licensing costs to meet the requirements of Utah law as established by Utah Code Annotated §10-1-203. Utah law allows municipalities to license businesses for the purpose of regulation and revenue but places a maximum on the business license fees charged equal to the cost of services provided by the City.

This study calculates the maximum business license fees allowable in Clearfield under current State law. The City Council may choose a fee lower than the maximum fee. If less than the maximum allowable fees are charged, the difference between the fee and the cost to the City will be covered through other revenue sources.

Factors the City may want to consider as it establishes new business license fees include:

- Percentage change to current fees;
- Dollar amount of change in fees;
- Correlation between proposed fees and the actual cost of services contained in this study;
- Recognition of other revenues generated by some business types (such as sales tax, real property tax, personal property tax, municipal energy tax, transient room tax, etc.); and
- The comparative/competitive fees in neighboring cities and towns

This study considers base administrative, disproportionate service costs, and enhanced services costs. When base costs, disproportionate costs, and enhanced service costs are added together, they represent the maximum amount the City may charge for business licenses.



Base Administrative Costs

Base administrative costs include the common costs incurred by all types of businesses to register, oversee, maintain records, and regulate licensed businesses within the City such as application, registration, issuance, etc.

Disproportionate Service Costs

There are two types of disproportionate service costs: disproportionate regulatory service costs and disproportionate service call costs.

Disproportionate Regulatory Service Costs

Disproportionate Regulatory service costs occur when a business incurs additional regulatory costs (beyond the base costs) for inspections or other regulatory services. These costs are in addition to the base administrative costs shown in the previous table.

Clearfield does not have any disproportionate regulatory costs which will be accounted for in this study.

Disproportionate Service Call Costs

Disproportionate service call costs include the cost of services for police calls above the base level of service multiplied by the cost per call. The base level of service is defined as the average annual¹ level of service provided to single-family, owner-occupied residences. Disproportionate service call costs are in addition to the base administrative cost for each business class.

Enhanced Service Costs

Enhanced service levels reflect a higher level of service provided by the City for a specific portion of the business community, whether it is a business class, business location, etc. Examples of enhanced service levels include more landscaping, hanging baskets, more or higher quality signage, increased police patrols (i.e., visible police presence), more frequent snow removal, etc. Generally, these types of services are increased in a particular geographic section of the City, such as downtown or the town center of a resort community, but they may also be specific to a particular type of business class, the number of employees in a company, etc.

Clearfield does not have any geographic areas or business classes for which the City provides enhanced service levels.

Total Licensing Costs

The total annual cost for a business license in Clearfield includes the base administrative and disproportionate service call costs. The total business license cost identified in this business license fee study is the *maximum amount* the City may charge for a business license. The disproportionate service call costs for police are the same regardless of whether the license is a renewal or a new application and may be charged annually.

Good Landlord Program

Clearfield City currently participates in the Good Landlord Program (GLP) which provides an opportunity for landlords to receive a discounted fee if training requirements are completed and certain obligations are met under the program. All landlords are eligible to participate in the program, but participation is not required.

Benefits to the City from the GLP may include elimination or a reduction of code violations, reduction of criminal activities, greater communication with property owners, neighbors, and landlords when issues

¹ Police call data was averaged over a two-year period, January 2020 – December 2021.

arise, and a greater quality of life for neighborhoods in areas that may possess a high volume of rental properties. Prior to 2017 the GLP provided some ability for the City to enforce and benefit from the program. However, after continual changes from the legislature, staff has experienced that the landlords who join the program currently receive a substantial cost savings, but the City no longer has any authority to tell the landlords who they can/cannot lease to or possess the ability to safeguard their residents as they once did. The current Good Landlord Program has become increasingly difficult to enforce and the administrative oversight required for maintaining the program is likely not being recovered through the current fees.

DRAFT

Introduction

Zions Public Finance, Inc. (“ZPFI”) was retained by Clearfield City to complete an analysis of business licensing costs to meet the requirements of Utah law as established by Utah Code Annotated §10-1-203. The law states that “...the legislative body of a municipality may license for the purpose of regulation and revenue any business within the limits of the municipality and may regulate that business by ordinance.”² Additionally, the law states that “the amount of a fee shall be reasonably related to the costs of the municipal services provided by the municipality.”³ In other words, business licensing fees charged may not exceed the amount necessary to reasonably regulate business activity, including the costs of disproportionate and enhanced levels of municipal services required by some business classes, geographic locations, etc.

While this study calculates the maximum business license fees allowable under current State law, the City Council may choose a lesser fee. If less than the maximum allowable fees are charged, the difference between the fee and the cost to the City will be made up through other revenue sources.

Clearfield currently requires all commercial businesses to obtain a business license. This study considers the three categories of business licensing which, when added together, equal the maximum amount the City may charge for business licenses. Specifically, these three categories include Base Administrative Costs, Disproportionate Costs (regulatory costs and services call costs); and Enhanced Service Costs. Each of these categories is explained in greater detail below.

Base Administrative Costs

Base administrative costs include the following standard labor costs: (i) business license application and registration process; (ii) issuance of license; (iii) collection of fees; (iv) maintenance of records; and (v) preparation of business reports and required verifications.

In order to estimate the base administrative costs of a business license, ZPFI’s source of information has been the City. Costs have been evaluated based on time spent by employees, wages and benefits for these employees, indirect costs, and department overhead such as supplies, computers, etc. Indirect costs include mayor & council, justice court, city manager, city recorder, legal, human resources, information technology, finance, customer service, and facilities maintenance.

The costs associated with licensing a business are determined by analyzing both employee costs and the time spent by each employee on business licensing procedures. Considering these two factors, a cost for each step in obtaining a business license can be determined. Added together, these costs equal the *base administrative costs* to the City for issuing a business license.

Employee Costs for Business Licensing

Direct business licensing costs include labor (wages & benefits) and department overhead costs (supplies, computers, etc.) for all personnel involved in issuing and overseeing business licenses.

² Utah Code Annotated §10-1-203(2)

³ Utah Code Annotated §10-1-203(5)(c)(ii)

The following Clearfield employee positions are directly involved in business licensing:

- Building Inspector
- City Planner
- Business License Official (Customer Service Center Manager or CSCM)
- Police Chief
- City Attorney

A direct cost per minute was calculated for each employee involved in the business licensing process based on their annual minutes worked using the following method:

TABLE 1: DIRECT COST PER MINUTE CALCULATION

Per Minute Cost	Calculation
Employee Labor Cost per Minute	<i>(Salary + benefits)/employee total annual minutes worked</i>
Department Overhead Cost per Minute (e.g., supplies, computers, etc.)	<i>Department operations costs/total annual minutes worked</i>
Direct Business License Cost per Minute	<i>Employee labor cost per minute + department operations cost per minute</i>

Table 2 shows the direct labor cost per minute for all employees involved in business licensing. All figures used in calculating direct costs were provided by the City.

TABLE 2: DIRECT LABOR COST PER MINUTE

Employees by Department	Direct Cost per Hour	Direct Cost per Minute
Building Inspector	\$39.95	\$0.67
City Planner*	\$46.65	\$0.78
Business License Official (CSCM)	\$59.03	\$0.98
Police Chief	\$108.67	\$1.81
City Attorney	\$107.50	\$1.79

*There are two planners who directly process business license fees. This rate is a weighted rate which considers the percent of time each planner spends working on business license fees.

Department Operational Costs

There are additional costs associated with the operational support needed to handle the business licensing process. These additional costs include a portion of staff time spent on setting up new software and fees associated with business licensing software. These additional costs are combined with the direct labor and supply costs described above. A breakdown of these operational costs is found below.

TABLE 3: ADDITIONAL COST PER MINUTE – OPERATIONAL COSTS

	Annual Cost
Cost of Software	\$21,000
Cost per Minute	\$0.22

Indirect Costs

The following indirect costs were provided by Clearfield as the fair share of costs to be allocated to the business licensing process due to support from the departments listed below. These departments were selected because they provide support to the entire City. Other departments within the City may have had overhead within their respective departments, but that overhead was not considered because it did not relate to business licensing.

TABLE 4: TOTAL INDIRECT COSTS

Mayor & Council	\$408,075
Justice Court	\$490,463
City Manager	\$503,766
City Recorder	\$241,185
Legal	\$631,722
Human Resources	\$379,807
IT	\$982,022
Finance	\$587,253
Customer Service	\$296,681
Facilities Maintenance	\$832,656
TOTAL	\$5,353,630

Source: Clearfield City 2022-2023 Budget

Total indirect costs for the City were divided among each full-time equivalent (FTE) employee to calculate an indirect cost per minute. As shown in the following table, indirect cost per minute per FTE is \$0.24.

TABLE 5: TOTAL INDIRECT COSTS PER MINUTE

Indirect Costs to be Allocated	\$5,353,630
FTEs	179.5
Indirect Cost per FTE	\$29,825.24
Total Annual Hours Worked per FTE	2,080
Indirect Cost per Hour	\$14.34
Indirect Cost Per Minute	\$0.24

Employee Training Costs

There are also indirect costs within each department associated with business licensing. These indirect costs include a portion of staff time spent in staff meetings and trainings. The meeting and training costs are divided across all businesses based on the amount of time each employee spends on that business. A breakdown of this cost per minute for City employees who participate in trainings directly associated with business licensing is given below.

TABLE 6: ADDITIONAL COST PER MINUTE – MEETING AND TRAINING COSTS

Meetings and Trainings – Cost per Minute	
Building Inspector	\$0.03
City Planner	\$0.04
Business License Official	\$0.05
Police Chief	\$0.09
City Attorney	\$0.09

Summary of Direct and Indirect Costs per Minute

TABLE 7: SUMMARY OF TOTAL COSTS PER MINUTE

Total Costs per Minute	Building Inspector	City Planner	Business License Official	Police Chief	City Attorney
Direct Cost	\$0.67	\$0.78	\$0.98	\$1.81	\$1.79
Indirect Cost	\$0.24	\$0.24	\$0.24	\$0.24	\$0.24
Operational Costs	\$0.22	\$0.22	\$0.22	\$0.22	\$0.22
Training Cost	\$0.03	\$0.04	\$0.05	\$0.09	\$0.09
Total	\$1.16	\$1.28	\$1.50	\$2.36	\$2.34

Employee Time for Business Licensing

Each employee has a different role when reviewing business license applications. The following table summarizes each person's involvement per license type.

TABLE 8: EMPLOYEE TIME PER LICENSE IN MINUTES

	Building Inspector	City Planner	Business License Official	Police Chief	City Attorney
General Business License					
New	45	15	60	5	0
Renewal	5	5	40	0	0
Rental Dwelling License					
New	30	45	75	0	0
Renewal	5	5	40	0	0
Temporary or Seasonal Merchant License					
New - 180 Days	15	25	60	0	0
Cleaning Deposit	0	0	65	0	0
Mobile Food Vendor License					
New - 180 Days	0	25	60	0	0
Cleaning Deposit	0	0	65	0	0
Solicitor License					
New	0	0	75	30	15
Renewal	0	0	45	0	0
Identification Badge	0	0	15	0	0
Beer License					
New	45	15	60	30	15
Renewal	5	5	40	0	0

	Building Inspector	City Planner	Business License Official	Police Chief	City Attorney
Sexually Oriented Business License/Sexually Oriented Business Employee License					
New	15	25	90	30	20
Renewal	5	5	40	0	0
Firework Stand License					
New	15	15	60	0	10
Cleaning Deposit	0	0	65	0	0
Pawnbroker					
New	15	15	60	0	10
Renewal	5	5	40	0	0
Massage Therapist					
New	15	15	60	30	20
Renewal	5	5	40	0	0
Identification Badge	0	0	15		

Supply and Study Costs

The City has identified pertinent supplies to be included in the City's direct costs. The cost to conduct this business license fee study can also be included in the business licensing costs. It is assumed that the useful life of a business license study is approximately 5 years. The supply and study costs are then divided by the annual number of business licenses processed to arrive at an additional cost per license of \$4.26.

TABLE 9: SUPPLY AND STUDY COST PER LICENSE

Total Annual Supply Cost	\$3,625
Total Annual Study Cost	\$2,980
Total Number of Business Licenses	1,542
Cost per License	\$4.26

Base Administrative Costs

The following table outlines the total time and base administrative cost associated with each business license.

TABLE 10: BASE ADMINISTRATIVE COSTS

	Maximum Fee
General Business License	
New	\$177.30
Renewal	\$76.30
Rental Dwelling License	
New	\$208.86
Renewal	\$76.30
Temporary or Seasonal Merchant License	
New - 180 Days	\$143.42
Cleaning Deposit	\$101.49
Mobile Food Vendor License	
New - 180 Days	\$125.99
Cleaning Deposit	\$101.49
Solicitor License	
New	\$222.54
Renewal	\$71.57
Identification Badge	\$26.70
Beer License	
New	\$271.57
Renewal	\$76.30
Sexually Oriented Business License/Sexually Oriented Business Employee License	
New	\$306.11
Renewal	\$76.30
Firework Stand License	
New	\$154.07
Cleaning Deposit	\$101.49
Pawnbroker	
New	\$154.07
Renewal	\$76.30
Massage Therapist	
New	\$248.44
Renewal	\$76.30
Identification Badge	\$26.70

Based on legislation passed in 2017, license fees for home occupation businesses may only be charged when the “combined offsite impact of the home-based business and the primary residential use materially exceeds the offsite impact of the primary residential use alone.”⁴ This means only home occupations that create an impact on the residential area through business operations can be charged a business license fee. The City has elected to charge home occupation fees, but has provided a home-based business licensing fee exemption for business that meet the following criteria:

- No customers will visit the home;
- The business will not create dust, noise, odors, or other detrimental impact to surrounding properties; and
- There will be no outdoor storage associated with the business.

However, the City may still require a business license (without a fee) for home based businesses which meet the exemptions and can charge a fee to home occupations that requests a license when they otherwise would not be required to obtain one.⁵

Disproportionate Costs

Disproportionate service costs include the additional costs which some businesses incur because of 1) additional regulatory services provided, such as inspections; and 2) responses to service calls compared to the base level of service. There are, therefore, two types of disproportionate service costs: 1) disproportionate regulatory service costs; and 2) disproportionate service call costs.

Disproportionate regulatory service costs include the cost of services for business-related paperwork, administrative oversight, special regulations, and inspections that are in addition to the services common to all businesses included in the base administrative cost. For example, additional regulatory services are required by some classes of businesses such as day-cares, assisted living, and other special care facilities.

Disproportionate service call costs include the cost of services for police calls above the base level of service provided by these departments. In order to identify disproportionate service levels, ZPFI has interviewed City officials and service providers and has obtained data regarding calls for service from the City.

According to Utah Code Annotated §10-1-203(5)(c)(i), “Before the governing body of a municipality imposes a license fee on a business that causes disproportionate costs of municipal services under Subsection (5)(a)(i)(C)(I), the legislative body of the municipality shall adopt an ordinance defining for purposes of the [fee] tax under Subsection (5)(a)(i)(C)(I) the costs that constitute disproportionate costs and the amounts that are reasonably related to the costs of the municipal services provided by the municipality.”

⁴ Utah Code §10-1-203(7)

⁵ SB-158, effective May 8, 2018

Cities are allowed under Utah Code to collect disproportionate business licensing fees for the following municipal services:

- Police
- Fire/EMS
- Storm Water Runoff
- Traffic Control
- Parking
- Transportation
- Beautification
- Snow Removal

Clearfield will only consider disproportionate police services in this study. Therefore, disproportionate services rendered may include police calls for service and business-related paperwork, administrative oversight, special regulations, inspections, calls for service, and other services performed for specific types of businesses. To calculate disproportionate costs, the *base level* of service for police must first be established. There are two types of disproportionate costs appropriate to this study – disproportionate regulatory costs and disproportionate police call costs.

Disproportionate Regulatory Costs

Regulatory service costs occur when a business incurs additional regulatory costs (beyond the base costs) for inspections or other regulatory services.

Clearfield does not have any disproportionate regulatory costs which will be accounted for in this study.

Disproportionate Service Call Costs

Disproportionate service call costs include the cost of services for police calls above the base level of service provided by police. The *base level* of service is the average level of service calls to owner-occupied residences. Calls for police services were obtained from Clearfield City for the 2-year period from January 2020 to December 2021. The call data was then analyzed to calculate the number of calls to owner-occupied residential units. The number of calls to owner-occupied single-family residential units was averaged over the 2-year period.⁶ The average annual number of calls to owner-occupied single-family residential units was then divided by the total number of owner-occupied single-family residential units to determine the *base level* of service calls for police. This per unit base level of service is referred to as the *base level service call ratio*. The disproportionate service call costs are calculated by multiplying the average level of police calls for each commercial business and residential rental type above the base level service call ratios by the cost per call for police services.

The annual *base level service call ratio* for police calls was determined to be an average of 0.483054 calls per owner-occupied single-family residence per year.

TABLE 11: RESIDENTIAL CALL DATA – BASE LEVEL SERVICE CALL RATIO FOR POLICE

	Police
Residential Calls for Service – 2-year annual average	3,050
Single Family Residential Units	6,314
Base Calls per Residential Unit	0.483054

⁶ A 2-year average minimizes the effect of a call volume spike that could occur over a one-year period.

The average annual police service call ratio per business in each business class was calculated by dividing the average annual number of calls in each business class by the total number of businesses in the business class. Service call ratios for commercial businesses that are higher than the *base level* of service call ratio are considered disproportionate. To calculate the disproportionate service call ratio, the base level of service ratio was subtracted from the average calls per commercial business class.

Police costs per call were determined by taking the budgeted amount for police services and dividing that number by the total number of police calls for service within the City (traffic calls included). The City has confirmed that about 56.50% of costs included in the budgeted amount are directly related to service calls.

TABLE 12: POLICE COST PER CALL FOR SERVICE

	Amount
2022-2023 Police Budget	\$5,725,089
Estimated Percentage of Time Spent on Responding to Police Calls	56.50%
Annual Police Calls (all calls, including traffic calls)	13,195
Police Cost per Call	\$245.14

Table 13 summarizes the disproportionate police service call costs by business class in Clearfield. The average residential calls per unit (0.483054) is subtracted from the average number of police calls per business type in order to calculate the disproportionate police calls per business type. The number of disproportionate calls, by business type, is then multiplied by the cost per call (\$245.14) to arrive at the disproportionate cost per business type. Due to the nature of the Lodging and Storage Units business categories, businesses within these categories are charged on either a per room or per unit basis. This allows the City to more fairly assess the disproportionate impact those businesses have on City services since their rooms and units are more comparable to the residential base unit than the overall business itself.

TABLE 13: DISPROPORTIONATE POLICE CALLS FOR SERVICE

Business Category	Disproportionate Police Calls	Disproportionate Cost per Business
AUTOMOTIVE	1.78	\$437
BAR	2.02	\$494
BEAUTY SALON	(0.21)	\$0
CONVENIENCE STORE	22.34	\$5,476
DANCE STUDIO	(0.15)	\$0
DAYCARE	3.07	\$752
ENTERTAINMENT SERVICES	4.02	\$985
FINANCIAL SERVICES	3.67	\$900
GENERAL CONTRACTOR	0.05	\$12
GROCERY STORE	11.02	\$2,701
GROUP HOME	17.64	\$4,325
GYM/TRAINING	1.64	\$403
LODGING	0.36 per room	\$89 per room

Business Category	Disproportionate Police Calls	Disproportionate Cost per Business
MANUFACTURING/WAREHOUSE /DISTRIBUTION	0.69	\$170
MASSAGE	(0.48)	\$0
NON-PROFIT/NO FEE	0.77	\$188
PAWNBROKERS	11.52	\$2,823
PERSONAL SERVICES	(0.01)	\$0
PROFESSIONAL/BUSINESS SERVICES	0.27	\$67
RESTAURANT	2.84	\$695
RETAIL	1.25	\$307
STORAGE UNITS	(0.47) per unit	\$0 per unit
TOBACCO SHOP	0.52	\$127

Rental complexes were also analyzed for any disproportionate costs associated with different-sized complexes. This disproportionate analysis categorized rental complexes by residential types. The disproportionate cost associated with each rental category is shown in the table below.

TABLE 14: DISPROPORTIONATE POLICE CALLS FOR SERVICE – RENTAL CATEGORY

Rental Category	Disproportionate Police Calls per Unit	Disproportionate Cost per Business per Unit
Single Family	0.26	\$64
Duplex	(0.16)	\$0
Tri/Quad Plex	0.15	\$37
Multi-Housing	0.09	\$21
Mobile Home	0.23	\$56

The tables above shows the maximum disproportionate fee per business category that the City could impose based on the disproportionate cost associated with each business class. The City may choose not to impose the maximum fee for disproportionate police calls shown in Table 13 and Table 14. If less than the maximum allowable fees are charged, the difference between the fee and the cost to the City will be covered through other revenue sources.

Factors the City may want to consider as it establishes new business license fees include:

- Percentage change to current fees;
- Dollar amount of change in fees;
- Correlation between proposed fees and the actual cost of services contained in this study;
- Recognition of other revenues generated by some business types (such as sales tax, real property tax, personal property tax, municipal energy tax, transient room tax, etc.); and
- The comparative/competitive fees in neighboring cities and towns

Enhanced Service Costs

Enhanced service levels reflect a higher level of service for a specific portion of the business community, whether it is a business class, business location, etc. Examples of enhanced service levels include more landscaping, hanging baskets, more or higher quality signage, increased police patrols (i.e., visible police presence), more frequent snow removal, etc. Generally, these types of services are increased in a particular geographic section of the City, such as downtown or the town center of a resort community, but they may also be specific to a particular type of business class, the number of employees in a company, etc.

Clearfield does not have any geographic areas or business classes for which the City provides enhanced service levels.

Total Licensing Costs

The total annual cost for a business license in Clearfield includes the base administrative and disproportionate service call costs. The total business license cost identified in this business license fee study is the *maximum amount* the City may charge for a business license. The disproportionate service call costs for police are the same regardless of whether the license is a renewal or a new application and may be charged annually.

The following tables show the current licensing fees compared to the maximum fees calculated in this study. The percentage represents the cost covered by the City's current fees. Anything over 100% means the fee will need to be reduced as current fees are collecting more than the cost of service. Anything less than 100% means the cost of administering business licenses and providing services to those businesses is not being covered under the current fee.

TABLE 15: BASE ADMINISTRATIVE COSTS – CURRENT FEE AND MAXIMUM FEE CALCULATION COMPARISON

	Current Fee	Maximum Fee	Percent Captured
General Business License			
New	\$75.00	\$177.30	42%
Renewal	\$64.00	\$76.30	84%
Rental Dwelling License			
New	\$190.00	\$208.86	91%
Renewal	\$64.00	\$76.30	84%
Temporary or Seasonal Merchant License			
New - 180 Days	\$120.00	\$143.42	84%
Cleaning Deposit	\$100.00	\$101.49	99%
Mobile Food Vendor License			
New - 180 Days	\$120.00	\$125.99	95%
Cleaning Deposit	\$100.00	\$101.49	99%

	Current Fee	Maximum Fee	Percent Captured
Solicitor License			
New	\$215.00	\$222.54	97%
Renewal	\$64.00	\$71.57	89%
Identification Badge	\$15.00	\$26.70	56%
Beer License			
New	\$138.00	\$271.57	51%
Renewal	\$64.00	\$76.30	84%
Sexually Oriented Business License/Sexually Oriented Business Employee License			
New	\$200.00	\$306.11	65%
Renewal	\$64.00	\$76.30	84%
Firework Stand License			
New	\$120.00	\$154.07	78%
Cleaning Deposit	\$100.00	\$101.49	99%
Pawnbroker			
New	\$138.00	\$154.07	90%
Renewal	\$64.00	\$76.30	84%
Massage Therapist			
New	\$178.00	\$248.44	72%
Renewal	\$64.00	\$76.30	84%
Identification Badge	\$15.00	\$26.70	56%

TABLE 16: DISPROPORTIONATE POLICE CALLS FOR SERVICE – CURRENT FEE AND MAXIMUM FEE CALCULATION COMPARISON

Business Category	Current Fee	Maximum Fee	Percent Captured
AUTOMOTIVE	\$115	\$437	26%
BAR	\$800	\$494	162%
BEAUTY SALON	\$0	\$0	N/A
CONVENIENCE STORE	\$500	\$5,476	9%
DANCE STUDIO	\$0	\$0	N/A
DAYCARE	\$10	\$752	1%
ENTERTAINMENT SERVICES	\$0	\$985	0%
FINANCIAL SERVICES	\$440	\$900	49%
GENERAL CONTRACTOR	\$0	\$12	0%
GROCERY STORE	\$0	\$2,701	0%
GROUP HOME	\$0	\$4,325	0%
GYM/TRAINING	\$0	\$403	0%

Business Category	Current Fee	Maximum Fee	Percent Captured
LODGING	\$0	\$89 per unit	0%
MANUFACTURING/WAREHOUSE/DISTRIBUTION	\$200	\$170	118%
MASSAGE	\$0	\$0	N/A
NON-PROFIT/NO FEE	\$0	\$188	0%
PAWNBROKERS	\$500	\$2,823	18%
PERSONAL SERVICES	\$0	\$0	N/A
PROFESSIONAL/BUSINESS SERVICES	\$0	\$67	0%
RESTAURANT	\$150	\$695	22%
RETAIL	\$0	\$307	0%
STORAGE UNITS	\$0	\$0 per unit	N/A
TOBACCO SHOP	\$0	\$127	0%

Good Landlord Program Analysis and Recommendations

The Good Landlord Program (GLP) provides an opportunity for landlords to receive a discounted fee if training requirements are completed and certain obligations are met under the program. Clearfield City currently participates in the Good Landlord Program. According to Clearfield's Good Landlord Incentive Program, all landlords are eligible to participate in the Program, but participation is not required. Landlords who choose to participate will receive a significant discount on license fees and disproportionate service fees.

Utah State Code 10-1-203.5 allows municipalities to create a disproportionate rental fee and a disproportionate rental fee reduction. The rental fee reduction is a condition of complying with the requirements of a Good Landlord Training Program. State Code defines the Good Landlord Training Program as a program offered by a municipality to encourage business practices that are designed to reduce the disproportionate cost of municipal services to residential rental units by offering a disproportionate rental fee reduction for any residential landlord who: (i)(A) completes a landlord training program provided by the municipality; or (B) is an exempt landlord; (ii) implements measures to reduce crime in rental housing as specified in a municipal ordinance or policy; and (iii) operates and manages rental housing in accordance with an applicable municipal ordinance.⁷

Benefits to the City from the Program may include elimination or a reduction of code violations, reduction of criminal activities, greater communication with property owners, neighbors, and landlords when issues arise, and a greater quality of life for neighborhoods with a high volume of rental properties.

⁷ <https://le.utah.gov/xcode/Title10/Chapter1/10-1-S203.5.html>

Current Good Landlord Program

The City currently requires landlords to agree to the following requirements to participate in the Good Landlord Program:

- Tenant Screening
 - All tenants must be screened prior to move-in. This screening includes:
 - criminal background check
 - credit check
 - income/employment verification
 - driver's license or state identification
 - rental references
 - application
- Tenant Selection
 - The following criteria must be considered as a minimum requirement and landlords must refuse to rent to any prospective tenants or occupants who:
 - Provide false information to the landlord on the application or otherwise; or
 - Have been convicted of a felony for which the individual has not been released from probation or parole; or
 - Have been convicted of a felony for which the individual has been released from probation or parole, but for which the conviction date occurred less than four years from the date of tenancy.
 - The landlord must also execute a valid, written Lease Agreement with each tenant which includes the provisions listed in the Landlord Training Packet
- Landlord Training
 - Landlord agrees to attend a City-approved landlord training program every two years
- Administrative Code Violations and Unreasonable Calls for Service
 - Landlord agrees to keep all rental dwelling units free of any and all City Code violations including building, zoning and fire code violations. The landlord also agrees to take corrective actions to address problems arising from repeated, unreasonable calls for service.
- Towing Obligations
 - It is required that landlords notify the City Police Department before towing a vehicle from the property unless the vehicle blocks an entrance or an exit. The name and contact information of the towing company must be posted in two conspicuous places to ensure the information is readily available.
- The following tasks may also be required at the request of the City
 - Submit written response to written notification from the City within 5 business days
 - Participate in any electronic notification systems to the extent the landlord is able
 - Provide the City with any and all landlord contact information requested
 - Commence evictions of tenants that jeopardize the landlord's membership status in the program when legally permissible

- Provide the City with documentation that proves their compliance with the program agreement

Penalties for failing to abide by the agreed terms in the current Good Landlord Program Agreement included the issue of citations for any code violations as well as immediate termination from the Good Landlord Program. Termination from the program included the requirement of the landlord to pay the full amount of the disproportionate service fee as well as any fines associated with the violations. Penalties also included the suspension or revocations of the landlord's business license. If a landlord was terminated from the program, they could have applied for readmission at the start of a new license period; however, due to changes in regulatory standards the enforcement of the GLP penalties have become a challenge for the City.

Good Landlord Programs in Other Communities

The Program has been implemented in several communities across the Wasatch Front. Several examples are shown in the table below.

TABLE 17: PARTICIPATING COMMUNITIES

Participating Communities
<i>Ogden City</i>
<i>Salt Lake City</i>
<i>North Salt Lake</i>
<i>South Salt Lake</i>
<i>Roy City</i>
<i>City of Taylorsville</i>
<i>Midvale City</i>
<i>City of West Jordan</i>
<i>South Ogden City</i>
<i>Sunset City</i>
<i>Centerfield City</i>

While most of the cities listed previously follow the same core requirements set by Clearfield in terms of tenant screening and selection, there are several that have implemented additional requirements in their programs which may be beneficial additions to the City's program. It should be noted that some of these requirements are likely listed in the respective city's code, but the city felt it was beneficial to specifically list them as requirements in their program agreements. The list below highlights some of the additional requirements imposed by other cities.

- **Salt Lake City**
 - Requires nondiscrimination and fair housing as provided in local, state, and federal law
 - Prohibits retaliation against any tenant as a result of reporting violations of a lease agreement, rental dwelling management agreement, or the Good Landlord Program
 - Requires the landlord to track annual occupancy denials and evictions, and provide a record thereof to the City on request
 - Requires the rental dwelling owner, or owner's agent, to provide contact information to tenants and to meet in person with the tenants at least once annually to discuss any questions or concerns

- **South Salt Lake City**
 - Requires that Crime Prevention through Environmental Design (CPTED) be practiced on the premises
- **City of Taylorsville**
 - Requires rental dwellings to have:
 - one operable sink, toilet, tube, and shower free from leaks with hot water of at least 110 degrees Fahrenheit
 - at least one operable smoke detector for each room that is occupied or intended for sleeping purposes
 - operable heating facilities sufficient to heat dwelling to at least 72 degrees Fahrenheit.
 - Kitchen with at least one sink, free of leaks, and a cooking oven or stove
 - no insects
 - locks to all exterior doors
 - appropriate garbage receptacles
 - two hard surface, off-street parking spaces for each rental dwelling unit
 - Encourages annual meetings for rental dwelling tenants, initiated by landlord or the landlord's agent, to discuss concerns and review rental dwelling licensing rules
 - Prohibits retaliation against tenant as a result of reporting violations of a lease agreement, rental dwelling management agreement, or the Good Landlord Program
- **City of West Jordan**
 - All properties must be maintained in a manner that will:
 - prevent fire hazard
 - prevent infestation by insects and rodents
 - prevent induction of hazardous pollutants into the air
 - prevent spreading of vegetation that threatens the public wellbeing
 - enhance the appearance of the property, increase property values, and encourage neighborhood creation and maintenance within the city
 - improve the city's image, property values, and neighborhood success
 - lawfully dispose of cutting from grass, weeds, and solid waste
 - effectively secure any vacant structure
 - lawfully dispose of any unsightly objects or structures
 - promptly remove or erase graffiti on any structure located on the premises
 - Entry upon proper request by City officer to inspect and enforce the Good Landlord Program
- **Sunset City**
 - Rental dwelling requirements
 - Landlord has paid any outstanding civil penalties assessed against the landlord for failing to correct a notice of violation applicable to the landlord's rental dwelling
 - Provide at least one operable sink, toilet, tub, and shower
 - Provide at least one operable smoke detector
 - Provide operable heating facilities
 - Assure rental dwelling is free from insects, termites, and rodents
 - Provide at least 2 off street parking spaces with hard surfaces for each unit

- Tenant interaction
 - Provide the owner's tenants with a telephone number and e-mail address which tenants may use to contact the owner
 - Landlord shall respond within a reasonable time
 - Meet in person with the owner's tenants at least once annually
 - Provide tenants the internet address to Utah Legal Services
 - Provide tenants a signed copy of the management agreement
- **Centerfield City**
 - Inspections: City officials shall be permitted to make an inspection to enforce this agreement or the City Code, and may enter any building or may enter upon any premises during regular business hours
 - Real Property Maintenance: All real property used for a rental dwelling unit will have proper landscaping, regular cleaning, securing, ongoing repair, and maintenance of the premises

Recommendations

The City's current Good Landlord Program meets most of the State's requirements as laid out in Utah Code 10-1-203.5; however, the section on "Tenant Selection" will need to be either readdressed or revoked as it does not comply with Utah Code 10-1-203.5 (3)(b) which states that "A municipality may not... require a residential landlord to deny tenancy to an individual based on the individual's criminal history, unless a facility that houses parolees upon release from prison or houses probationers who have violated terms of their probation is located within the municipality."

Interviews with City staff have indicated that the current Good Landlord Program has become increasingly difficult to enforce and that the administrative oversight required for maintaining the program is likely not being recovered through the current fees. In order to bring the program back into a more beneficial status to both the City and landlords participating in the program, it is recommended that the City consider reducing the requirements set forth in the Good Landlord Program to the minimum requirements set in the state code.

It is also recommended that the City consider reducing the discount offered to program participants. The current discount for a single-family rental is 89% and 90% for a multi-family rental with a fee of only \$7 per unit for both rental categories. This discount is generally similar to discounts offered by other cities offering a disproportionate rental discount associated with a Good Landlord Program. Additional information on comparable Good Landlord Program Disproportionate Fee discounts can be found in Appendix B. This large discount ultimately results in the City funding the disproportionate costs which these rentals impose on the City through other funds.

The table below shows what the new discounted rate for participation in the Good Landlord Program would be based on different percent discounts uniformly enacted across all rental types.

TABLE 18: FUTURE DISCOUNT RATE OPTIONS

Rental Category	Maximum Disproportionate Fee	Discount Rate		
		60%	70%	80%
Single Family	\$64	\$25	\$19	\$13
Duplex	\$0	\$0	\$0	\$0
Tri/Quad Plex	\$37	\$15	\$11	\$7

Rental Category	Maximum Disproportionate Fee	Discount Rate		
		60%	70%	80%
Multi-Housing	\$21	\$9	\$6	\$4
Mobile Home	\$56	\$22	\$17	\$11

Another option available to the City is to consider forgoing a GLP entirely. According to State Code, this would mean that the City would need to cease disproportionate rental fees altogether if an alternative disproportionate rental fee reduction is not provided. The following analysis shows what removing the current disproportionate rental rate would mean for the City in financial terms.

TABLE 19: COST ANALYSIS OF REMOVING GLP AND DISPROPORTIONATE RENTAL FEES

2021 Rental Base Fee	Number of Licenses	Fee	Total
New License	1	\$190.00	\$190.00
New GLP License	43	\$30.00	\$1,290.00
Renewal License	358	\$64.00	\$22,912.00
Base Total			\$24,392.00
2021 Rental Disproportionate Fee	Number of Units	Fee	Total
Single Family	82	\$66.50	\$5,453.00
Single Family (GLP)	318	\$7.00	\$2,226.00
Duplex	27	\$12.50	\$337.50
Duplex (GLP)	81	\$3.00	\$243.00
Tri/Quad Plex	7	\$92.00	\$644.00
Tri/Quad Plex (GLP)	236	\$9.00	\$2,124.00
Multi-Housing	0	\$67.00	\$0.00
Multi-Housing (GLP)	2,825	\$7.00	\$19,775.00
Mobile Home	43	\$49.50	\$2,128.50
Mobile Home (GLP)	375	\$7.00	\$2,625.00
Disproportionate Total			\$35,556.00
2021 TOTAL			\$59,948.00
Rental Base with New Maximum Fee	Number of Licenses	Fee	Total
New License	44	\$208.86	\$9,189.84
Renewal License	358	\$76.30	\$27,315.40
NEW TOTAL			\$36,505.12
Difference			(\$23,442.88)

The analysis shows that in 2021, it is estimated that the City collected approximately \$60,000 through rental base and disproportionate fees. If the City removed the disproportionate rental fee altogether in the future, this would result in a reduction in the collection amount of \$23,442.88. However, it should be noted that the maximum rental base fee amount of about \$36,500 has been calculated to cover the true cost of

administering the rental business license fees. Therefore, the real implications of not charging a disproportionate rental fee would mean all costs associated with providing a disproportionate level of service in terms of calls for service to rental properties will be covered through funds other than fees collected from license holders.

As stated previously, interviews with City staff have indicated that there are substantial administrative costs associated with the GLP that cannot be collected through business license fees. Forgoing or reducing the GLP may help the City reduce or eliminated the increased cost that administering the program incurs.

Recommendations

There are two options for the City as it considers how to move forward with administering its GLP:

- Option 1 – Continue the Good Land Program
 - The City may choose to continue administering the GLP into the future with small changes to bring the program back into alignment with the State’s updated requirements. This can result in slightly higher revenues if the City reduces the discount rate offered to GLP participants. However, the increased time and costs spent on administering the GLP will continue.
- Option 2 – Discontinue the Good Land Program and consider a more proactive approach to code enforcement
 - The City may choose to discontinue the GLP and forgo collecting a disproportionate service call fee on rental units. This would result in slightly lower revenues from the rental fees as outlined in Table 19, but the substantial administrative costs of administering the GLP would be eliminated. It may also benefit the City to consider a more proactive approach to code enforcement to impose penalties on rental properties who are repeat offenders of code violations. These fees can be reduced or waived based on the property owner’s participation in a management plan to correct the code violations moving forward.

These two options have been identified as potential courses of action for the City. Other alternatives may also be viable options for the City as it considers the most efficient and reasonable way to ensure the community maintains a high standard of living.

Appendix A – Business License Fee Comparisons

BUSINESS LICENSE FEE COMPARISONS

Business Class	Clearfield (Maximum)	Layton	Syracuse	West Point	Clinton	Kaysville
General Business License						
New	\$177.30	\$120	\$100	\$110	\$152	\$80
Renewal	\$76.30	\$120	\$100	\$110	\$152	\$80
Rental Dwelling License						
New	\$208.86	\$40	N/A	\$110	\$207	N/A
Renewal	\$76.30	\$40	N/A	\$110	\$207	N/A
Temporary or Seasonal Merchant License						
New - 180 Days	\$143.42	\$40	\$125	\$285	\$76	\$100
Cleaning Deposit	\$101.49	N/A	\$300	N/A	\$150	N/A
Mobile Food Vendor License						
New - 180 Days	\$125.99	\$35	\$100	\$35	\$152	\$80
Cleaning Deposit	\$101.49	N/A	N/A	N/A	\$150	
Solicitor License						
New	\$222.54	\$35	\$150	\$50	\$152	\$60
Renewal	\$71.57	\$35	\$150	\$50	\$152	\$60
Identification Badge	\$26.70	N/A	N/A	N/A	\$10	N/A
Beer License						
New	\$271.57	\$120	\$250 (A) \$350 (B)	\$110	\$175 Single Event; \$250 Off-Premise; \$500 On-Premise	\$75 Off-Premise \$200 On-Premise
Renewal	\$76.30	\$120	\$250 (A) \$350 (B)	\$110	\$175 Single Event; \$250 Off-Premise; \$500 On-Premise	\$75 Off-Premise \$200 On-Premise

Business Class	Clearfield (Maximum)	Layton	Syracuse	West Point	Clinton	Kaysville
Sexually Oriented Business License/Sexually Oriented Business Employee License						
New	\$306.11	\$240	\$950	\$135	\$193 - \$319	\$500
Renewal	\$76.30	\$240	\$950	\$135	\$193 - \$319	\$500
Firework Stand License						
New	\$154.07	\$40	\$125	\$110	\$152 + \$300 Inspection Fee	\$350
Cleaning Deposit	\$101.49	N/A	\$300	N/A	\$150	N/A
Pawnbroker						
New	\$154.07	\$100	\$450	\$110	\$152	\$80
Renewal	\$76.30	\$100	\$450	\$110	\$152	\$80
Massage Therapist						
New	\$248.44	\$120	\$100	\$110	\$152	\$80
Renewal	\$76.30	\$120	\$100	\$110	\$152	\$80
Identification Badge	\$26.70	N/A	N/A	N/A	\$10	\$80

DISPROPORTIONATE SERVICE FEE COMPARISONS – BUSINESS CLASSES

Business Class	Clearfield (Max Fee)	Layton	Syracuse	West Point	Clinton	Kaysville
AUTOMOTIVE	\$437	\$100	Fire Inspection = \$100	\$0	Fire Inspection Fee = \$59	\$0
BAR	\$494	\$700		\$300		\$0
BEAUTY SALON	\$0	\$100		\$0		\$0
CONVENIENCE STORE	\$5,476	\$100		\$250		\$0
DANCE STUDIO	\$0	\$100		\$0	Police Services = \$27	\$0
DAYCARE	\$752	\$100		\$0		\$0
ENTERTAINMENT SERVICES	\$985	\$100		\$200		\$0
FINANCIAL SERVICES	\$900	\$100		\$0	Building Inspection Fee = \$59	\$0
GENERAL CONTRACTOR	\$12	\$100		\$0		\$0
GROCERY STORE	\$2,701	\$100		\$350 (w/ Alcohol)		\$0
GROUP HOME	\$4,325	\$100		\$0	Comm. Safety Inspection = \$55	\$0
GYM/TRAINING	\$403	\$100		\$0		\$0
LODGING	\$89 per room	\$100 per business		\$400 per business		\$0

Business Class	Clearfield (Max Fee)	Layton	Syracuse	West Point	Clinton	Kaysville
MANUFACTURING/WAREHOUSE /DISTRIBUTION	\$170	\$100		\$250		\$0
MASSAGE	\$0	\$100		\$0		\$0
NON-PROFIT/NO FEE	\$188	\$100		\$0		\$0
PAWNBROKERS	\$2,823	\$50		\$900		\$0
PERSONAL SERVICES	\$0	\$100		\$0		\$0
PROFESSIONAL/BUSINESS SERVICES	\$67	\$100		\$0		\$0
RESTAURANT	\$695	\$100		\$200 (w/ Alcohol)		\$0
RETAIL	\$307	\$100		\$0		\$0
STORAGE UNITS	\$0 per unit	\$100		\$0		\$0
TOBACCO SHOP	\$127	\$150		\$0		\$0

DISPROPORTIONATE SERVICE FEE COMPARISONS – RENTAL CATEGORIES

Rental Categories	Clearfield (Max Fee)	Layton	Syracuse	West Point	Clinton	Kaysville
Single Family	\$64	\$3	N/A	\$15	N/A	N/A
Duplex	\$0	\$3	N/A	\$15	N/A	N/A
Tri/Quad Plex	\$37	\$3	N/A	\$15	N/A	N/A
Multi-Housing	\$21	\$3	N/A	\$15	N/A	N/A
Mobile Home	\$56	\$3	N/A	\$15	N/A	N/A

Appendix B– Good Landlord Discount in Other Communities

GOOD LANDLORD PROGRAM DISPROPORTIONATE FEE DISCOUNT IN OTHER CITIES

	Current Fee	GLP Discounted Rate	Discount
Salt Lake City	\$342.00	\$20.00	94%
Ogden City	\$83.00	\$8.00	90%
City of West Jordan	\$171.00	\$21.00	88%
South Salt Lake	\$151.00	\$30.00	80%
Midvale City	\$33.00	\$7.00	79%
City of Taylorsville	\$70.00	\$15.00	79%
South Ogden City	\$40.00	\$10.00	75%
North Salt Lake	\$115.00	\$29.00	75%
Roy City	\$33.00	\$8.50	74%
Centerfield City	\$27.00	\$10.00	63%

*Note: Like Clearfield, many cities have multiple categories for rental units. This table reflects the Good Landlord Program discount for multi-unit rentals with 3+ units.



STAFF REPORT

TO: Mayor Shepherd and City Council Members
FROM: Eric Howes, Community Services Director
MEETING DATE: January 17, 2023
SUBJECT: I-15 Interchange Landscape Design Review

RECOMMENDED ACTION

Review the 30% drawings as presented and provide staff with feedback about the design in preparation for bidding the project this spring.

DESCRIPTION / BACKGROUND

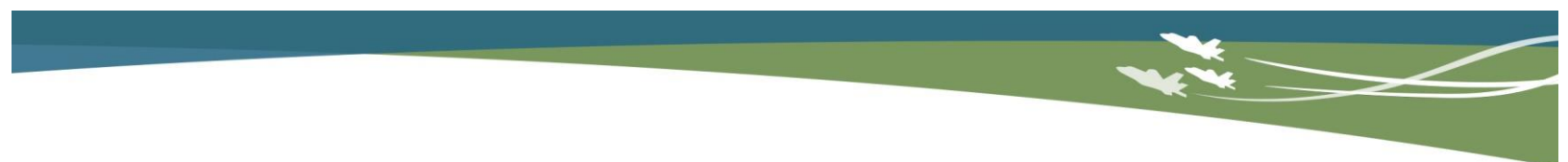
The city council has expressed an interest in the beautification of the I-15 Interchanges that serve as the main entrances into our community. The city has bonded for \$2M to design and install a landscape in these areas. The main goals of the project are 1) to beautify those areas and create a more positive first impression of the community to those entering from I-15, and 2) use the new landscaping to limit the ability of contractors working on UDOT I-15 corridor projects to use these locations as laydown yards for equipment, materials, and supplies in future projects.

Earlier in 2022, JUB Engineering was contracted to complete the design and to assist with QA/QC of the construction. Staff has been working with JUB to begin the design and have reached approximately 30% completion of the design process. The landscape plans that are included with this presentation are included for your review in input.

Feedback received from the council will be taken back to the design team, addressed in the design, and we will move forward to the completion of the entire design. We are also working with UDOT to ensure that the design also meets their requirements and will be accepted and authorized for construction. It is our intention to complete the design and design approval process by early spring and release the project for bid in a manner that allows construction to begin this spring and be completed by the fall.

CORRESPONDING POLICY PRIORITY (IES)

Providing outstanding areas and facilities.



FISCAL IMPACT

a. **FISCAL - \$2M**

b. **OPERATIONS / SERVICE DELIVERY-** Improve and beautify the interchanges to enhance the maintainability of those large areas maintained by our open space maintenance crews.

ALTERNATIVES

1. Design can be modified as desired prior to the completion of additional design.
2. Design approved for additional design as presented.

SCHEDULE / TIME CONSTRAINTS

In order to complete the design process and bid the project by spring, the project needs to be out for bid in March or April of the year before contractors fill their schedules for the coming construction season.

LIST OF ATTACHMENTS

1. 30 % Drawings



STAFF REPORT

TO: Mayor Shepherd and City Council Members

FROM: Brad McIlrath, Senior Planner

MEETING DATE: Tuesday, January 17, 2023

SUBJECT: Discussion on **ZTA 2022-110062**, a zoning text amendment request by Craig Larsen representing Scooter's Coffee to amend development regulations located in Sections 6.3.6, Table 6.8 (1), and Sections 6.11.4, 6.11.6, and 6.11.7 of the Downtown Form Based Code. **(Legislative Action)**.

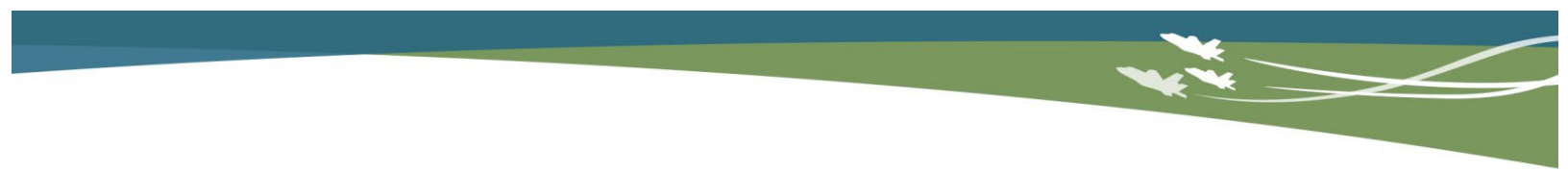
PLANNING COMMISSION RECOMMENDATION

On December 21st, 2022, the Planning Commission forwarded a recommendation of **APPROVAL** for **ZTA 2022-110062** to the City Council, a zoning text amendment request by Craig Larsen representing Scooter's Coffee to amend development regulations located in Sections 6.3.6, Table 6.8 (1), and Sections 6.11.4, 6.11.6, and 6.11.7 of the Downtown Form Based Code. This recommendation was made on a unanimous vote.

DESCRIPTION / BACKGROUND

The applicant, Craig Larsen, represents Scooter's Coffee that is seeking to build a store location at 688 East 700 South. On December 1st, 2021, the Planning Commission granted site plan approval for Scooter's Coffee at this location with conditions. In the ensuing months, Craig Larsen and the rest of the development team reached out to Planning Staff to inquire about possible code modifications or changes that could be made to make the proposed building design compliant with the Downtown Clearfield Form Based Code (FBC). Based upon coordination with staff, the applicant is proposing the following code changes outlined in this report.

- 1. Section 6.3.6 Building Fenestration: Building Transparency & Glazing Standards (Page 51):** As part of the building fenestration standards, the FBC defines and provides minimum standards for ground floor transparency. Ground floor transparency is measured between two feet and eight feet from the average grade at the base of the front façade. Due to the type of building that Scooter's Coffee uses, transparency can be provided along most of the front façade, but not enough to meet the minimum standard of 55% required in the C-C Zone. Scooter's Coffee recognizes the appeal of providing ground floor, customer-oriented building transparency and as such, proposes to provide glazing that will give the appearance of windows along portions of the building frontage that would not normally include windows (i.e. walls along a restroom, mechanical room, or freezer).



The FBC states that building transparency is any glass in windows and/or doors ... that is highly transparent with low reflectance. Without a code standard that allows for glazing, that is by design highly reflective, the glazing cannot be counted towards the minimum code requirement for transparency. Therefore, the applicant is proposing language that would be added to Section 6.3.6 to provide a code standard for glazing as depicted below and included in the attachments. Proposed language is red and underlined.

6.3.6 Building Fenestration

(1a) Minimum Ground Story Transparency. The minimum amount of transparency required on the ground story of facades with street frontage. Transparency is any glass in windows and/or doors, including any mullions, that is highly transparent with low reflectance.

- (i) Ground Story Transparency shall be measured between two feet and eight feet from the average grade at the base of the front façade.
- (ii) A general Minimum Transparency requirement shall be measured from floor to floor of each story.

(1b) Minimum Ground Story Glazing. The minimum amount of glazing required on the ground story of facades with street frontage. Glazing is any glass in windows and/or doors including any mullions that gives the appearance of windows for the purpose of architectural effect.

- (i) Ground Story Glazing shall be measured between two feet and eight feet from the average grade at the base of the front façade.
- (ii) A general Minimum Glazing requirement shall be measured from floor to floor of each story.

2. **Table 6.8 (1) Commercial Building Type (Page 62):** The development standards outlined in the Building Type tables provide the framework for the construction of allowed building types in the FBC area. The areas the applicant proposes to change include the minimum ground story transparency section, the front façade entrance type section, and the required occupied space section.

Minimum Ground Story Transparency

This section of the table would change to provide the percentages for ground story transparency and ground story glazing. The applicant proposes to have a minimum ground story transparency of 30% and a minimum ground story glazing of 55% for the C-C Zone. There are no changes provided for the T-C Zone. However, if the proposed change

is allowed for the C-C Zone there should be a change made for the T-C Zone. As a more urban and pedestrian oriented zone, Staff recommends that a minimum ground story glazing of 50% be required with a minimum ground story transparency of 35%. This specific section and the proposed changes are shown below as well as in the attachments with the staff proposed change shown in green text.

Building Fenestration Refer to 6.3.6					
Minimum Ground Story Transparency		Minimum Ground Story Glazing	55%		~~35%~~ 55%
		Minimum Ground Story Transparency			30%
Minimum Upper Story Transparency			20%		20%
Principal Entrance Location			front or corner facade		front or corner facade
Required Number of Street Entrances			1 per each 150' of front facade		1 per each 150' of front facade

Front Façade Entrance Type

As a primarily auto-oriented business, Scooter's Coffee operates in small buildings which only provide space for employees to prepare beverages and other food items. There is no indoor dining area, but outdoor dining and a walkup window is provided along the frontage of the building. Without a publicly accessible lobby area there is no need for a front façade entrance. With the walkup ordering window proposed, the applicant proposes to allow a walkup service, pickup or ordering window as a replacement to the required front entrance type as shown below.

Street Facade Articulation/Details Refer to 6.3.5					
Blank Wall Limitations			required per floor refer to 6.3.4		required per floor refer to 6.3.4
Vertical Facade Divisions			every 25' of facade width		every 25' of facade width
Horizontal Facade Divisions			required within 3' of the top of the ground story for all buildings over 2 stories		required within 3' of the top of the ground story for all buildings over 2 stories
Front Facade Entrance Type			Contemporary, Mixed-Use, Stoop		Contemporary, Mixed-Use, Stoop

****Footnote:** walk up service, pickup or ordering window may be substituted in place of an Entrance Door.

Required Occupied Space

The Scooter's Coffee building is one among many burgeoning drive-through beverage establishments that do not provide an interior dining area and is designed for walk-up or drive-through orders. As such the building is not very deep and is unable to comply with the minimum required occupied space of thirty feet (30') for commercial buildings in the C-C Zone. The applicant proposes to reduce this standard to twenty feet (20') for the Scooter's Coffee building to comply with code as well as to open opportunities for other similar businesses to be located in the C-C Zone. A similar example to the Scooter's Coffee building is the newly opened Java Espresso business located between Dollar Tree and KFC on North Main Street. That business is also in the C-C Zone and only accommodates walk-up and drive through orders with some outdoor dining provided similar to the plans for

the Scooter's Coffee business. The proposed code change applicable to the C-C Zone is shown below. No change to the required occupied space of the T-C Zone is proposed.

Building Uses Refer to 6.3.7; Refer to Table 3.3 (2) for specific permitted uses in each General Category					
Ground Story			retail, service, office, craft industry		retail, service, office, craft industry
Upper Story			retail, service, office, craft industry		retail, service, office, craft industry
Parking within Building			permitted fully in basement; permitted in rear portion of all other floors, plus one service bay width at ground floor		permitted fully in basement; permitted in rear portion of all other floors, plus one service bay width at ground floor
Required Occupied Space			30' deep on all full floors		30' deep on all full floors 20' deep on all full floors

- Sections 6.11.4, 6.11.6, and 6.11.7 (Pages 68, 70, and 71):** As part of the proposed changes to the front façade entry type, these sections for the different entrance types would be amended to also callout the ability to substitute a walk-up service, pickup or ordering window for a front entrance type. These changes are shown in the attachments.

CORRESPONDING POLICY PRIORITY (IES)

The proposed ordinance meets the Policy Priorities of *Improving Clearfield's Image, Livability, and Economy* and *Providing Quality Municipal Services* by seeking continuous improvement of the FBC code standards while preserving design elements that will improve Clearfield's commercial image. By encouraging high quality design and code standards that support local businesses, the FBC will continue to support growth of the city's economy.

SCHEDULE / TIME CONSTRAINTS

This ordinance is scheduled for a public hearing on January 24th, 2023. As part of the public hearing, if the City Council chooses to table the item to direct staff to perform research for further information on proposed amendments, the item will need to be tabled to a date specific to comply with public hearing notice requirements.

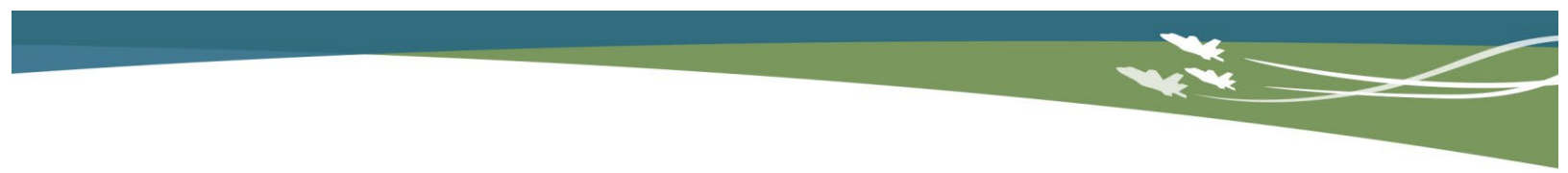
PUBLIC COMMENT

Public notice was posted on the State of Utah public notice website the weekend of December 10th, 2022. No public comments have been received to date.

FINDINGS AND CONCLUSION

Zoning Ordinance Text Amendment

Clearfield Land Use Ordinance Section 11-6-3 establishes the following findings the Planning Commission shall make to approve Zoning Ordinance Text Amendments. The findings and staff's evaluation are outlined below:



Review Consideration		Staff Analysis
1)	The proposed amendment is in accordance with the General Plan and Map; or	The proposed amendments are in accordance with the General Plan which encourages continual evaluation and modifications to adopted ordinances as circumstances require. The proposed amendments provide greater flexibility for future businesses to locate in Clearfield and in particular within the C-C Zone.
2)	Changed conditions make the proposed amendment necessary to fulfill the purposes of this Title.	As part of the continual evaluation of the Form-Based Code and to accommodate market demands the proposed amendments improve the ability of these types of businesses to locate in Clearfield within the C-C Zone.

Based upon a review of the existing and proposed ordinance standards Staff concludes the following:

1. The Downtown Clearfield Form Based Code should be continually evaluated to address local and market needs identified through code implementation and downtown redevelopment.
2. The proposed changes encourage high quality design while providing appropriate flexibility to the commercial development community.
3. The proposed changes provide for more clear and effective enforcement of code standards.

LIST OF ATTACHMENTS

1. Building Fenestration (Page 51) Proposed Amendments
2. Table 6.8 (1) Commercial Building Type (Page 62) Proposed Amendments
3. Mixed-Use Frontage Type (Page 68) Proposed Amendments
4. Contemporary Frontage Type (Page 70) Proposed Amendments
5. Stoop Frontage Type (Page 71) Proposed Amendments

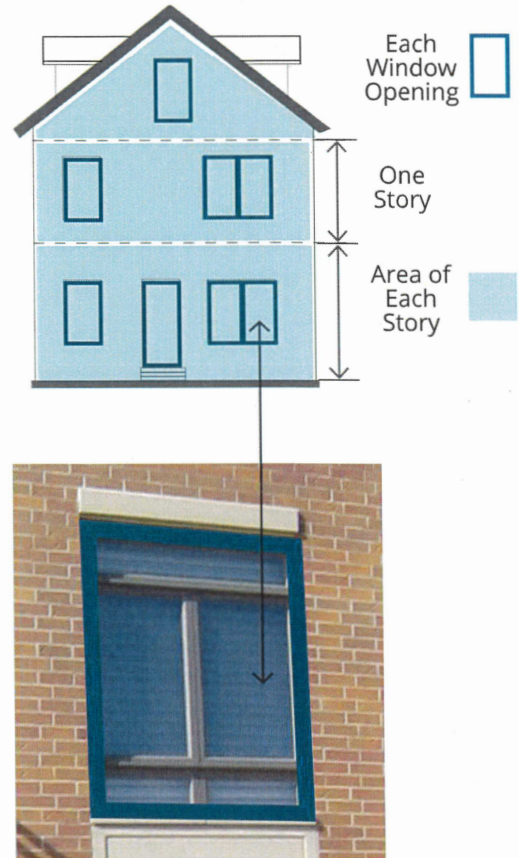
6.0 Building Types

6.3 6. Building Fenestration

- (1) Minimum Ground Story Transparency. The minimum amount of transparency required on the ground story of facades with street frontage. Transparency is any glass in windows and/or doors, including any mullions, that is highly transparent with low reflectance.
 - (i) Ground Story Transparency shall be measured between two feet and eight feet from the average grade at the base of the front facade.
 - (ii) A general Minimum Transparency requirement shall be measured from floor to floor of each story.
- (2) Minimum Upper Story Transparency. The minimum amount of transparency required on the upper stories of facades with street frontage. Transparency is any glass in windows and/or doors, including any mullions, that is highly transparent with low reflectance.
 - (i) Upper Story Transparency shall be measured between floor to floor of each story.
- (3) Required Number of Street Entrances. The minimum number of and maximum spacing between entrances on the ground story of facades with street frontage.
- (4) Principal Entrance Location. The facade on which the primary building entrance is to be located.

(1b) Minimum Ground Story Glazing. The minimum amount of glazing required on the ground story of facades with street frontage. Glazing is any glass in windows and/or doors, including any mullions, that gives the appearance of windows for the purpose of architectural effect.

- (i) Ground Story Glazing shall be measured between two feet and eight feet from the average grade at the base of the front facade.
- (ii) A general Minimum Glazing requirement shall be measured from floor to floor of each story.



~~Measuring Transparency on Each Story~~
Measuring Glazing & Transparency on Each Story



Measuring Ground Floor Transparency on a Storefront base.
and glazing

Figure 6.3 (9). Building Fenestration Requirements.

Table 6.8 (1) Commercial Building Type

	Zone Districts					
	UC	UR	TC	TR	CV	CC
Building Site Referto6.3.1						
Minimum Lot Width			20'			20'
Maximum Lot Width			none			none
Maximum Impervious Coverage			70%			70%
Additional Semi-Pervious Coverage			20%			20%
Site Access & Parking Referto6.3.2						
Parking & Loading Location			rear & interior side yard			rear & interior side yard
Vehicular Access			Alley only; if no alley exists, 1 driveway is permitted per non-primary street or per UDOT requirements			Alley only; if no alley exists, 1 driveway is permitted per non-primary street or per UDOT requirements
Building Location Refer to 6.3.3						
Multiple Principal Buildings			not permitted			not permitted
Front Build-to Zone			0'-15'			0'-15'
with Plaza or Porte Cochere			up to 25'			up to 25'
Corner Build-to Zone			0'-10'			0'-10'
Occupation of Corner			required			required
Front Property Line Coverage			50%			50%
Minimum Side Yard Setback			5'			5'
Minimum Rear Yard Setback			5'			5'
Building Massing Referto6.3.4						
Minimum Overall Height			1 story			1 story
Maximum Overall Height			4 stories			4 stories
Building Stepback			not required			not required
Ground Story: Minimum Height			12'			12'
Maximum Height			24'			24'
Upper Stories: Minimum Height			9'			9'
Maximum Height			14'			14'
Permitted Roof Types			parapet, pitched, flat			parapet, pitched, flat
Tower			permitted			permitted
Street Facade Articulation/Details Referto 6.3.5						
Blank Wall Limitations			required per floor refer to 6.3.4			required per floor refer to 6.3.4
Vertical Facade Divisions			every 25' of facade width			every 25' of facade width
Horizontal Facade Divisions			required within 3' of the top of the ground story for all buildings over 2 stories			required within 3' of the top of the ground story for all buildings over 2 stories
Front Facade Entrance Type			Contemporary, Mixed-Use, Stoop			Contemporary, Mixed-Use, Stoop
Building Fenestration Referton:-m						
Minimum Ground Story Transparency			55% 50%			55% 30%
Minimum Upper Story Transparency			20%			20%
Principal Entrance Location			front or corner facade			front or corner facade
Required Number of Street Entrances			1 per each 150' of front facade			1 per each 150' of front facade
Building Uses. Refer to 6.3.7; Refer to Table 3.3 (2) for specific permitted uses in each General category						
Ground Story			retail, service, office, craft industry			retail, service, office, craft industry
Upper Story			retail, service, office, craft industry			retail, service, office, craft industry
Parking within Building			permitted fully in basement; permitted in rear portion of all other floors, plus one service bay width at ground floor			permitted fully in basement; permitted in rear portion of all other floors, plus one service bay width at ground floor
Required Occupied Space			30' deep on all full floors			30' deep on all full floors 20' deep on all full floors

4. Mixed-Use Frontage Type

The Mixed-Use frontage type is a highly transparent ground story treatment designed to serve primarily as the display area and primary entrance for retail or service uses. Refer to Figure 6.11 (1).

Mixed-Use Frontage Requirements	
(1) Dimensions	
Maximum Recessed Width	8 feet if recessed entrance is behind front build to zone
Minimum Recessed Depth	3 feet
Maximum Recessed Depth	8 feet
(2) Transparency	
Unenclosed	by building type
Enclosed	Minimum 40% transparency
(3) Elevation	
Without visible basement	0'-0" to 1'-0" above adjacent sidewalk
With visible basement	not permitted
Horizontal Facade Division	Required above ground story
Entrance Door *	Recessed
(4) Permitted Building Types	
Mixed-use; Multi-Family; Office; Commercial	

*Footnote: walk up service, pickup or ordering window may be used to substitute for an Entrance Door

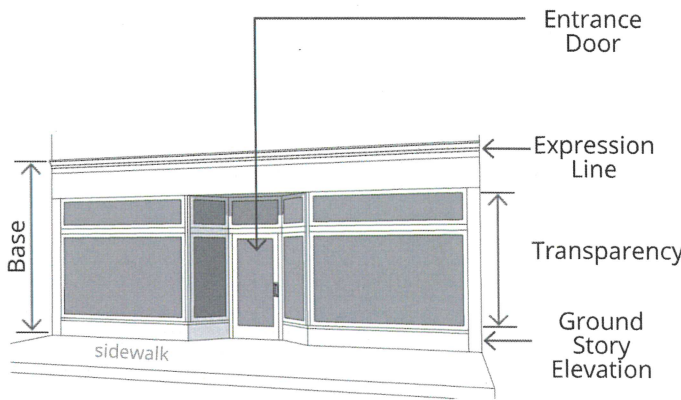


Figure 6.11 (1). Mixed-Use Frontage Type

6. Contemporary Frontage Type

The Contemporary frontage type is a highly transparent ground story treatment that is usually flush with the facade of the building. It can serve as a multi-functional entrance type for office, residential, entertainment, or as the display area and primary entrance for retail or service uses. Refer to Figure 6.11 (3).

Contemporary Frontage Requirements	
(1) Dimensions	
Maximum Width	none
Minimum Recessed Depth	0 feet
Maximum Recessed Depth	5 feet
(2) Transparency	
Unenclosed	by building type
Enclosed	not applicable
(3) Elevation	
Without visible basement	0'-0" to 1'-0" above adjacent sidewalk
With visible basement	not permitted
Horizontal Facade Division	Required above ground story
Entrance Door *	Flush with frontage or Recessed
(4) Permitted Building Types	
Mixed-use; Multi-Family; Office; Commercial; Townhouse	

*Footnote: walk up service, pickup or ordering window may be used to substitute for an Entrance Door

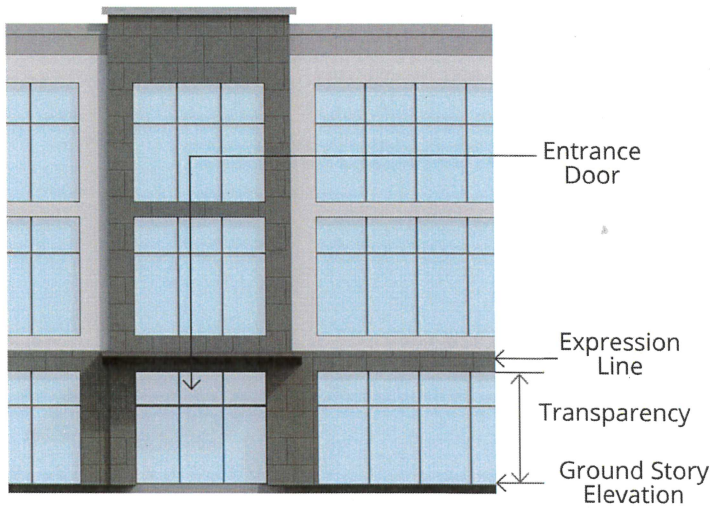


Figure 6.11 (3). Contemporary Frontage Type

6.0 Building Types

7.6 Stoop Frontage Type

A stoop is an unroofed, open platform, which may be covered by an awning or canopy. Refer to Figure 6.11 (4).

Stoop Frontage Requirements	
(1) Dimensions	
Minimum Width	6 feet
Minimum Depth	3 feet
Maximum Height	2 stories - upper story may be used as balcony
(2) Transparency	
Unenclosed	by building type
Enclosed	not applicable
(3) Elevation	
Without visible basement	0'-0" to 2'-6" above adjacent sidewalk
With visible basement	0'-0" to 4'-6" above adjacent sidewalk
Horizontal Facade Division	between basement and ground story
Entrance Door	Located on the stoop; Flush with building frontage
(4) Permitted Building Types	
Multi-Family; Office; Civic; Commercial; Townhouse; Garden Court	

*Footnote: walk up service, pickup or ordering window may be used to substitute for an Entrance Door

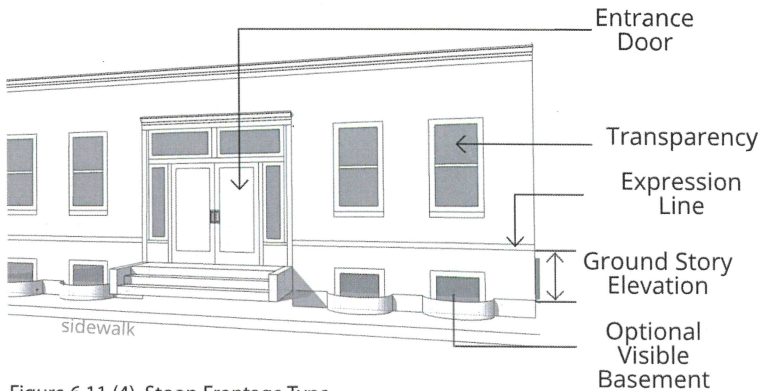
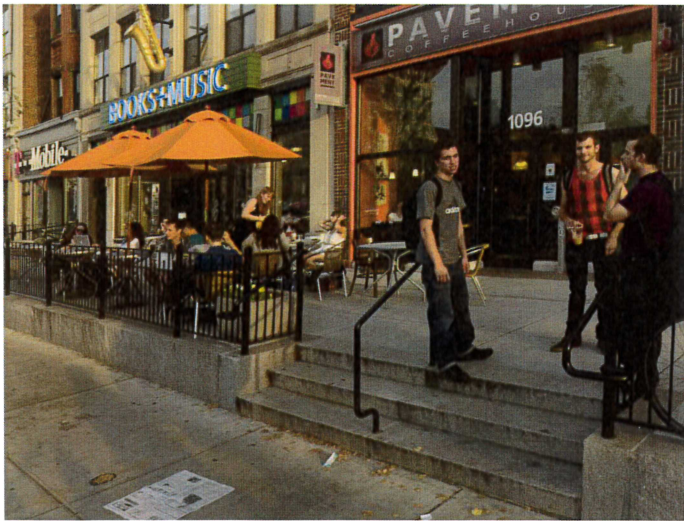


Figure 6.11 (4). Stoop Frontage Type



Planning Commission

STAFF REPORT

AGENDA ITEM
#4 & #5

TO: Clearfield City Planning Commission

FROM: Brad McIlrath, Senior Planner
brad.mcilrath@clearfieldcity.org
(801) 525-2784

MEETING DATE: Wednesday, June 15th, 2022

SUBJECT: Discussion and Possible Action on **PSP & FSP 2022-050044**, a preliminary and final subdivision plat request by Chuck Cowley with Lakeside Development Partners, LLC, for the Lake Side Square Subdivision; a 2-lot subdivision for the subject property. **Location:** 325, 373, 375, 377, 381, 385, 389, 391, 393, 395, 397, & 399 S. State Street (TIN: 12-756-0002). **Project Area:** 10.68 Acres. **Zone:** U-C (Urban Core Commerce). **(Administrative Action).**

STAFF RECOMMENDATIONS

Preliminary Subdivision Plat – PSP 2022-050044

Staff recommend that the Planning Commission move to **approve as conditioned, PSP 2022-050044**, a preliminary subdivision plat request by Chuck Cowley with Lakeside Development Partners, LLC, for the Lake Side Square Subdivision; a 2-lot subdivision for the subject property located at 325, 373, 375, 377, 381, 385, 389, 391, 393, 395, 397, & 399 S. State Street (TIN: 12-756-0002).

Final Subdivision Plat – FSP 2022-050044

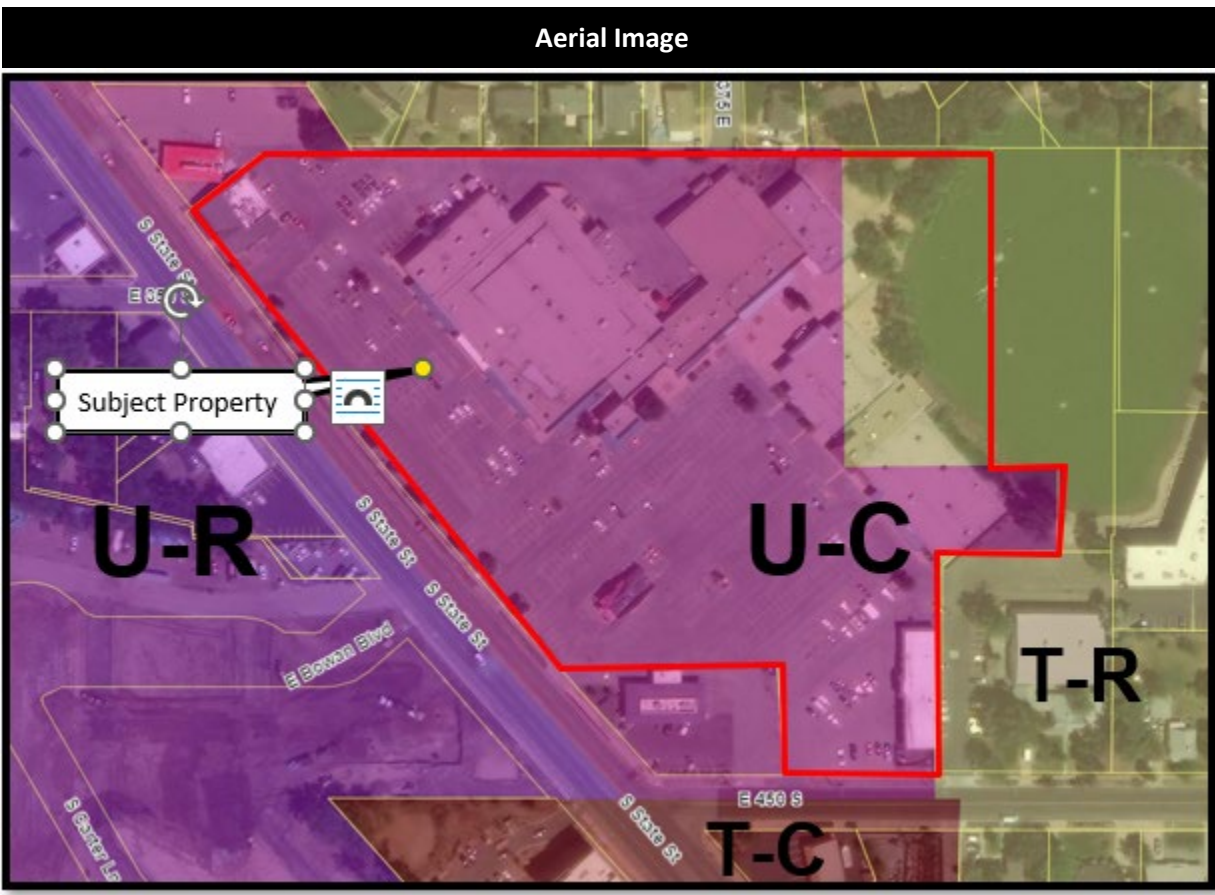
Staff recommend that the Planning Commission forward a recommendation of **approval** to the City Council for **FSP 2021-0040030 as conditioned**, a final subdivision plat request by Chuck Cowley with Lakeside Development Partners, LLC, for the Lake Side Square Subdivision; a 2-lot subdivision for the subject property located at 325, 373, 375, 377, 381, 385, 389, 391, 393, 395, 397, & 399 S. State Street (TIN: 12-756-0002).

These recommendations are based on the discussion and findings in the Staff Report.

PROJECT SUMMARY

Project Information	
Project Name	Lake Side Square Subdivision
Site Location	325, 373, 375, 377, 381, 385, 389, 391, 393, 395, 397, & 399 S. State Street
Tax ID Numbers	12-003-0283
Applicant	Chuck Cowley, Lakeside Development Partners, LL
Owner	Bertram M & Barbara C Berns - Trustees
Proposed Actions	Preliminary & Final Subdivision Plat Approval
Zoning	U-C (Urban Core Commerce)
General Plan Land Use Classification	Mixed Use
Gross Site	10.68 Acres

Surrounding Properties and Uses:		Current Zoning District	General Plan Land Use Classification
North	Residential Single-Family	T-R (Town Neighborhood Residential)	Residential
East	Mabey Pond	U-C (Urban Core Commerce)	Mixed Use
South	TitleMax & State Farm Insurance	U-C (Urban Core Commerce)	Mixed Use
West	Commercial & Residential	U-R (Urban Mixed Residential)	Mixed Use



BACKGROUND

The applicant is seeking preliminary and final subdivision plat approval to subdivide the subject property into two lots. Lot 2 (north property) is intended for a mixed-use project with Lot 1 (south property) intended for an office campus. Currently, only the mixed-use project has been designed and submitted for site plan approval. The office campus concept is something the applicant is still working to develop with timelines tied to the award of a government defense contract. As part of the site plan application, for the mixed-use project the applicant request a modification to the FBC to allow the commercial street to be designated as a private street and comply with the development standards of the neighborhood street type. This modification to the Form-Based Code is outlined in detail in the staff report for the development agreement and the site plan review. If the city chooses to not grant the request, then the plat will need to be revised to provide a roadway dedication between lots 1 & 2 for the public road,

alternatively if the modification is granted the plat would not be require any road dedication between the two lots.

PRELIMINARY & FINAL SUBDIVISION PLAT REVIEW

As stated above Lot 1 (south lot) is the intended location for an office campus and has an area of 4.672 acres. Lot 2 (north lot) is intended for a mixed-use project and has an area of 5.858 acres. Along the common property line would be the location of the new street called Waterfront Way. The plat does not show the roadway, as it is proposed to be a private road and would not be dedicated to the City. Detail of the design and designation of that street is provided in the reports for the development agreement and the site plan review.

The proposed plat includes a UDOT dedication along State Street with an area of 6,849 square feet and a depth of ten feet (10'). The dedication may need to be increased to provide the area needed for the protected bike lane, the proposed on-street parking, and the sidewalk improvements outlined in the site plan staff report. At the back of the UDOT dedication is a seven foot (7') wide public utility easement (PUE) that extends for a small distance along the north property line. This PUE is also provided along the south property line adjacent to 450 South. The plat also included references to right of access easements and other recorded documents on the property. The developer has also proposed a recreation easement for the Civic Open space areas of the project instead of dedicating the Civic Open space area to the City. This easement should also be included on the plat or provided in some way for the integrity of the park space area.

Lot Area, Frontage, and Setback Regulations

The proposed lots comply with the minimum regulations for lots in the U-C Zone and Title 12.

CITY DEPARTMENT REVIEW

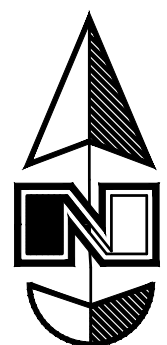
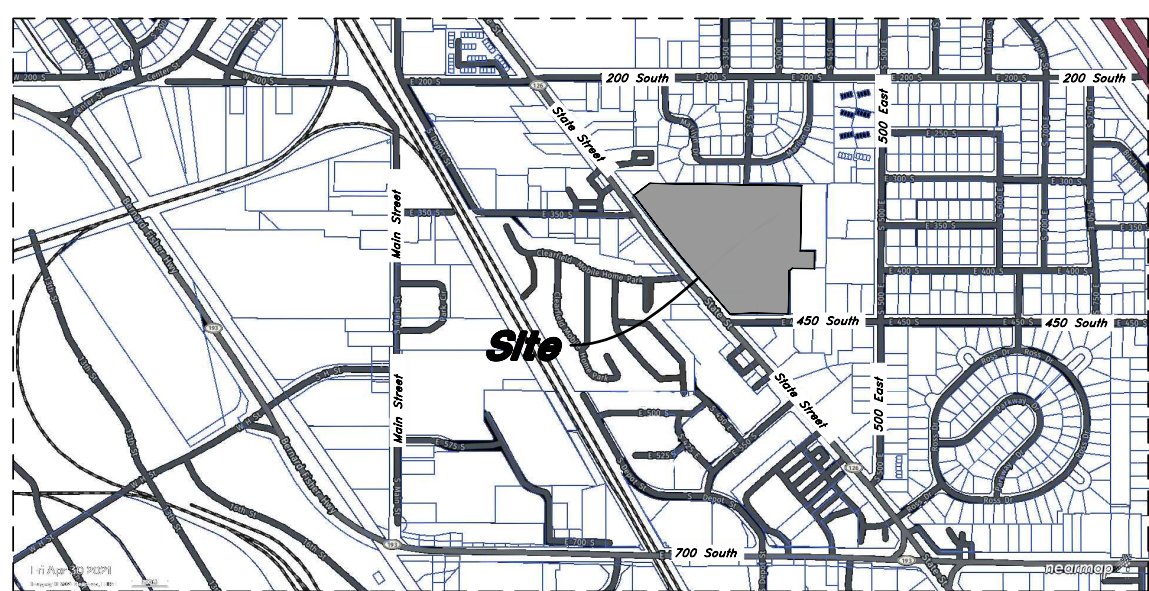
The plat was shared for review by City Planning, Engineering, and Public Works Staff on May 23rd, 2022. As of the date of this report, Engineering Staff provided a review on June 2nd, 2022, which is attached to this report.

PRELIMINARY & FINAL SUBDIVISION PLAT, PSP & FSP 2021-040030 - CONDITIONS OF APPROVAL

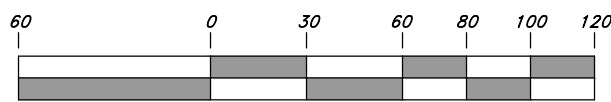
- 1) The plat shall be revised to comply with the comments outlined in the Engineering Review letter dated June 2, 2022.
- 2) If Waterfront Way is required to be a public street, the plat shall be revised to provided dedication of the street as public.
- 3) Future development of these lots shall comply with all applicable City regulations and shall be tied to the approval and recording of this subdivision plat.

ATTACHMENTS

1. Subdivision Plat



Scale: 1" = 60'



Lake Side Square Subdivision

A part of the Southwest Quarter of Section 1, T4N, R2W, SLB&M
Clearfield City, Davis County, Utah
April 2022

SURVEYOR'S CERTIFICATE

I, Andy Hubbard, do hereby certify that I am a Professional Land Surveyor in the State of Utah, and that I hold Certificate No. 6242920 in accordance with Title 58 Chapter 22, Professional Engineers and Professional Land Surveyors Licensing Act. I also do hereby certify that this plat of Lake Side Square Subdivision, in Clearfield City, Davis County, Utah has been correctly drawn to the designated scale and is a true and correct representation of the following description of lands included in said subdivision, based on data compiled from records in the Weber County Recorder's Office, and of a survey made on the ground in accordance with Section 17-23-17. Monuments have been set as depicted on this drawing.
Signed this ____ day of _____, 2022.

6242920

License No.

Andy Hubbard

OWNER'S DEDICATION

We, the undersigned owners of the hereon described tract of land, hereby set apart and Subdivide the same into lots and streets as shown on this plat, and name said tract Lake Side Square Subdivision, and hereby dedicate, grant and convey to Utah Department of Transportation all tracks shown as UDOT Dedication and do here by dedicate to the city of Clearfield City those certain strips as easements for public utility and drainage purposes as shown hereon, the same to be used for the installation, maintenance, and operation of public utility service lines and drainage, as may be authorized by the City of Clearfield City, with no buildings or structures being erected with such easements.
Signed this ____ day of _____, 2022.

ACKNOWLEDGMENT

State of Utah
County of }

Owner

The foregoing instrument was acknowledged before me this ____ day of _____, 2022 by _____.

Residing At: _____

A Notary Public commissioned in Utah

Commission Number: _____

Commission Expires: _____

Print Name

BOUNDARY DESCRIPTION

A Parcel of land being a part of the Southwest Quarter of Section 1, Township 4 North, Range 2 West, Salt Lake Base and Meridian, U.S. Survey, being apart of land conveyed in the certain special Warranty Deed Found at Entry No. 3465596 Book 7973 Page 1273-7993 being more particularly described as follows:

Beginning at a point 560.70 feet South 0°26'22" West (South 0°08' West along the West line of a street) along the Section line and 409.14 feet North 89°49'17" West from the Center of said Section 1, and running thence South 00°27'12" West 362.90 feet; thence South 89°49'18" East (North 89°51'30" East) 80.00 feet; thence South 0°27'08" West (South 0°08'00" West) 99.73 feet (100.00 feet); thence North 89°51'15" West (South 89°51'30" West) 123.13 feet (123.36 feet); thence South 49°12'45" West (South 48°53'33" West) 22.44 feet (22.13 feet); thence South 0°27'11" West 239.60 feet to the North Right of Way of 450 South street; North 89°51'15" West (South 89°51'30" West) along said Right of Way 181.22 feet (181.34 feet) to the extension of the West face of an existing Curb and Gutter; thence along said West face of existing curb and gutter North 3°43'43" West (North 3°53'12" West) 126.72 feet (126.80 feet); thence along the South face of Curb and Gutter wall "and its extension" the following two (2) courses: (1) South 89°32'04" West (South 89°16'35" West) 148.90 feet (149.19 feet), and (2) North 89°58'20" West (South 89°16'35" West) 103.28 feet (103.48 feet) to the East Right of Way of State Street; thence along said East Right of Way the following three (3) courses: North 41°43'18" West 87.91 feet to a point on an arc, and (2) Northwesterly along the arc of a 5680.01 foot radius curve to the left a distance of 442.80 feet (Central Angle equals 4°28'00" Long Chord bears North 39°29'18" West 442.69 feet), and (3) North 37°15'18" West (North 37°34'30" West) 150.15 feet; thence North 52°49'12" East (North 52°30'00" East) 110.73 feet; thence South 89°49'17" East (North 89°51'30" East) 850.00 feet to the Point of Beginning.
Contains 10.6288 Acres.

Note: All bearings and distances in parenthesis is referencing a record call. Rotate the description above clockwise 0°20'29" to match Davis County NAD 83 rotation.

NARRATIVE

This Subdivision Plat was requested by Chuck Cowley with Cowley Real Estate Partners.

Basis of bearing for this survey is South 0°26'22" West being measured between the Center and the South Quarter Corner of Section 1, Township 4 North, Range 2 West, Salt Lake Base and Meridian, U.S. Survey. For more information regarding the boundary see ALTA/NSPS Land Title survey filed with the Davis County _____. Property corners were monumented as shown here on.

Legend

Found Survey Monument

(D.C.S) Davis County Survey
P.U.E. Public Utility & Drainage Easement

Pond Area

Easement

Existing Boundary

Set Hub & Tack

A Nail will be set in Curb

Extension of Property

Set 5/8"x 24" Long Rebar & Cap w/ Lathe

Section Corner

Calculated Section Corner

NOTES:

- 7' Wide Public Utility and Drainage Easements as indicated by dashed lines, unless otherwise shown.
- A blanket cross access easement Entry No. ***

Found Southwest Corner of Section 1 T4N, R2W, SLB&M (Monument Re-monumented 2020 by Davis County Brass Cap Monument)
S 89°47'56" E (S 89°48'25" E D.C.S)

Found Bureau of Reclamation Benchmark. (found brass cap monument under a grate in a drainage system)

CLEARFIELD CITY PLANNING COMMISSION APPROVAL

Approved by the Clearfield City Planning Commission on this ____ Day of _____, 2022.

CLEARFIELD CITY COUNCIL

Presented to the Clearfield City Council this the ____ day of _____, 2022 at which this Subdivision was approved and accepted.

CLEARFIELD CITY ATTORNEY

Approved by the Clearfield City Attorney on this ____ Day of _____, 2022

CLEARFIELD CITY ENGINEER

I hereby certify that the office of the city engineer has examined the foregoing plat and in our opinion the information conveyed herewith, complies with the public works standards and specifications of Clearfield City.

DAVIS COUNTY RECORDER

ENTRY NO. _____ FEE PAID _____
RECORDED _____ FILED FOR RECORD AND _____ AT _____
IN BOOK _____ OF OFFICIAL RECORDS, PAGE _____ RECORDED FOR _____

DAVIS COUNTY RECORDER

BY: _____

DEPUTY

GREAT BASIN ENGINEERING
5746 SOUTH 1475 EAST OGDEN, UTAH 84403
MAIN (801)394-4515 S.L.C (801)521-0222 FAX (801)392-7544
WWW.GREATBASINENGINEERING.COM

Chair

Mayor

City Recorder

Signature

Signature

Date