



**Comprehensive Annual Financial Report
For the fiscal year ended June 30, 2020**

Prepared by Ivins City Finance Department
Lane Mecham, Director of Finance

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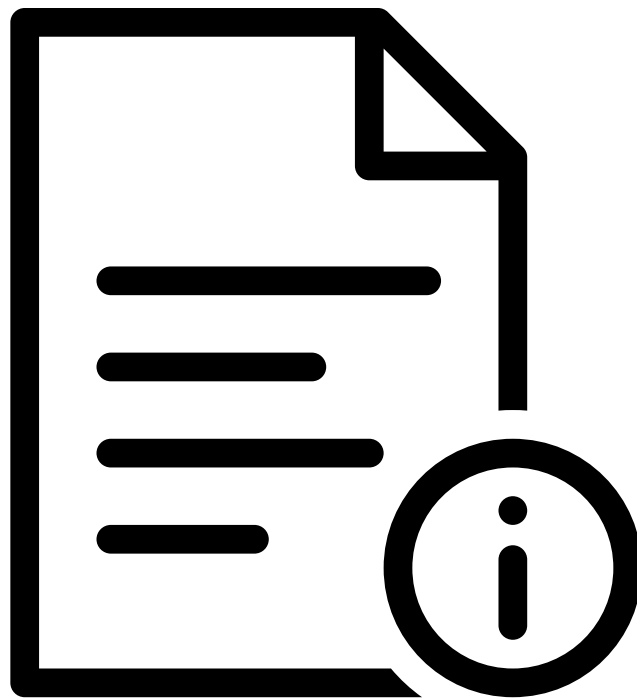
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Introductory Section



Ivins City
55 N. Main Street
Ivins, UT 84738
(435) 628-0606
www.ivins.com
An Equal Opportunity Employer



Mayor Chris Hart
City Council Members:
Sue Gordhammer
Jenny Johnson
Cheyne McDonald
Dennis Mehr
Derek Larsen

City Manager Dale Coulam

December 17, 2020

To the Honorable Mayor, Members of the City Council, and Citizens of Ivins City,

It is our pleasure to present the Comprehensive Annual Financial Report (CAFR) for Ivins City for the year ended June 30, 2020.

Utah State law requires that all local governments publish, within six months of the close of each fiscal year, the complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of Ivins City for the fiscal year ended June 30, 2020.

This report consists of management's representations concerning the finances of Ivins City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of Ivins City has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of Ivins City's financial statements in conformity with generally accepted accounting principles. Since the cost of internal controls should not outweigh their benefits, Ivins City's framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

Larson & Company, PC, a firm of certified public accountants, has audited Ivins City's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of Ivins City, for the fiscal year ended June 30, 2020 are free from material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded that based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that Ivins City's financial statements for the fiscal year ended June 30, 2020, are fairly presented in conformity with generally accepted accounting principles. The independent auditor's report is presented as the first component of the financial section of this report.

The Comprehensive Annual Financial Report is presented in four sections:

1. ***The Introductory Section***, which is unaudited, includes this letter of transmittal and the City's organizational chart.
2. ***The Financial Section***, which includes the Management Discussion and Analysis (MD&A), the basic financial statements, and the independent auditor's report of the financial statements.
3. ***The Statistical Section***, which is unaudited, includes selected financial and demographic information, generally presented on a multi-year basis.
4. ***The Continuing Disclosure Section***, which includes various schedules necessary to meet the continuing disclosure requirements of various bond issues which the City has undertaken.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

Ivins City was settled from 1922 to 1926 by settlers descended from Swiss immigrants.

The early settlers were sent to the "Santa Clara Bench", as the town was then called, to farm using water brought via a canal from the Santa Clara River. Culinary water was obtained from a spring known as the Snow Canyon Springs, located in Snow Canyon State Park and now known as Johnson Arch Spring. Families supported themselves through agricultural crops and grazed cattle on the Pine Valley Mountain and Pinto areas. The first survey of the original town site, completed in the 1920's, was called the Santa Clara Bench Survey.

The City was named after Anthony W. Ivins, a prominent leader of the Church of Jesus Christ of Latter-Day Saints, which was the predominate religion practiced by the early settlers. The City slowly grew in population until it was designated a Class 3 City in 1998 by the State of Utah. In 2003, Utah State created new classifications of Cities and Ivins is now classified as a Fifth Class City. Utah State statutes detail the functions to be performed by municipalities.

Ivins City is governed by a Mayor and five City Council Members elected at large for staggered four-year terms. The mayor presides over all meetings but casts no vote in the City Council except in the case of a tie vote. The City Manager is responsible for the day-to-day operations of the City as its Chief Operating Officer. Department heads are full-time employees of the City and are responsible for day-to-day operations within the framework established by the City Council. Department heads report to the City Manager and make monthly written and/or verbal reports to the Mayor and City Council.

Ivins City's departments include Public Safety, Public Works, Building and Zoning, Parks and Recreation and Administration.

- **Public Safety**
 - **Law Enforcement**

The department currently has 14 full-time officers, a victim's advocate coordinator, and a chief. Beginning July 1, 2012 Ivins City law enforcement began covering Santa Clara City under an interlocal agreement.
 - **Fire/Emergency Medical Services**

Ivins City fire department operates as primarily a volunteer department under the direction of a full-time chief. Ivins City provides 24 hour 365 days a year ambulance service under a license from the State of Utah. The Fire / EMS department combined with Santa Clara City on January 1, 2018 with the employees and equipment moving to Santa Clara.

- **Animal Control**

Ivins City has 2 full time and 1 part time animal control officers. The City maintains a no kill animal shelter that is aided by the help of many individuals and group volunteers. Most of the food, and much of the medical required by the animal shelter, is donated. The shelter is also aided by a primary non-profit organization: Ivins No Kill Animal Supporters (INKAS).

- **Public Works**

- **Streets**

The planned road maintenance and needed upgrades of streets was completed. The council has also committed to continue providing an adequate maintenance budget going forward.

- **Water**

Water is purchased by Ivins City from the Washington County Water Conservancy District, St George City and the Snow Canyon Compact. The City is responsible for maintaining the water distribution system inside the City and for billing and collection.

- **Wastewater**

St George City provides wastewater treatment for Ivins City. The City is responsible for maintaining the wastewater system inside the City and for billing and collection. Over the past several years Ivins City began a project to control runoff water in the City. In some areas this includes surface drainage, such as curb and gutter, and in other areas includes subsurface pipes.

- **Garbage**

Garbage service is provided by Republic Services and recycling pickup is provided by Dixie Waste Services. Both are under contract with the Washington County Solid Waste Special Services District. Ivins City is responsible for billing and collection.

- **Engineering**

A few years ago, the City hired a full-time City Engineer. Many of the City's projects are engineered by our City Engineer and is heavily involved in planning out the City's infrastructure.

- **Building & Zoning**

- Responsible for building and zoning. Coordinates with the Planning Commission to oversee orderly growth. During the past fiscal year, 116 new home building permits were issued.

- **Parks & Recreation**

- Maintains two large parks with several smaller neighborhood parks, City cemetery & landscape buffers. Also provides, directly or through contract, several recreational programs.

- **Administration**

- **Administration**

The administration department includes all financial, utility and other records related to the operation of the City and provides customer support to the residents. This function also is responsible for utility billing and collections.

- **Legal/HR**

Ivins City Manager also functions as the City attorney. He is assisted in Human Resources and payroll by full time HR Generalist.

- **General Government**

General government is the operation of the City Council and general City functions.

Economic Outlook

The City's budget for fiscal year 2021 was conservatively forecasted due to the anticipated effects of the worldwide COVID-19 pandemic. The City has not been materially impacted by COVID-19 from a financial perspective, neither in FY 2020 nor so far in FY 2021. Other than transient room taxes, which have seen significant declines, other revenues are relatively stable and on pace to beat budgeted revenues.

Ivins City continues to experience residential growth at a robust pace with 147 new building permits this fiscal year compared to 178 and 145 in 2019 and 2018 respectively. There is increased interest and activity in the residential area and we believe this will remain stable.

There's also growing interest in commercial opportunities within Ivins City. The Council has approved various commercial projects ranging from resorts and hotels to gas stations and restaurants. Some of these projects have broken ground already and we expect others to follow soon. While the City's growth has been strongly financed by residential growth, the tax revenues from commercial projects will strengthen the City's position by diversifying its revenue sources.

Existing Ivins businesses have been affected greatly by COVID-19. The City has taken steps to use federal Coronavirus funding to issue small business grants to businesses affected. The structure of the program incentivizes businesses to keep people employed and spend the funds on operating expenses, therefore stimulating the local economy. The applications received from businesses showed that many of our businesses were hit hard financially. Although some businesses were able to tap into other resources, such as the Paycheck Protection Program ("PPP"), significant losses and cash flow issues remained. The Ivins CARES business grants were much needed relief for the recipients.

Overall, there's still a great deal of uncertainty about the economy locally and nationally. A second wave of infections is threatening further restrictions to already hard-hit businesses. Much of the original stimulus funds and programs have been depleted and its unclear what additional stimulus packages will look like, if any.

Long-Term Planning

Utah State law requires that a City must maintain a General Fund balance of at least 5% and may not exceed 25% of General Fund revenues. Currently, Ivins City's General Fund balance is 23.9% of budgeted revenues.

Ivins City has created Capital Facility Plans for each of the functional areas of the government. Those plans are constantly being reviewed considering changes in revenues and funding sources. Currently, each of the plans is being updated and the completed plans will be made available for public comment and input before final action is taken by the council. As these plans are completed, impact fees will be established to generate revenues required for construction of infrastructure attributed to new growth.

A 5-year plan was created during the year. It will be updated annually and includes projects and staffing that the City looks to undertake during the given year. This plan was created to assist with planning and budgeting for the future.

The City sold sixteen acres along the Snow Canyon Parkway, with the proceeds being used to fund a new city hall. The construction of the new City Hall is well underway and the public feedback on the project has been overwhelmingly positive.

Beginning July 1, 2012, the law enforcement departments of Ivins and Santa Clara were combined saving approximately \$200,000 annually to the City. The two Cities have also entered into an agreement to share Justice Court facilities and services. In January 2018 the two Cities combined Fire / EMS services to provide better coverage and service to the residents of both Cities.

Financial Policies and Procedures

The following serves only as a general overview of established policies and procedures governing daily operation at Ivins City and affecting the outcome of these financial statements.

Balanced Budget

- Pursuant to §10-6-109, Utah Code Annotated, Ivins City will adopt a balanced General Fund budget by June 22.

Long-Range Planning

- Ivins City supports a financial planning process that assesses the long-term financial implications of current and proposed operating and capital budgets, budget policies, cash management and investment policies, programs and assumptions.

Asset Inventory

- Each department manager is responsible to take all reasonable measures available to prolong and assess the condition of major capital assets in their department on an annual basis.
- Methods of doing so may include such things as the procurement of insurance, regular testing of water and sewer systems, street and sidewalk replacement plans, procurement of secondary and tertiary water systems, etc.
- Ivins City Treasurer, under the direction of the City Manager, is responsible for the diversification of investments.

Revenue Policies

- Ivins City is dependent on a variety of revenue sources to cover expenditures. The burden of supporting City non-enterprise services will be equitably distributed and will protect the City from short-term fluctuations in any one revenue source.
- The City maintains timely collection systems and implements necessary enforcement strategies to collect revenues from available sources.
- The City actively supports economic development, recruitment, and retention efforts to provide for a solid revenue base.
- The City conservatively and accurately forecasts; such that actual revenues meet or exceed budgeted revenues.
- The City maintains a budgetary control system and prepares reports that compare actual revenues to budgeted amounts throughout the year.
- Fees and charges are based on the estimated cost of providing the associated service. Costs associated with the service include the use of human and capital resources and the depreciation of assets. The fee schedule is evaluated annually to extrapolate future trends.

- Ivins City is committed to minimizing the portion of operating expenditures that are funded by one-time growth revenues. To support this policy, the City analyzes current and historical operating trends annually.

Expenditure Policies

- Ivins City maintains a policy of full disclosure on financial reports and bond prospectus.
- The City pays all capital projects on a pay-as-you-go basis using current revenues when possible and practical. If a project or improvement cannot be financed with current revenue, debt will be considered.
- The City refrains from issuing debt for a period in excess of the expected useful life of the capital project.
- The City uses Special Assessment revenue or other self-supporting bonds instead of general obligation bonds, when feasible.
- The City will seek the refinancing of outstanding debt if it is determined that the City will benefit by reducing interest expense over the remaining life of the debt.
- The City will comply with State Law which limits total bond obligation to 12 percent of prior year's total assessed value for tax purposes of real and personal property, as determined by the most recent tax assessment.
- Ivins City will maintain a minimum unrestricted general fund balance of at least 5 percent (not to exceed 25 percent) of current year operating revenues. If existing reserves exceed the required level, such funds may be used to balance the budget or meet needs that may arise during the year.
- The City will use the funds from the reserve only in times of emergency or fiscal and economic hardship.
- Fund balance in excess of 5 percent may only be transferred to another fund with City Council approval of a budget amendment.

Investment and Cash Management Policy

- All unused cash is invested in a PTIF account or other approved financial institution. By so doing, the issues of safety, liquidity, and yield are addressed.
- Interest earned from investments of available cash is distributed to budgetary funds according to ownership of the investments and are reflected in the annual budget and financial statements.
- The City deposits all receipts according to the requirements of State law.
- Investments made by the City are in conformity with all requirements of the State of Utah Money Management Act and City Ordinance.

Financial Reporting Policy

- Ivins City's accounting system will maintain records in accordance with accounting standards and principles outlined in the Government Accounting Standards Board (GASB), Financial Accounting Standards Board (FASB) and the State of Utah.
- Financial reports are printed monthly and distributed to the City Manager and Department Heads. Financial reports are reviewed by the City Council at least quarterly.
- The City employs an independent accounting firm to perform an annual audit of the City's finances and make the annual audit available to all required and interested parties. The audit shall be completed and submitted to the State of Utah within 180 days of the close of the fiscal year.
- Copies of the annual budget and financial statements are available at the City offices or on the City's website, www.ivins.com.
- The City will seek annually to qualify for the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting award.

Awards and Acknowledgements

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Ivins City for its comprehensive annual financial report for the fiscal year ended June 30, 2019. In order to be awarded a Certificate of Achievement, a government must publish and easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

We appreciate all who contributed in any way toward the presentation of this comprehensive annual financial report with a special thanks to David Whitehead, Washington County Treasurer and Kim Hafen, Washington County Clerk. Their assistance has enabled us to bring together the data necessary to complete the report. The presentation of this report would not have been possible without the efficient and dedicated service of the entire staff.

Most importantly, we express our sincere thanks and appreciation to Mayor Chris Hart, members of the City Council for the many hours they spend in helping to run the City and maintain the quality of life enjoyed by the citizens of this great City and for their commitment to supporting excellence in our financial reporting.

Sincerely,



Lane Mecham
Director of Finance



Dale Coulam
City Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Ivins City
Utah**

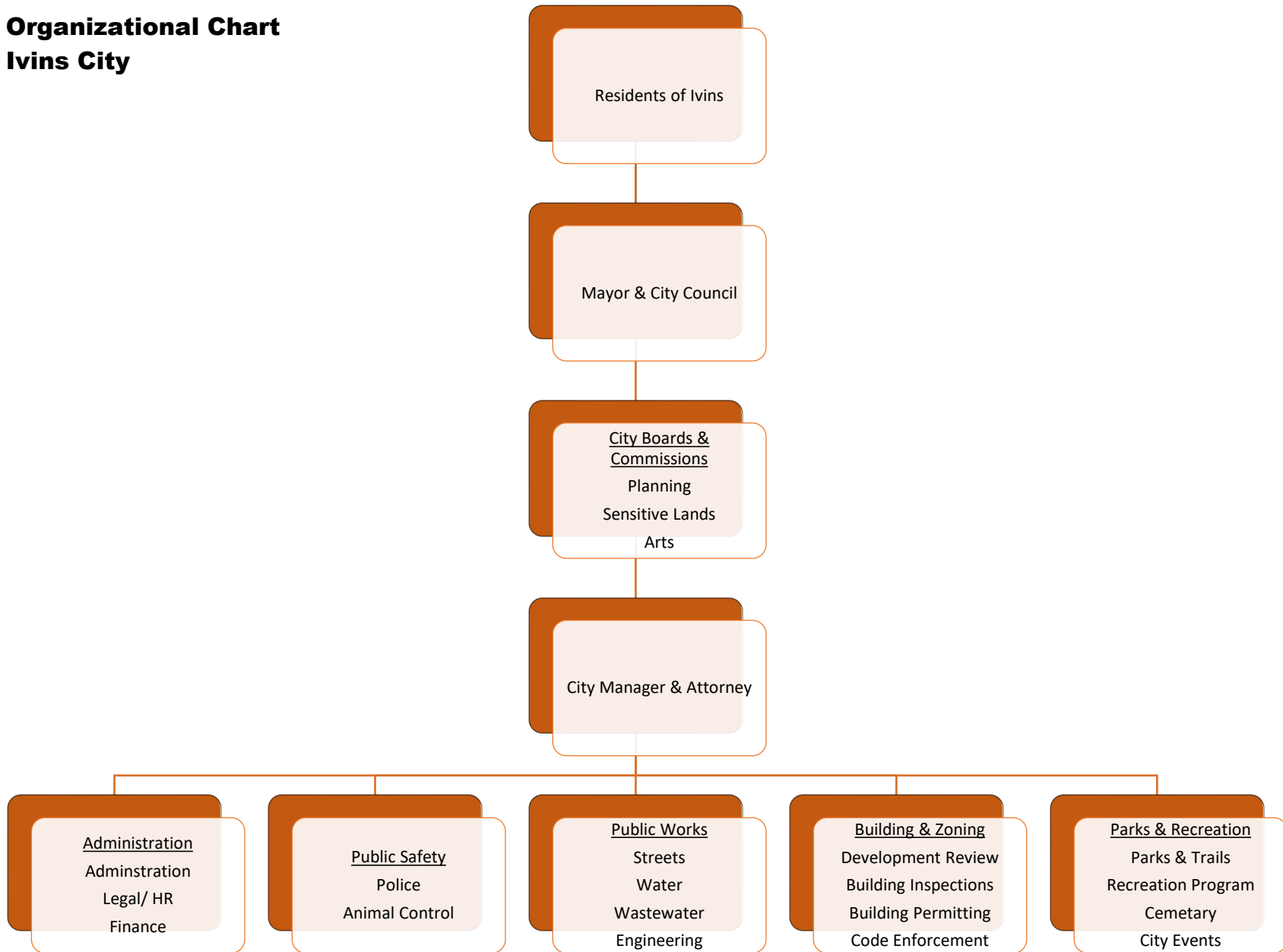
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

Organizational Chart Ivins City



OFFICIALS OF IVINS CITY, UTAH

Mayor
Chris Hart

City Council
Sue Gordhammer
Derek Larsen
Jenny Johnson
Cheyne McDonald
Dennis Mehr

City Manager & Attorney
Dale Coulam

Building & Zoning Administrator
Mike Rodriguez

Public Works Director
Chuck Gillette

Director of Public Safety
Bob Flowers

Parks & Recreation Director
Benny Sorenson

Director of Finance
Lane Mecham

City Treasurer
Jennifer Chapman

City Recorder
Kari Jimenez

Financial Section



INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the City Council
Ivins City, Utah

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Ivins City, Utah (the City) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Ivins City, Utah, as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 19, 2020 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Larson & Company, PC

Larson & Company, PC

Spanish Fork, Utah
November 19, 2020

FYE 2020 MANAGEMENT'S DISCUSSION AND ANALYSIS

Prepared by Dale Coulam, City Manager and Wally Ritchie, Director of Finance

This narrative overview and analysis of the financial activities of Ivins City is presented for readers of Ivins City's financial statements for the fiscal year ended June 30, 2020. This section is intended to be read in conjunction with the City's financial statements, which follow this section.

Financial Highlights/Executive Summary

- The assets of Ivins City exceeded its liabilities at the close of fiscal year 2020 by \$56,599,878 (net position), an increase of \$4,727,012. Of this amount, \$1,564,772 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors (refer to table entitled IVINS CITY'S NET POSITION).
- As of the close of the 2020 fiscal year, Ivins City's governmental funds reported combined ending fund balances of \$6,820,960 with approximately 26% of this total amount, \$1,770,064, in the General Fund.
- At the end of the current fiscal year, the fund balance for the general fund was \$1,770,064, or 22.6% of total budgeted general fund revenues. The maximum amount of general fund balance that may be maintained under Utah Statute being 25%.

At the end of the current fiscal year, Ivins City's general fund expenditures, including transfers, exceeded general fund revenues by \$106,740. Decreasing fund balance from \$1,844,749 to \$1,738,039.

Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to Ivins City's basic financial statements. The basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

Government-wide financial statements

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

The *statement of net position* presents information on all of the City's assets, deferred outflows, liabilities, and deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

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

charges (business-type activities). The statement of activities is presented on two pages. The first page reports the extent to which each function or program is self-supporting through fees and intergovernmental aid. The second page identifies the general revenues of the City available to cover any remaining costs of the functions or programs.

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 also uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. These funds are used to account for the same functions reported as governmental activities in 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.

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 government 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 government fund balance sheet and the government fund statement of the revenues, expenditures, and changes in fund balances provide reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains three major governmental funds, the general fund, the debt service fund, and the capital projects fund.

The City adopts an annual appropriated budget for all its funds. A budgetary comparison schedule has been provided to demonstrate legal compliance with the adopted budget for the general fund.

The basic governmental fund financial statements can be found later in this report; see Table of Contents.

Proprietary funds. The City maintains one type of proprietary fund, enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses three enterprise funds to account for the operations of the water, sewer, and storm drain utilities. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The enterprise funds are considered major funds of the City. The proprietary fund financial statements can be found later in this report; see Table of Contents.

Notes to the financial statements. The notes provide additional information that are essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are reported later in this report; see Table of Contents.

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

Government-wide Financial Analysis

Ivins City's Net Position

	Governmental Activities		Business-type Activities		Total Current Year	Total Previous Year
	Current Year	Previous Year	Current Year	Previous Year		
Current and other assets	\$ 9,205,601	6,525,952	7,915,904	7,238,974	17,121,505	13,764,926
Net capital assets	24,616,302	25,716,817	26,973,071	25,129,816	51,589,372	50,846,633
Deferred outflows of resources	316,949	698,585	79,387	180,835	396,336	879,420
Total assets and deferred outflows	\$ 34,138,851	32,941,354	34,968,362	32,549,624	69,107,213	65,490,978
Long-term debt outstanding	\$ 4,141,995	4,728,499	3,120,257	3,350,257	7,262,252	8,078,756
Other liabilities	1,620,568	2,531,437	1,372,275	1,227,501	2,992,843	3,758,938
Deferred inflows of resources	2,131,424	1,738,087	120,817	42,332	2,252,241	1,780,419
Total liabilities and deferred inflows	7,893,987	8,998,023	4,613,349	4,620,090	12,507,335	13,618,112
Net position:						
Net investment in capital assets	20,474,307	20,988,318	23,852,814	21,779,559	44,327,121	42,767,877
Restricted	1,770,490	1,126,113	4,110,089	3,151,469	5,880,579	4,277,582
Unrestricted	4,000,067	1,828,900	2,392,111	2,998,507	6,392,179	4,827,407
Total net position	\$ 26,244,864	23,943,331	30,355,014	27,929,535	56,599,878	51,872,866

As noted earlier, net position may serve, over time, as a useful indicator of financial position. Total assets and deferred outflows of resources exceeded total liabilities and deferred inflow of resources at the close of the year by \$56,599,878, an increase of \$4,727,012 from the previous year.

Total unrestricted net position at the end of the year are \$6,392,179 which represents an increase of \$1,564,772 from the previous year. Unrestricted net position are those resources available to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements.

The amount of current and other assets represents the amounts of cash and receivables on hand at the end of each year. Other liabilities are the amounts of current and other liabilities due, at year end, for goods and services acquired.

Changes in capital assets are the result of the difference, in the current year, of the cost of acquisition of capital assets and any depreciation charges on capital assets. Change in long-term debt is the difference in the amount of debt issued and that which has been paid during the year.

Financial Analysis (continued)

Ivins City's Change in Net Position

	Governmental Activities		Business-type Activities		Total Current Year	Total Previous Year
	Current Year	Previous Year	Current Year	Previous Year		
Program revenues:						
Charges for services	\$ 2,623,220	2,554,829	4,545,275	3,972,680	7,168,495	6,527,509
Operating grants	886,826	647,527	-	-	886,826	647,527
Capital grants	943,624	1,022,503	2,535,302	3,777,336	3,478,926	4,799,839
General revenues:						
Property taxes	1,764,048	1,640,111	-	-	1,764,048	1,640,111
Sales tax	1,570,163	1,476,788	-	-	1,570,163	1,476,788
Other taxes	740,623	650,152	-	-	740,623	650,152
Other revenues	2,039,164	397,711	69,543	73,706	2,108,707	471,417
Total revenues	10,567,667	8,389,622	7,150,119	7,823,722	17,717,787	16,213,344
Expenses:						
General government	1,405,651	1,631,421	-	-	1,405,651	1,631,421
Building/Code Enforcement	393,334	350,810	-	-	393,334	350,810
Public safety	2,604,405	2,528,306	-	-	2,604,405	2,528,306
Highways and improvements	2,340,027	1,397,135	-	-	2,340,027	1,397,135
Parks and recreation	1,416,391	709,423	-	-	1,416,391	709,423
Interest on long-term debt	106,327	127,096	-	-	106,327	127,096
Water	-	-	2,923,299	2,519,459	2,923,299	2,519,459
Wastewater	-	-	1,801,342	1,590,449	1,801,342	1,590,449
Total expenses	8,266,134	6,744,191	4,724,640	4,109,909	12,990,775	10,854,098
Change in net position	\$ 2,301,533	1,645,430	2,425,479	3,713,813	4,727,012	5,359,246

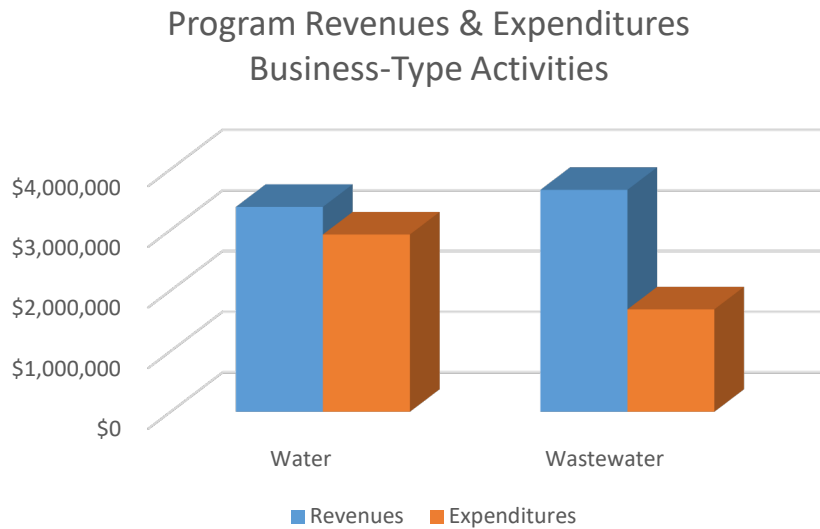
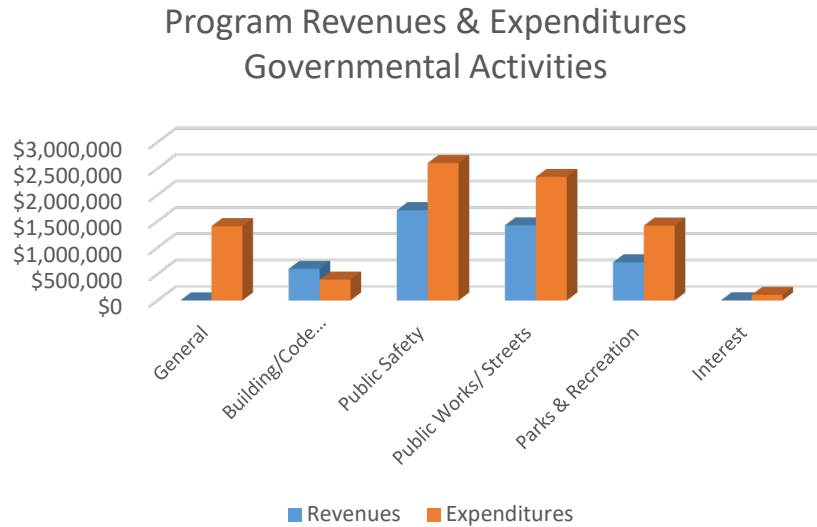
For the City as a whole, total revenues increased by \$1,504,443 compared to the previous year, while total expenses increased by \$2,136,677. The total net change of \$4,727,012 is, in private sector terms, the net income for the year which is \$632,234 less than the previous year.

Governmental activities revenues of \$10,567,667 is an increase of \$2,178,045 from the previous year. All significant items of revenue increased. Total grant revenue, operating and capital, increased by \$160,420. Governmental activities expenses of \$8,266,134 is an increase of \$1,524,943 from the previous year. While general government, building/code enforcement, highways, and parks and recreation expenses increased, public safety, and long-term debt interest expenses decreased.

Business-type activities revenue of \$7,150,119 is a decrease of \$673,603 from the previous year. Service revenues increased by \$572,595 and capital grants decreased by \$1,242,034. Business-type activities

expenses of \$4,724,640 is an increase of \$614,731 from the previous year. This is due to an increase in water and wastewater operation expenses.

The following graph shows the relationship of program revenues and the associated expenditures.



At the end of the current fiscal year, Ivins City can report positive balances in all three categories of net position, for the government as a whole, as well as for its separate government and business-type activities.

Balances and Transactions of Individual Funds

Some of the more significant changes in fund balances and fund net position and any restrictions on those amounts is described below:

General Fund

The fund balance of \$1,770,064 reflects a decrease of \$74,715 from the previous year. Total revenues increased by \$605,485. Tax revenues, including property taxes and sales taxes increased by \$307,783. Intergovernmental revenues increased by \$239,299. Fines and forfeitures decreased by \$40,338, and Interest decreased by \$37,442. All other revenues increased by a total of \$70,675.

Total expenditures increased by \$310,914. General government expenditures increased by \$128,311; code enforcement expenditures increased by \$42,524; public safety expenditures increased by \$66,870; streets and highways expenditures increased by \$111,164; and parks and recreation expenditures decreased by \$37,954. The transfer out of \$3,635,000 was comprised of \$3,390,000 to capital projects and \$245,000 to the debt service fund. This large transfer to the capital projects fund was due in large part to the sale of 16-acre parcel of City land which is being used to finance the construction of a new city hall.

Water Fund

The change in net position (net income) was \$454,589, which included capital grants of \$131,000. The amount of \$2,399,142 is restricted for construction. Unrestricted net position amounts to \$1,487,762.

Wastewater

The change in net position (net income) was \$1,970,890. Restricted amounts were \$296,046 for debt service, and \$1,414,901 for construction. Unrestricted net position amounts to \$904,349.

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

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

As of the end of the current fiscal year, Ivins City's governmental funds reported a combined ending fund balance of \$6,820,960, an increase of \$2,813,817 in comparison with the prior year. The increase is due largely to the sale of a 16-acre parcel of land.

The general fund is the chief operating fund of Ivins City. At the end of the 2020 fiscal year, the fund balance of the general fund was \$1,770,064. As a measure of the general fund's liquidity, it may be useful to compare both unrestricted fund balance and total fund balance to total fund expenditures. The fund balance represents 24.8% of total budgeted general fund revenues.

Other governmental funds (including special impact fee funds for Streets, Parks and Recreation, Public Safety) have a total fund balance of \$5,050,896, all of which is reserved for the construction of capital projects and debt service related items.

Proprietary funds. Ivins City's proprietary funds provides the detail for the information found in the government-wide financial statements as it is already on the accrual basis the adjustments that are made in the governmental funds do not need to be made to these funds.

Unrestricted net position for Water and Wastewater utilities at the end of the year totaled \$2,392,111.

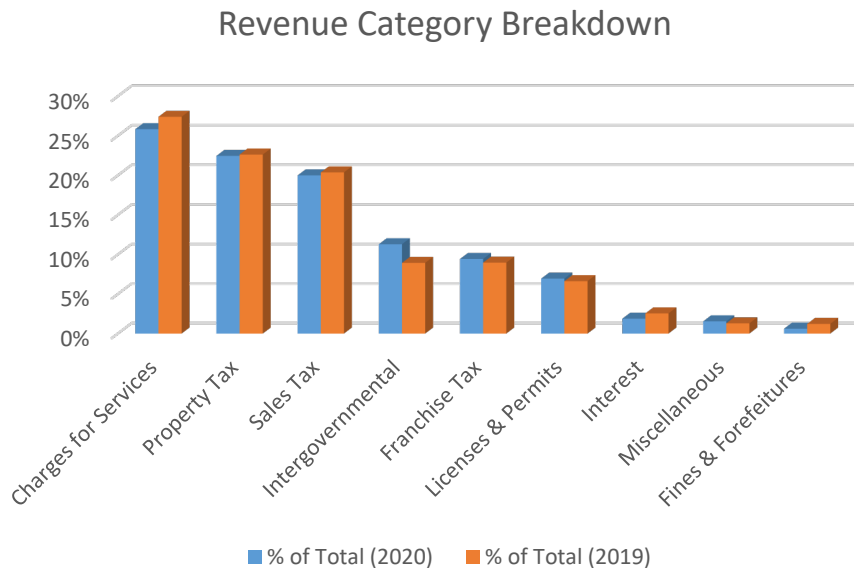
General Fund Budgetary Highlights

Revenues for the current year, exclusive of transfers and fund balance appropriations, were originally budgeted in the amount of \$7,148,022. This amount was not amended during the year. Actual revenues, excluding transfers, amounted to \$7,821,679.

Expenditures for the current year, excluding transfers, were originally budgeted in the amount of \$7,016,522. This amount was amended in the final budget to \$7,029,240. Actual expenditures amounted to \$6,850,160.

Net transfers out for the year were originally budgeted in the amount of \$161,500. The final budget for transfers out was \$3,351,500. Actual net transfers out were made in the amount of \$3,635,000.

The following graph shows the breakdown of revenue categories as a percentage of total revenues between 2019 and 2020 as a percent of total revenue.



During the year general fund revenues exceeded expenditures by \$1,003,544 before other financing sources and uses; and revenues were less than expenditures by \$74,715 after other financing sources and uses.

Capital Asset and Debt Administration

Capital assets. Ivins City’s investment in capital assets for its governmental and business-type activities as of June 30, 2020, amounts to \$51,589,372 (net of accumulated depreciation), an increase of \$742,739 from the previous year. This investment in capital assets includes water stock, land, buildings,

improvements, infrastructure (roads, water lines, and sewer lines), autos and trucks, machinery and equipment, office and work in progress. More detail on capital assets can be found in the Note 3-C Capital Assets.

The City sold a 16-acre parcel of land which retired \$903,660 of land, a capital asset. Net Capital Assets increased by 1,646,399 when this transaction is removed.

Ivins City's Capital Assets (net of depreciation)

	Governmental Activities		Business-type Activities		Total Current Year	Total Previous Year
	Current Year	Previous Year	Current Year	Previous Year		
Net Capital Assets:						
Land and water rights	\$ 953,252	1,856,912	1,487,555	1,487,555	2,440,808	3,344,468
Buildings	939,814	983,726	169,339	95,374	1,109,153	1,079,100
Improvements other than buildings	1,054,157	1,046,974	-	-	1,054,157	1,046,974
Automobiles & Trucks	376,295	358,784	88,340	76,118	464,635	434,902
Machinery and equipment	545,936	646,267	285,935	198,091	831,871	844,359
Office equipment	18,623	30,524	-	-	18,623	30,524
Parks	4,324,388	4,107,215	-	-	4,324,388	4,107,215
Infrastructure	16,340,458	16,686,415	-	-	16,340,458	16,686,415
Water system	-	-	7,906,908	8,247,190	7,906,908	8,247,190
Wastewater system	-	-	17,000,600	15,025,487	17,000,600	15,025,487
Work in progress	63,378	-	34,394	-	97,772	-
Totals	\$ 24,616,302	25,716,817	26,973,071	25,129,816	51,589,372	50,846,633

FYE 2020 major programs and projects include:

- Storm Drain improvements
- Street maintenance program and work plan
- Detention Basin improvements
- Ivins Reservoir improvements

Long-term debt. At year-end, the City had \$6,936,995 in bonds and notes outstanding—a decrease of 11.7% over the last year—as shown in the table entitled *IVINS CITY'S OUTSTANDING DEBT*. Moody's Investor Service issued their annual comment on Ivins revenue bonds and the City maintained an A2 rating. More detailed information about the City's long-term liabilities is presented in Note 3-D Long-Term Debt.

Ivins City's Outstanding Debt - Revenue Bonds

	Current Year	Previous Year
Governmental activities:		
2017 Equipment Lease	-	47,718
2017 Fire Truck Lease	220,995	261,781
2012 Excise Bond	397,000	615,000
2005 MBA Lease Revenue	1,328,000	1,429,000
2016 Sales Tax Refunding	2,196,000	2,375,000
Total governmental	\$ 4,141,995	4,728,499
Business-type activities:		
2016 Storm Water Revenue	\$ 2,795,000	3,025,000
Total business-type	\$ 2,795,000	3,025,000
Total outstanding debt	\$ 6,936,995	7,753,499

Economic Factors and Next Year’s Budgets and Rates

- Due to COVID-19, approximately 20% of the following year’s budgeted sales taxes were cut along with decreases in building related revenues (permits, subdivision fees, etc.).
- Ivins’ property tax rate has continued to decline with strong home values over the last several years.
- Population growth, as measured by building permit issuance, is estimated to be 3% for FY 2021.
- The City is on schedule to increase water and wastewater rates as part of multi-year process identified in our rate studies.
- The City has begun construction on a new city hall and will also be remodeling the existing city hall building to become the police station.

There’s a lot of uncertainty around the local and national economy due to COVID-19. At the time of this writing, a second wave of Coronavirus infections is sweeping the world and it’s not clear how the government or the economy will respond to what lies ahead.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of Ivins City’s finances and to demonstrate the City’s accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Dale Coulam, Ivins City Manager, 55 North Main, Ivins City, Utah, 84738 or via e-mail dcoulam@ivins.com.



**BASIC FINANCIAL
STATEMENTS**

Ivins City
STATEMENT OF NET POSITION
June 30, 2020

	Governmental Activities	Business-type Activities	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:			
Assets:			
Current assets:			
Cash and cash equivalents	\$ 5,083,591	3,158,997	8,242,588
Accounts receivable, net	2,337,378	644,715	2,982,093
Prepaid expenses	57,890	-	57,890
Total current assets	7,478,859	3,803,712	11,282,571
Non-current assets:			
Restricted cash and cash equivalents	1,726,742	4,112,192	5,838,934
Capital assets:			
Not being depreciated	1,016,631	1,521,949	2,538,580
Net of accumulated depreciation	23,599,671	25,451,122	49,050,793
Total non-current assets	26,343,043	31,085,263	57,428,306
Total assets	33,821,903	34,888,975	68,710,877
Deferred outflows of resources - pensions	316,949	79,387	396,336
Total assets and deferred outflows of resources	\$ 34,138,851	34,968,362	69,107,213
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:			
Liabilities:			
Current liabilities:			
Accounts payable	\$ 245,586	427,967	673,554
Accrued liabilities	163,782	533,262	697,044
Customer deposits	24,329	126,619	150,948
Unearned Revenue	264,724	-	264,724
Accrued interest payable	20,345	27,350	47,695
Long-term debt outstanding, current portion	555,884	240,000	795,884
Total current liabilities	1,274,650	1,355,198	2,629,848
Non-current liabilities:			
Compensated absences	156,796	55,908	212,704
Long-term debt outstanding, non-current portion	3,586,111	2,880,257	6,466,368
Net pension liability	745,006	201,168	946,174
Total non-current liabilities	4,487,913	3,137,333	7,625,246
Total liabilities	5,762,562	4,492,532	10,255,094
Deferred inflows of resources - property taxes	1,686,220	-	1,686,220
Deferred inflows of resources - pensions	445,204	120,817	566,021
Total liabilities and deferred inflows of resources	7,893,987	4,613,349	12,507,335
NET POSITION:			
Net investment in capital assets	20,474,307	23,852,814	44,327,121
Restricted for:			
Debt service	195,760	296,046	491,806
Construction	1,574,730	3,814,043	5,388,773
Unrestricted	4,000,067	2,392,111	6,392,179
Total net position	26,244,864	30,355,014	56,599,878
Total liabilities, deferred inflows of resources and net position	\$ 34,138,851	34,968,362	69,107,213

Ivins City
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2020

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue (To Next Page)
<u>FUNCTIONS/PROGRAMS:</u>					
Primary government:					
Governmental activities:					
General government	\$ 1,405,651	1,734	-	-	(1,403,916)
Building/Code enforcement	393,334	597,445	-	-	204,111
Public safety	2,604,405	1,251,503	439,697	17,741	(895,465)
Public works and streets	2,340,027	722,388	447,129	253,777	(916,733)
Parks, recreation and public property	1,416,391	50,150	-	672,106	(694,135)
Interest on long-term debt	106,327	-	-	-	(106,327)
Total governmental activities	8,266,134	2,623,220	886,826	943,624	(3,812,465)
Business-type activities:					
Water	2,923,299	2,630,983	-	703,746	411,431
Wastewater	1,801,342	1,914,292	-	1,831,555	1,944,506
Total business-type activities	4,724,640	4,545,275	-	2,535,302	2,355,936
Total primary government	\$ 12,990,775	7,168,495	886,826	3,478,926	(1,456,528)

(continued on next page)

Ivins City
STATEMENT OF ACTIVITIES (continued)
For the Year Ended June 30, 2020

	Governmental Activities	Business-type Activities	Total
CHANGES IN NET POSITION:			
Net (expense) revenue (from previous page)	\$ (3,812,465)	2,355,936	(1,456,528)
General revenues:			
Property taxes	1,764,048	-	1,764,048
Sales tax	1,570,163	-	1,570,163
Other taxes	740,623	-	740,623
Unrestricted investment earnings	212,210	69,543	281,752
Gain (loss) on sales of capital assets	1,653,081	-	1,653,081
Special assessments	51,845	-	51,845
Miscellaneous	122,028	-	122,028
Total general revenues	6,113,997	69,543	6,183,540
Change in net position	2,301,533	2,425,479	4,727,012
Net position - beginning restated	23,943,331	27,929,535	51,872,866
Net position - ending	\$ 26,244,865	30,355,014	56,599,878

Ivins City
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2020

	General Fund	Debt Service Fund	Capital Projects Fund	Non-Major Municipal Building Authority	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 1,802,449	2,216	3,278,926	-	5,083,591
Accounts receivable, net of allowances	1,960,264	306,257	70,858	-	2,337,378
Prepaid expenses	57,890	-	-	-	57,890
Restricted cash and cash equivalents	-	-	1,574,730	152,012	1,726,742
TOTAL ASSETS	\$ 3,820,602	308,473	4,924,514	152,012	9,205,601
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES					
Liabilities:					
Accounts payable	\$ 176,208	-	69,378	-	245,586
Accrued liabilities	163,782	-	-	-	163,782
Customer deposits	24,329	-	-	-	24,329
Unearned revenue	-	264,724	-	-	264,724
Total liabilities	364,319	264,724	69,378	-	698,421
Deferred inflows of resources - property taxes	1,686,220	-	-	-	1,686,220
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	2,050,539	264,724	69,378	-	2,384,641
FUND BALANCES:					
Restricted for:					
Construction	-	-	1,574,730	-	1,574,730
Debt service	-	43,748	-	152,012	195,760
Assigned for:					
Construction	-	-	3,280,406	-	3,280,406
Unassigned	1,770,064	-	-	-	1,770,064
TOTAL FUND BALANCES	1,770,064	43,748	4,855,136	152,012	6,820,960
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 3,820,602	308,473	4,924,514	152,012	9,205,601

Ivins City
**STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**

For the Year Ended June 30, 2020

	General Fund	Debt Service Fund	Capital Projects Fund	Non-Major Municipal Building Authority	Total Governmental Funds
Revenues:					
Taxes:					
Property	\$ 1,764,048	-	-	-	1,764,048
Sales	1,570,163	-	-	-	1,570,163
Other taxes	740,623	-	-	-	740,623
License and permits	545,589	-	-	-	545,589
Intergovernmental revenues	886,826	-	11,110	-	897,936
Charges for services	2,029,094	-	-	-	2,029,094
Fines and forfeitures	48,537	-	-	-	48,537
Impact fees	-	-	932,514	-	932,514
Special assessments	-	51,845	-	-	51,845
Interest	147,547	9,586	53,424	1,652	212,210
Miscellaneous revenue	121,277	751	-	-	122,028
Total revenues	7,853,704	62,182	997,048	1,652	8,914,586
Expenditures:					
Current:					
General government	1,590,865	-	99,586	-	1,690,450
Building/Code enforcement	393,334	-	-	-	393,334
Public safety	2,519,275	-	-	-	2,519,275
Public works and streets	1,454,216	-	320,985	-	1,775,201
Parks, recreation and public property	796,017	-	788,216	-	1,584,233
Debt service:					
Principal	88,504	397,000	-	101,000	586,504
Interest	7,949	57,694	-	42,870	108,512
Total expenditures	6,850,160	454,693	1,208,787	143,870	8,657,510
Excess (deficiency) of revenues over (under) expenditures	1,003,544	(392,511)	(211,739)	(142,218)	257,076
Other financing sources and (uses):					
Sale of capital assets	2,556,741	-	-	-	2,556,741
Transfers in	-	320,000	3,390,000	143,810	3,853,810
Transfers (out)	(3,635,000)	-	(218,810)	-	(3,853,810)
Total other financing sources and (uses)	(1,078,259)	320,000	3,171,190	143,810	2,556,741
Net change in fund balances	(74,715)	(72,511)	2,959,451	1,592	2,813,817
Fund balances - beginning of year	1,844,779	116,259	1,895,684	150,420	4,007,143
Fund balance - end of year	\$ 1,770,064	43,748	4,855,136	152,012	6,820,960

Ivins City
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF NET POSITION**
 June 30, 2020

Total Fund Balance for Governmental Funds	<u>\$ 6,820,960</u>
<p>Total net position reported for governmental activities in the statement of net position is different because:</p>	
<p>Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds:</p>	
Capital assets, at cost	38,738,526
Less accumulated depreciation	<u>(14,122,224)</u>
Net capital assets	<u>24,616,302</u>
<p>Deferred outflows of resources - pensions, a consumption of net position that applies to future periods, is not shown in the funds statements.</p>	
	<u>316,949</u>
<p>Long-term liabilities, for funds other than enterprise funds, are recorded in the government-wide statements but not in the fund statements.</p>	
General long-term debt	<u>(4,141,995)</u>
Interest accrued but not yet paid on long-term debt	<u>(20,345)</u>
Compensated absences	<u>(156,796)</u>
Net pension liability	<u>(745,006)</u>
Deferred inflows of resources - pensions	<u>(445,204)</u>
Total Net Position of Governmental Activities	<u><u>\$ 26,244,864</u></u>

Ivins City
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**
For the Year Ended June 30, 2020

Net Change in Fund Balances - Total Governmental Funds	<u>\$ 2,813,817</u>
 Amounts reported for governmental activities in the statement of activities are different because:	
 Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with a material cost are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expenses.	
Capital outlays	1,248,153
Depreciation expense	(1,445,009)
Net	<u>(196,856)</u>
 The statement of activities show pension benefits, pension expenses, and non-employer contributions related to GASB 68 that are not shown in the fund statements.	
	<u>25,409</u>
 Cost of retired assets is not reported in government fund statements, while it is reported in the statement of activities.	
Book cost of assets retired	<u>(903,660)</u>
 Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Long-term debt principal repayments	<u>586,504</u>
 Accrued interest for long-term debt is not reported as expenditure for the current period, while it is recorded in the statement of activities.	
Change in accrued interest	<u>2,185</u>
 Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds.	
Change in compensated absence liability	<u>(25,867)</u>
 Change in Net Position of Governmental Activities	 <u><u>\$ 2,301,532</u></u>

Ivins City
STATEMENT OF NET POSITION - PROPRIETARY FUND
June 30, 2020

	Water Fund	Wastewater Fund	Total Proprietary Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:			
Assets:			
Current assets:			
Cash and cash equivalents	\$ 1,990,270	1,168,727	3,158,997
Accounts receivable, net	439,119	205,596	644,715
Total current assets	<u>2,429,389</u>	<u>1,374,323</u>	<u>3,803,712</u>
Non-current assets:			
Restricted cash and cash equivalents	2,399,142	1,713,050	4,112,192
Capital assets:			
Not being depreciated	1,494,564	27,386	1,521,949
Net of accumulated depreciation	8,208,663	17,242,458	25,451,122
Total non-current assets	<u>12,102,368</u>	<u>18,982,894</u>	<u>31,085,263</u>
Total assets	14,531,758	20,357,217	34,888,975
Deferred outflows of resources - pensions	49,573	29,815	79,387
Total assets and deferred outflows of resources	<u>\$ 14,581,330</u>	<u>20,387,032</u>	<u>34,968,362</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:			
Liabilities:			
Current liabilities:			
Accounts payable	\$ 89,779	338,188	427,967
Accrued liabilities	533,262	-	533,262
Customer security deposits	126,619	-	126,619
Accrued interest payable	-	27,350	27,350
Long-term debt outstanding, current portion	-	240,000	240,000
Total current liabilities	<u>749,660</u>	<u>605,538</u>	<u>1,355,198</u>
Non-current liabilities:			
Compensated absences	35,738	20,170	55,908
Long-term debt outstanding, non-current portion	-	2,880,257	2,880,257
Net pension liability	126,227	74,941	201,168
Total non-current liabilities	<u>161,966</u>	<u>2,975,368</u>	<u>3,137,333</u>
Total liabilities	911,626	3,580,906	4,492,532
Deferred inflows of resources - pensions	79,574	41,243	120,817
Total liabilities and deferred inflows of resources	<u>991,200</u>	<u>3,622,149</u>	<u>4,613,349</u>
NET POSITION:			
Net investment in capital assets	9,703,227	14,149,587	23,852,814
Restricted for:			
Debt service	-	296,046	296,046
Construction	2,399,142	1,414,901	3,814,043
Unrestricted	1,487,762	904,349	2,392,111
Total net position	<u>13,590,131</u>	<u>16,764,883</u>	<u>30,355,014</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 14,581,330</u>	<u>20,387,032</u>	<u>34,968,362</u>

Ivins City
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES
 IN NET POSITION - PROPRIETARY FUND**
 For the Year Ended June 30, 2020

	Water Fund	Wastewater Fund	Total Proprietary Funds
Operating income:			
Charges for sales and service	\$ 2,495,251	1,814,992	4,310,243
Connection fees	77,865	97,500	175,365
Other operating income	57,867	1,800	59,667
Total operating income	2,630,983	1,914,292	4,545,275
Operating expenses:			
Purchased product	1,085,107	530,012	1,615,119
Personnel services	722,521	431,878	1,154,399
Utilities	49,939	27,774	77,713
Repair and maintenance	115,997	45,331	161,328
Professional and technical	45,619	45,006	90,626
Other supplies and expenses	222,560	53,891	276,451
Insurance expense	19,759	12,593	32,351
Depreciation expense	661,797	542,082	1,203,879
Total operating expense	2,923,299	1,688,567	4,611,865
Net operating income (loss)	(292,316)	225,725	(66,590)
Non-operating income (expense):			
Impact fees	572,746	258,163	830,910
Interest income	43,159	26,384	69,543
Interest on long-term debt	-	(112,775)	(112,775)
Total non-operating income (expense)	615,905	171,772	787,678
Income (loss) before transfers and capital contributions	323,589	397,498	721,087
Capital contributions	131,000	1,573,392	1,704,392
Change in net position	454,589	1,970,890	2,425,479
Net position - beginning	13,135,541	14,793,993	27,929,534
Net position - ending	\$ 13,590,131	16,764,883	30,355,014

Ivins City
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2020

	Water Fund	Wastewater Fund	Total Proprietary Funds
Cash flows from operating activities:			
Cash received from customers - service	\$ 2,518,978	1,889,652	4,408,631
Cash paid to suppliers	(1,317,755)	(603,421)	(1,921,176)
Cash paid to employees	(714,840)	(433,839)	(1,148,679)
Net cash provided (used) in operating activities	486,384	852,392	1,338,776
Cash flows from noncapital financing activities:			
Change in customer deposits	(11,700)	-	(11,700)
Net cash provided (used) in noncapital financing activities	(11,700)	-	(11,700)
Cash flows from capital and related financing activities:			
Cash received from capital contributions	131,000	1,573,392	1,704,392
Cash received from impact fees	572,746	258,163	830,910
Cash payments for capital assets	(420,173)	(2,626,961)	(3,047,134)
Cash payments for long-term debt principal	-	(230,000)	(230,000)
Cash payments for long-term debt interest	-	(114,500)	(114,500)
Net cash provided (used) in capital and related financing activities	283,573	(1,139,906)	(856,333)
Cash flows from investing activities:			
Cash received from interest earned	43,159	26,384	69,543
Net cash provided (used) in investing activities	43,159	26,384	69,543
Net increase (decrease) in cash	801,416	(261,130)	540,286
Cash balance, beginning	3,587,996	3,142,907	6,730,903
Cash balance, ending	\$ 4,389,412	2,881,777	7,271,189
Cash reported on the statement of net position:			
Cash and cash equivalents	\$ 1,990,270	1,168,727	3,158,997
Non-current restricted cash	2,399,142	1,713,050	4,112,192
Total cash and cash equivalents	\$ 4,389,412	2,881,777	7,271,189

Ivins City
STATEMENT OF CASH FLOWS (continued)
For the Year Ended June 30, 2020

**Reconciliation of Operating Income to Net Cash
Provided (Used) in Operating Activities:**

	Water Fund	Wastewater Fund	Total Proprietary Funds
Net operating income (expense)	\$ (292,316)	\$ 225,725	(66,590)
Adjustments to reconcile operating income or (loss) to net cash provided (used) in operating activities:			
Depreciation and amortization	661,797	542,082	1,203,879
Changes in assets and liabilities:			
(Increase) decrease in receivables	(112,005)	(24,640)	(136,644)
(Increase) decrease in other current assets	-	-	-
(Increase) decrease in non-current assets	-	-	-
(Increase) decrease in deferred outflows	67,632	33,816	101,448
Increase (decrease) in payables	221,226	111,186	332,412
Increase (decrease) in compensated absences	12,184	290	12,474
Increase (decrease) in net pension liabilities	(124,458)	(62,229)	(186,687)
Increase (decrease) in deferred inflows	52,323	26,162	78,485
Net cash provided (used) in operating activities	<u>\$ 486,384</u>	<u>852,392</u>	<u>1,338,776</u>

Ivins City
STATEMENT OF NET POSITION - AGENCY FUND
 June 30, 2020

	Developer Cash Bonds		
	Previous Year	Change	Current Year
Assets:			
Cash and cash equivalents	\$ 998,105	132,955	1,131,060
Total assets	998,105	132,955	1,131,060
 Liabilities:			
Due to developers	998,105	132,955	1,131,060
Total liabilities	\$ 998,105	132,955	1,131,060

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1-A. Reporting entity

Ivins City (the City), is a municipal corporation located in Washington County, Utah. The City operates under a Six Member Council form of government with a City Manager by ordinance.

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The financial statements of the City have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units. The Governmental Accounting Standards Board is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

1-B. Government-wide and fund financial statements

Government-wide Financial Statements

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

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Indirect expenses are not allocated. All expenses are included in the applicable function. *Program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privilege provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, if any, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statement.

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

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

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

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

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

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

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

Policy regarding use of restricted resources

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 needed. Restricted assets and liabilities payable from restricted assets current in nature are reported with current assets and current liabilities. Restricted assets, non-current reports assets restricted for acquisition or construction of non-current assets, or are restricted for liquidation of long-term debt.

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

1-D. Fund types and major funds

Governmental funds

The City reports the following major governmental fund:

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

The *debt service fund* accounts for the payment of the general long-term debt of the government.

The *capital projects* fund accounts for financial resources used for the acquisition or construction of the capital facilities of the City (other than those of the enterprise funds).

Proprietary funds

The City reports the following major proprietary funds:

The *water fund* is used to account for the activities of the culinary water distribution.

The *wastewater fund* is used to account for the operations of the sewer system.

1-E. Assets, Liabilities, and Net Position or Equity

1-E-1. Deposit and Investments

Investments are reported at fair value. Deposits are reported at cost, which approximates fair value. Investments of the City are accounts at the Utah Public Treasurers Investments Fund. Additional information is contained in Note 3.

1-E-2. Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

1-E-3. Receivables and Payables

Accounts receivable other than property taxes and intergovernmental receivables are from customers primarily for utility services. Property tax and intergovernmental receivables are considered collectible. Customer accounts are reported net of an allowance for uncollectible accounts. The allowance amount is estimated using accounts receivable past due more than 90 days.

During the course of operations, there may be transactions occur between funds that are representative of lending/borrowing arrangements outstanding at year-end. These are reported as either due to or due from other funds.

Property taxes are assessed and collected for the City by Washington County and remitted to the City shortly after collection. Property taxes become a lien on January 1 and are levied on the first Monday in August. Taxes are due and payable on November 1, and are delinquent after November 30. All dates are in the year of levy.

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

1-E. Assets, Liabilities, and Net Position or Equity (continued)

1-E-4. Restricted Assets

In accordance with certain revenue bond covenants, resources may be required to be set aside for the repayment of such bonds, and, on occasion, for the repair and maintenance of the assets acquired with the bond proceeds. These resources are classified as restricted assets on the balance sheet because of their limited use. Most capital grant agreements mandate that grant proceeds be spent only on capital assets. Unspent resources of this nature are also classified as restricted. The limited use resources described above involve a reported restriction of both cash and net assets.

Unspent proceeds of bonds issued to finance capital assets are also reported as restricted cash

1-E-5. Inventories and Prepaid items

All inventories, which mainly consist of immaterial amounts of expendable supplies for consumption, are not reported. Such supplies are acquired as needed. Proprietary fund inventories, where material, are stated at the lower of cost or market, using the first-in, first-out basis.

Prepaid items record payments to vendors that benefit future reporting and are reported on the consumption basis. Both inventories and prepayments are similarly reported in government-wide and fund financial statements.

1-E-6. Capital Assets

Capital assets includes property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost or at estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Infrastructure is depreciated.

The cost of normal maintenance and repairs that does not add to the value of an asset or materially extend the assets' life is not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Upon retirement or disposition of capital assets, the cost and related accumulated depreciation are removed from the respective accounts. Depreciation of capital assets is computed using the straight-line method over their estimated useful lives.

Property, plant, and equipment of the primary government, as well as the component units if any, is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	30-40
Machinery and equipment	5-10
Autos and trucks	5-7
Infrastructure	20-40
Parks	15-40

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

1-E. Assets, Liabilities, and Net Position or Equity (continued)

1-E-7. Long-term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net assets. Bond issuance costs, bond discounts or premiums, and the difference between the reacquisition price and the net carrying value of refunded debt are deferred and amortized over the terms of the respective bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures.

1-E-8. Pensions

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

1-E-9. Fund Equity

Government-wide Financial Statements

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 balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

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."

Fund Financial Statements

In the fund financial statements governmental fund equity is classified as fund balance. Fund balance is further classified as Nonspendable, Restricted, Committed, Assigned or Unassigned. Descriptions of each follow:

Nonspendable fund balance - This classification includes amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact. Fund balance amounts related to inventories, prepaid expenditures, and endowments are classified as nonspendable.

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

1-E. Assets, Liabilities, and Net Position or Equity (continued)

1-E-9. Fund Equity (continued)

Restricted fund balance - This classification includes net fund resources that are subject to external constraints that have been placed on the use of the resources either a) imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of the government or b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance - This classification includes amounts that can only be used for specific purposes established by formal action of the City Council, with is the City's highest level of decision-making authority. Fund balance commitments can only be removed or changed by the same type of action (for example resolution) of the City Council. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance - This classification includes amounts that the City intends to be used for a specific purpose but are neither restricted nor committed. These are established by the City Council. This category includes the remaining positive fund balances for governmental funds other than the general fund.

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 purposes within the General Fund.

Proprietary fund equity is classified the same as in the government-wide statements

1-E-10. Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results may differ from those estimates.

1-E-11. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes include a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred outflows of resources related to pensions as required by GASB 68.

In addition to liabilities, the statement of net position will sometimes include a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. Property taxes to be collected in November were unavailable in the current fiscal year. Accordingly, these property taxes are deferred and will be recognized as an inflow of resources in the period that the amounts become available. The City also reports deferred inflows of resources related to pensions as required by GASB 68.

Ivins City
NOTES TO FINANCIAL STATEMENTS
 June 30, 2020

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

2-A. Budgetary data

Annual budgets are prepared and adopted by ordinance by total for each department, in accordance with State law, by the Mayor and City Council on or before June 22 for the following fiscal year beginning July 1. Estimated revenues and appropriations may be increased or decreased by resolution of the City Council at any time during the year. A public hearing must be held prior to any proposed increase in a fund's appropriations. Budgets include activities in the General Fund. The level of the City's budgetary control (the level at which the City's expenditures cannot legally exceed appropriations) is established at the department level. Each department head is responsible for operating within the budget for their department. All annual budgets lapse at fiscal year end.

Utah State law prohibits the appropriation of unassigned General Fund balance to an amount less than 5% of the General Fund revenues. The 5% reserve that cannot be budgeted is used to provide working capital until tax revenue is received, to meet emergency expenditures, and to cover unanticipated deficits. Any unassigned General Fund balance greater than 25% of the current year's actual revenues must be appropriated within the following two years.

Once adopted, the budget may be amended by the City Council without hearing provided the budgeted expenditures do not exceed budgeted revenues and appropriated fund balance. A public hearing must be held if the budgeted expenditures will exceed budgeted revenues and any fund balance which is available for budgeting. With the consent of the Mayor, department heads may reallocate unexpended appropriated balances from one expenditure account to another within that department during the budget year. Budgets for the General Fund are prepared on the modified accrual basis of accounting. Encumbrances are not used.

NOTE 3 - DETAILED NOTES

3-A. Deposits and investments

Cash and investments as of June 30, 2020 consist of the following:

	Fair Value
Cash on hand	\$ 2,854
Demand deposits - checking	690,355
Bond reserve bank trust accounts	298,149
Investments	3,924
Deposits - PTIF	14,217,301
Total cash	\$ 15,212,582

Cash and investments listed above are classified in the accompanying government-wide statement of net position as follows:

Cash and cash equivalents (current)	\$ 8,242,588
Cash and cash equivalents - Agency Fund	1,131,060
Restricted cash and cash equivalents (non-current)	5,838,934
Total cash and cash equivalents	\$ 15,212,582

Cash equivalents and investments are carried at fair value in accordance with GASB Statement No. 72.

Ivins City
NOTES TO FINANCIAL STATEMENTS
 June 30, 2020

3-A. Deposits and investments (continued)

The Utah Money Management Act (UMMA) establishes specific requirements regarding deposits of public funds by public treasurers. UMMA requires that city funds be deposited with a qualified depository which includes any depository institution which has been certified by the Utah State Commissioner of Financial Institutions as having met the requirements specified in UMMA Section 51, Chapter 7. UMMA provides the formula for determining the amount of public funds which a qualified depository may hold in order to minimize risk of loss and also defines capital requirements which an Institution must maintain to be eligible to accept public funds. UMMA lists the criteria for investments and specifies the assets which are eligible to be invested in, and for some investments, the amount of time to maturity.

UMMA enables the State Treasurer to operate the Public Treasurer's Investment Pool (PTIF). PTIF is managed by the Utah State Treasurer's investment staff and comes under the regulatory authority of the Utah Money Management Council. This council is comprised of a select group of financial professionals from units of local and state government and financial institutions doing business in the state. PTIF operations and portfolio composition is monitored at least semi-annually by the Utah Money Management Council. PTIF is unrated by any nationally recognized statistical rating organizations. Deposits in PTIF are not insured or otherwise guaranteed by the State of Utah. Participants share proportionally in any realized gains or losses on investments which are recorded on an amortized cost basis. The balance available for withdrawal is based on the accounting records maintained by PTIF. The fair value of the investment pool is approximately equal to the value of the pool shares. The City maintains monies not immediately needed for expenditure in PTIF accounts.

Deposit and Investment Risk

The City maintains no investment policy containing any specific provisions intended to limit the City's exposure to interest rate risk, credit risk, and concentration of credit risk other than that imposed by UMMA. The City's compliance with the provisions of UMMA addresses each of these risks.

At June 30, 2020, the City's bank balance of demand and bank trust deposits total \$1,044,389 and the book balance is \$690,355. Of these deposits, \$251,860 is covered by FDIC insurance; \$792,529 is uninsured and uncollateralized.

Fair Value of Investments

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. 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 quoted market prices; and, Level 3--Unobservable inputs. At June 30, 2020 the City's investments had the following recurring fair value measurements:

Security Type Category	Level 1	Level 2	Level 3	Other	Total
Currency	3,924	-	-	-	3,924
PTIF	-	14,217,301	-	-	14,217,301
Total Investments	\$ 3,924	14,217,301	-	-	14,221,225

Ivins City
NOTES TO FINANCIAL STATEMENTS
 June 30, 2020

Interest rate risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. All deposits and investments of the City are available immediately.

Credit risk & custodial credit risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligations.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does have a formal policy for custodial credit risk. All investments other than bank deposits or funds invested in the state treasurers fund are to be held by a third party with securities delivered on a delivery vs. purchase basis. As of June 30, 2020, the City kept all investments with custodian counterparty Wells Fargo Bank, NA and all investments which was/were held by the counterparty's trust department or agent are registered in the City's name.

Concentration of credit risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. City of Ivins's policy for reducing this risk of loss is to comply with the Rules of the Money Management Council. Rule 17 of the Money Management Council limits investments in a single issuer of commercial paper and corporate obligations to 5-10% depending upon the total dollar amount held in the portfolio.

At June 30, 2020, City of Ivins does not hold more than 10 percent of total investments in any single security concentration other than U. S. Government Treasuries and Agencies.

3-B. Receivables

The allowance policy is described in Note 1-E-3. Receivables as of year-end for the City's funds are shown below. All receivables are deemed collectible.

	General Fund	Debt Service Fund	Capital Projects Fund	Water Fund	Wastewater Fund	Total
Property taxes	\$ 1,686,220	-	-	-	-	1,686,220
Customers	274,044	-	70,858	439,119	205,596	989,617
Special assessments	-	306,257	-	-	-	306,257
Total receivables	\$1,960,264	306,257	70,858	439,119	205,596	2,982,093

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

3-C. Capital Assets

Capital asset activity for the governmental activities was as follows:

Governmental activities	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets, not being depreciated:				
Land rights	\$ 1,856,912	-	903,660	953,252
Construction in progress	-	63,378	-	63,378
Total capital assets, not being depreciated	1,856,912	63,378	903,660	1,016,631
Capital assets, being depreciated:				
Buildings	1,747,521	-	-	1,747,521
Improvements other than buildings	1,417,322	77,043	-	1,494,365
Autos and trucks	967,260	142,731	38,151	1,071,841
Machinery and equipment	1,252,337	35,068	-	1,287,405
Office equipment	150,473	-	-	150,473
Parks	5,677,359	429,943	-	6,107,302
Infrastructure	25,362,998	499,989	-	25,862,987
Total capital assets, being depreciated	36,575,271	1,184,775	38,151	37,721,895
Less accumulated depreciation for:				
Buildings	763,796	43,912	-	807,707
Improvements other than buildings	370,348	69,861	-	440,208
Autos and trucks	608,476	125,220	38,151	695,546
Machinery and equipment	606,070	135,400	-	741,469
Office equipment	119,949	11,900	-	131,850
Parks	1,570,144	212,770	-	1,782,914
Infrastructure	8,676,583	845,947	-	9,522,529
Total accumulated depreciation	12,715,366	1,445,009	38,151	14,122,224
Total capital assets being depreciated, net	23,859,905	(260,234)	-	23,599,671
Governmental activities capital assets, net	\$ 25,716,817	(196,856)	903,660	24,616,302

Depreciation expense was charged to functions/programs of the primary government governmental activities was follows:

Governmental activities:

General government	\$ 108,098
Public safety	170,812
Highways and public improvements	899,849
Parks, recreation and public property	266,250
Total	\$ 1,445,009

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

3-C. Capital Assets (continued)

Capital asset activity for the business-type activities was as follows:

Business-type activities	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets, not being depreciated:				
Land and water shares	\$ 1,487,555	-	-	1,487,555
Construction in progress	-	34,394	-	34,394
Total capital assets, not being depreciated	1,487,555	34,394	-	1,521,949
Capital assets, being depreciated:				
Buildings	232,167	79,959	-	312,126
Machinery and equipment	505,232	114,747	-	619,979
Autos and trucks	478,642	30,528	16,000	493,170
Water system	16,468,897	289,027	-	16,757,925
Wastewater system	21,071,422	2,498,479	-	23,569,901
Total capital assets, being depreciated	38,756,361	3,012,740	16,000	41,753,101
Less accumulated depreciation for:				
Buildings	136,793	5,994	-	142,787
Machinery and equipment	307,140	26,903	-	334,043
Autos and trucks	402,525	18,306	16,000	404,831
Water system	8,221,707	629,310	-	8,851,017
Wastewater system	6,045,935	523,366	-	6,569,300
Total accumulated depreciation	15,114,100	1,203,879	16,000	16,301,979
Total capital assets being depreciated, net	23,642,260	1,808,861	-	25,451,122
Business-type activities capital assets, net	\$ 25,129,816	1,843,255	-	26,973,071

Depreciation expense was charged to functions/programs of the primary government business-type activities was follows:

Business-type activities:	
Water	\$ 661,797
Wastewater	542,082
Total	\$1,203,879

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

3-D. Long-term debt

Long-term debt activity for the governmental activities was as follows:

	Original Principal	% Rate	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Direct Borrowing:							
2017 Equipment Lease							
Matures 2019	140,500	1.90	47,718	-	47,718	-	-
2017 Fire Truck Lease							
Matures 2025	301,500	2.69	261,781	-	40,787	220,995	41,884
Bonds:							
2012 Excise Bond							
Matures 2022	2,047,000	2.50	615,000	-	218,000	397,000	225,000
2005 MBA Lease Revenue							
Matures 2031	2,500,000	3.00	1,429,000	-	101,000	1,328,000	1,328,000
2016 Sales Tax Refunding							
Matures 2031	2,876,000	1.95	2,375,000	-	179,000	2,196,000	185,000
Total governmental activity							
long-term liabilities			\$ 4,728,499	-	586,504	4,141,995	1,779,884

Debt service requirements to maturity for governmental activities are as follows:

Debt service requirements to maturity for governmental activities are as follows:

	Principal	Interest	Total
2021	\$ 1,779,884	67,847	1,847,731
2022	401,011	44,375	445,386
2023	237,168	37,367	274,535
2024	240,356	32,396	272,752
2025	243,576	27,354	270,930
2026 - 2030	1,025,000	71,497	1,096,497
2031	215,000	2,096	217,096
Total	\$ 4,141,995	282,931	4,424,926

The City has outstanding bonds and other direct borrowings related to governmental activities totaling \$6,641,995. The outstanding bonds and other direct borrowings are all secured with their respective revenues and/or property and equipment.

Ivins City
NOTES TO FINANCIAL STATEMENTS
 June 30, 2020

3-D. Long-term debt (continued)

Long-term debt activity for the business-type activities was as follows:

	Original Principal	%	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
2016 Storm Water Revenue							
Matures 10/1/2036	\$ 3,680,000	4.00	\$ 3,025,000	-	230,000	2,795,000	240,000
Total business-type activity long-term liabilities			\$ 3,025,000	-	230,000	2,795,000	240,000

Bond debt service requirements to maturity for business-type activities are as follows:

	Principal	Interest	Total
2021	\$ 240,000	105,800	345,800
2022	245,000	97,300	342,300
2023	250,000	87,400	337,400
2024	265,000	77,100	342,100
2025	275,000	66,300	341,300
2026 - 2030	1,015,000	174,500	1,189,500
2031 - 2035	345,000	67,500	412,500
2036 - 2037	160,000	6,400	166,400
Total	\$ 2,795,000	682,300	3,477,300

The City has outstanding bonds related to business-type activities totaling \$2,795,000. The outstanding bonds are secured with their respective revenues.

Conduit Debt:

In September 2015, the City approved resolution 2015-24R, authorizing the issuance of Industrial Revenue Bonds not to exceed \$7,000,000 on behalf of Tuacahn Center for the Arts, a private enterprise. The issuance of such bonds allows the business to borrow money using tax exempt bonds. The City is not liable for repayment of the debt. Accordingly, the bonds are not reported as a liability in the City's financial statements. Based on the bank's debt service schedule, there was \$5,131,000 outstanding on the Industrial Revenue Bonds, as of June 30, 2020.

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

3-D. Long-term debt (continued)

Capital Lease Commitments:

The City has entered into lease agreements, which are considered capital leases in accordance with Financial Accounting Standard Board statement number 13. These capital leases are included in the schedules on the previous two pages. Accumulated amortization (depreciation) on the equipment acquired under leases was \$293,102 at June 30, 2020.

A summary of the assets acquired through capital leases is as follows:

Asset:	<u>Governmental Activities</u>
2017 Ford Explorer	\$ 28,000
2017 Ford Explorer	28,000
2017 Ford Explorer	28,000
2017 Ford Explorer	28,000
2017 Ford Explorer	28,000
2017 Fire Truck	486,284
Accumulated amortization	<u>(293,102)</u>
Net	<u><u>\$ 333,182</u></u>

Amortization of capital assets purchased under capital leases is included in depreciation.

The following is the present value of future minimum capital lease payments under these leases as of June 30, 2020:

<u>Fiscal Year</u>	<u>Governmental Activities</u>
2021	\$ 47,829
2022	47,829
2023	47,829
2024	47,829
Total minimum lease payments	191,316
Less amounts representing interest	<u>(18,150)</u>
Present value of minimum lease payments	<u><u>\$ 173,166</u></u>

Ivins City
NOTES TO FINANCIAL STATEMENTS
 June 30, 2020

3-D. Long-term debt (continued)

Other long-term liabilities:

	Beginning	Increase (Decrease)	Ending
Compensated absences:			
Governmental	\$ 130,929	25,867	156,796
Business-type	43,434	12,474	55,908
Total	\$ 174,363	38,341	212,704
 Net pension liability:			
Governmental	\$ 1,447,305	(702,299)	745,006
Business-type	387,855	(186,687)	201,168
Total	\$ 1,835,160	(888,986)	946,174

3-E. Interfund receivable, payables, and transfers

Interfund transfers:

	Transfers In	Transfers Out
General Fund	\$ -	3,635,000
Debt Service Fund	320,000	-
Capital Projects Fund	3,390,000	218,810
Municipal Building Authority	143,810	-
Total	\$ 3,853,810	3,853,810

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) move unrestricted revenues collected in the general fund to finance various programs accounted for in the other funds in accordance with budgetary authorizations.

NOTE 4 - OTHER INFORMATION

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. Risk financing activities are accounted for in various operating funds, with unallocated or City-wide activities being accounted for in the general fund.

The City maintains insurance for general liability, auto liability, and employee dishonesty through the Utah Local Government Trust.

Worker's compensation coverage is also carried through the Utah Local Government's Insurance Trust.

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

4-B. Contingent liabilities

Amounts received or receivable from granting agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

4-C. Pension Plans

General Information about the Pension Plan

Plan description:

Eligible plan participants are provided with pensions through the Utah Retirement Systems. The Utah Retirement Systems are comprised of the following Pension Trust funds:

- Public Employees Noncontributory Retirement System (Noncontributory System) is a multiple employer, cost sharing, public employee retirement system;
- The Public Safety Retirement System (Public Safety System) is a mixed agent and cost-sharing, multiple-employer public retirement system;
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System) is a multiple employer cost sharing public employer 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 on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems, are members of the Tier 2 Retirement System.

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

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

Ivins City
NOTES TO FINANCIAL STATEMENTS
 June 30, 2020

4-C. Pension Plans (continued)

Benefits provided:

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

System	Final Average Salary	Years of service required and/or age eligible for benefit	Benefit percentage 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 an 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 % to 4% depending on the employer
Tier 2 Public Employees System	Highest 5 Years	35 years any age 20 years any age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 Years	25 years any age 20 years any age 60* 10 years age 62* 4 years age 65	1.5% per year all years 2.00% per year July 2020 to present	Up to 2.5%

* with actuarial reductions

** All past-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.

Contributions:

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

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

4-C. Pension Plans (continued)

Contribution rates are as follows:

Utah Retirement Systems	Employee Paid	Employer Contribution Rate	Employer Rate for 401(k) Plan
Contributory System			
111 - Local Government Div - Tier 2	N/A	15.66	1.03
Noncontributory System			
15 - Local Government Div - Tier 1	N/A	18.47	N/A
Public Safety System			
Contributory			
122 - Tier 2 DB Hybrid Public Safety	N/A	23.13	0.7
Noncontributory			
43 - Other Div A with 2.5% COLA	N/A	34.04	N/A
Firefighters Retirement System			
31 - Other Division A	15.05	4.61	N/A
132 - Tier 2 DB Hybrid Firefighters	N/A	1138	0.7
Tier 2 DC Only			
211 - Local Government	N/A	6.69	10.00
222 - Public Safety	N/A	11.83	12.00
232 - Firefighters	N/A	0.08	12.00

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

For the fiscal year ended June 30, 2020, the employer and employee contributions to the Systems were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 184,912	N/A
Public Safety System	99,116	-
Tier 2 Public Employees System	111,741	-
Tier 2 Public Safety and Firefighter	78,355	-
Tier 2 DC Only System	5,225	N/A
Tier 2 DC Public Safety and Firefighter System	6,952	N/A
Total Contributions	\$ 486,303	-

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.

Ivins City
NOTES TO FINANCIAL STATEMENTS
 June 30, 2020

4-C. Pension Plans (continued)

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

At June 30, 2020, we reported a net pension asset of \$0 and a net pension liability of \$946,174.

	(Measurement Date): December 31, 2019			Proportionate Share 12/31/2018	Change (Decrease)
	Net Pension Asset	Net Pension Liability	Proportionate Share		
Noncontributory System	\$ -	\$ 490,103	0.1300399%	0.1391147%	(0.0090748%)
Public Safety System	-	427,052	0.2659734%	0.3062241%	(0.0402507%)
Tier 2 Public Employees System	-	10,243	0.0455433%	0.0434702%	0.0020731%
Tier 2 Public Safety and Firefighter	-	18,776	0.1996096%	0.1737393%	0.0258703%
Total	\$ -	\$ 946,174			

The net pension asset and liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2019 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, 2020, we recognize pension expense of \$452,860.

At June 30, 2020, 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
Difference between expected and actual experience	\$ 60,486	\$ 19,680
Changes in assumptions	75,312	463
Net difference between projected and actual earnings on pension plan investments	-	406,163
Changes in proportion and differences between contributions and proportionate share of contributions	15,678	139,715
Contributions subsequent to the measurement date	244,860	-
Total	\$ 396,336	\$ 566,021

\$244,860 was reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2019. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year.

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

4-C. Pension Plans (continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	Net Deferred Outflows (Inflows) of Resources
2020	\$ (153,523)
2021	(128,496)
2022	4,909
2023	(152,432)
2024	1,760
Thereafter	13,237

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

For the year ended June 30, 2020, we recognize pension expense of \$213,068.

At June 30, 2020, 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
Difference between expected and actual experience	\$ 44,581	\$ 7,040
Changes in assumptions	51,908	-
Net difference between projected and actual earnings on pension plan investments	-	247,850
Changes in proportion and differences between contributions and proportionate share of contributions	-	52,899
Contributions subsequent to the measurement date	92,148	-
Total	\$ 188,637	\$ 307,789

\$92,148 was reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2019. 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:

<u>Year Ended December 31,</u>	Net Deferred Outflows (Inflows) of Resources
2020	\$ (52,030)
2021	(66,588)
2022	1,545
2023	(94,227)
2024	-
Thereafter	-

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

4-C. Pension Plans (continued)

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

For the year ended June 30, 2020, we recognize pension expense of \$124,764.

At June 30, 2020, 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
Difference between expected and actual experience	\$ 7,427	\$ 9,119
Changes in assumptions	14,571	-
Net difference between projected and actual earnings on pension plan investments	-	145,824
Changes in proportion and differences between contributions and proportionate share of contributions	-	86,577
Contributions subsequent to the measurement date	49,103	-
Total	\$ 71,101	\$ 241,520

\$49,103 was reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2019. 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:

<u>Year Ended December 31,</u>	Net Deferred Outflows (Inflows) of Resources
2020	\$ (102,054)
2021	(62,700)
2022	640
2023	(55,408)
2024	-
Thereafter	-

Ivins City
NOTES TO FINANCIAL STATEMENTS
 June 30, 2020

4-C. Pension Plans (continued)

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

For the year ended June 30, 2020, we recognize pension expense of \$2,148.

At June 30, 2020, 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
Difference between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	6,728	-
Contributions subsequent to the measurement date	-	-
Total	\$ 6,728	\$ -

\$0 was reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2019. 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:

<u>Year Ended December 31,</u>	Net Deferred Outflows (Inflows) of Resources
2020	\$ 2,148
2021	2,148
2022	2,023
2023	410
2024	-
Thereafter	-

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

4-C. Pension Plans (continued)

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

For the year ended June 30, 2020, we recognize pension expense of \$57,593.

At June 30, 2020, 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
Difference between expected and actual experience	\$ 2,865	\$ 3,515
Changes in assumptions	4,374	294
Net difference between projected and actual earnings on pension plan investments	-	7,874
Changes in proportion and differences between contributions and proportionate share of contributions	7,605	-
Contributions subsequent to the measurement date	61,494	-
Total	\$ 76,338	\$ 11,683

\$61,494 was reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2019. 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:

<u>Year Ended December 31,</u>	Net Deferred Outflows (Inflows) of Resources
2020	\$ (1,086)
2021	(933)
2022	412
2023	(2,111)
2024	1,039
Thereafter	5,840

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

4-C. Pension Plans (continued)

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

For the year ended June 30, 2020, we recognize pension expense of \$55,287.

At June 30, 2020, 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
Difference between expected and actual experience	\$ 5,613	\$ 6
Changes in assumptions	4,459	169
Net difference between projected and actual earnings on pension plan investments	-	4,615
Changes in proportion and differences between contributions and proportionate share of contributions	1,346	239
Contributions subsequent to the measurement date	42,114	-
Total	\$ 53,532	\$ 5,029

\$42,114 was reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2019. 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:

<u>Year Ended December 31,</u>	Net Deferred Outflows (Inflows) of Resources
2020	\$ (501)
2021	(422)
2022	289
2023	(1,096)
2024	721
Thereafter	7,397

Ivins City
NOTES TO FINANCIAL STATEMENTS
 June 30, 2020

4-C. Pension Plans (continued)

Actuarial assumptions:

The total pension liability in the December 31, 2019, 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 - 9.75 percent, average, including inflation
Investment rate of return	6.95 percent, net of pension plan investment expense, including inflation

Mortality rates were developed from actual experience and mortality tables, based on gender, occupation and age, as appropriate, with adjustments for future improvement in mortality based on Scale AA, a model developed by the Society of Actuaries.

The actuarial assumptions used in the January 1, 2019, valuation were based on the results of an actuarial experience study for the five-year period ending December, 31, 2016.

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:

	Expected Return Arithmetic Basis		
Assets class	Target Asset Allocation	Real Return Arithmetic Basis	Long Term expected portfolio real rate of return
Equity securities	40%	6.15%	2.46%
Debt securities	20%	0.40%	0.08%
Real assets	15%	5.75%	0.86%
Private equity	9%	9.95%	0.90%
Absolute return	16%	2.85%	0.46%
Cash and cash equivalents	0%	0.00%	0.00%
Totals	100.00%		4.75%
	Inflation		2.50%
	Expected arithmetic nominal return		7.25%

The 6.95% assumed investment rate of return is comprised of an inflation rate of 2.50%, a real return of 4.45% that is net of investment expense.

Ivins City
NOTES TO FINANCIAL STATEMENTS
 June 30, 2020

4-C. Pension Plans (continued)

Discount rate:

The discount rate used to measure the total pension liability was 6.95 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 remained unchanged at 6.95 percent.

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 6.95 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 (5.95 percent) or 1-percentage-point higher (7.95 percent) than the current rate:

System	1% Decrease (5.95%)	Discount Rate (6.95%)	1% Increase (7.95%)
Noncontributory System	\$ 1,530,763	\$ 490,103	\$ (377,796)
Public Safety System	1,106,229	427,052	(124,911)
Tier 2 Public Employees System	88,330	10,243	(50,104)
Tier 2 Public Safety and Firefighter	66,329	18,776	(16,524)
Total	\$ 2,791,651	\$ 946,174	\$ (569,335)

Pension plan fiduciary net position:

Detailed information about the pension plan's fiduciary net position is available in the separately issued URS financial report.

Defined Contribution Savings Plan:

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.

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

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

Ivins City
NOTES TO FINANCIAL STATEMENTS
 June 30, 2020

4-C. Pension Plans (continued)

Employee and employer contributions to the Utah Retirement Contribution Savings Plans for fiscal year ended June 30, 2020, were as follows:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
401(k) Plan			
Employer Contributions	\$ 50,526	\$ 50,908	\$ 62,623
Employee Contributions	29,820	26,727	34,711
457 Plan			
Employer Contributions	-	-	-
Employee Contributions	13,574	15,908	19,214
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	1,560	810	405

4-D. Contracts

A few of the more significant contracts are as follows:

The City has entered into an interlocal agreement (Snow Canyon Water Project Interlocal Compact) wherein the City reimburses their share of operating and maintenance cost to St. George City based upon Ivins' proportionate ownership/usage of water in the compact.

The City also has a solid waste collection and disposal contract with Washington County Special Service District No. 1 (the District). The contract provides for Redrock Waste System, a subcontractor, to collect and dispose of residential and commercial solid waste within the City. In connection with the agreement, the City is responsible for the monthly billing, collection, and payment of residential collections to the District.

The City has entered into an interlocal agreement with Santa Clara City for Ivins City to provide law enforcement coverage to Santa Clara City. The combination of law enforcement agencies was completed on July 1, 2012. In 2018, the City and Santa Clara City entered into an agreement for Santa Clara City to provide EMS and Fire coverage for Ivins City. The results of operation are reported in this financial report for the entire year.

The City is committed to participate in the Regional Water Line Project. The City incurred \$194,649 in cost during the current audit period and their future ownership costs are expected to be \$2,750,400, or approximately \$229,200 annually for 12 years.

4-E. Rounding convention

A rounding convention to the nearest whole dollar has been applied throughout this report, therefore the precision displayed in any monetary amount is plus or minus \$1. These financial statements are computer generated and the rounding convention is applied to each amount displayed in a column, whether detail item or total. The maximum difference between any displayed number or total and its actual value will not be more than \$1.

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

4-F. Subsequent events

In preparing these financial statements, the City has evaluated events and transactions for potential recognition or disclosure through the date of the audit report, which is the date the financial statements were available to be issued.

In July 2020, the City retired the 2005 MBA Lease Revenue Bonds. Payoff balance of those bonds was 1,325,000. On September 30, 2020, the City issued new bonds through the Utah Community Impact Board to assist in the financing of a new City Building and remodel of old City building. The new bonds were issued at 2.5% interest, 20-year term, in the amount of 2,500,000

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

Ivins City
Notes to Required Supplementary Information
June 30, 2020

Budgetary Comparison Schedules

The Budgetary Comparison Schedule presented in this section of the report is for the City's General Fund.

Budgeting and Budgetary Control

The budget for the General Fund is legally required and is prepared and adopted on the modified accrual basis of accounting.

Original budgets represent the revenue estimates and spending authority authorized by the City Council prior to the beginning of the year. Final budgets represent the original budget amounts plus any amendments made to the budget during the year by the Council through formal resolution. Final budgets do not include unexpended balances from the prior year because such balances automatically lapse to unreserved fund balance at the end of each year.

Current Year Excess of Expenditures over Appropriations

For the year ended June 30, 2020, Building/Code enforcement expenditures exceeded budgeted by \$24,206. Expenditures within all other departments were under the appropriated budget.

Changes in Assumptions Related to Pensions

As a result of the passage of SB 129, the retirement rates for members in the Tier 2 Public Safety and Firefighter Hybrid System have been modified to be the same as the assumption used to model the retirement pattern in the Tier I Public Safety and Firefighter Systems, except for a 10% load at first eligibility for unreduced retirement prior to age 65.

Ivins City
**SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND**
 For the Year Ended June 30, 2020

	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget
Revenues				
Taxes	\$ 3,883,915	3,883,915	4,074,834	190,919
Licenses and permits	399,313	399,313	545,589	146,276
Intergovernmental revenues	559,221	559,221	886,826	327,605
Charges for services	1,969,249	1,969,249	1,982,469	13,220
Fines and forfeitures	83,074	83,074	63,137	(19,937)
Interest	160,000	160,000	147,547	(12,453)
Miscellaneous revenue	93,250	93,250	121,277	28,027
Total revenues	7,148,022	7,148,022	7,821,679	673,657
Expenditures				
General government	1,479,668	1,648,443	1,590,865	57,578
Building/Code enforcement	417,752	457,752	441,958	15,794
Public safety	2,710,723	2,579,666	2,567,104	12,562
Public works and streets	1,500,162	1,480,162	1,454,216	25,946
Parks, recreation and public property	908,217	863,217	796,017	67,200
Total expenditures	7,016,522	7,029,240	6,850,160	179,080
Excess (deficiency) of revenues over (under) expenditures	131,500	118,782	971,519	852,737
Other financing sources and (uses)				
Sale of capital assets	30,000	2,580,000	2,556,741	(23,259)
Transfers in (out)	(161,500)	(3,351,500)	(3,635,000)	(283,500)
Total other financing sources and (uses)	(131,500)	(771,500)	(1,078,259)	306,759
Net change in fund balances	-	(652,718)	(106,740)	545,978
Fund balances - beginning of year	1,844,779	1,844,779	1,844,779	-
Fund balances - end of year	\$ 1,844,779	1,192,061	1,738,039	545,978

Ivins City
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

June 30, 2020
 Last 10 Fiscal Years*

	2019	2018	2017	2016	2015
Noncontributory Retirement System					
Proportion of the net pension liability (asset)	0.1300399%	0.1391147%	0.1397454%	0.1512086%	0.1640461%
Proportionate share of the net pension liability (asset)	\$ 490,103	\$ 1,024,402	\$ 512,267	\$ 970,944	\$ 928,253
Covered employee payroll	\$ 1,019,301	\$ 1,110,446	\$ 1,102,368	\$ 1,255,576	\$ 1,377,490
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	48.08%	92.25%	55.54%	77.33%	67.39%
Plan fiduciary net position as a percentage of the total pension liability (asset)	93.70%	87.00%	91.90%	87.30%	87.80%
Public Safety System					
Proportion of the net pension liability (asset)	0.2659734%	0.3062241%	0.3554897%	0.3947426%	0.3518822%
Proportionate share of the net pension liability (asset)	\$ 427,052	\$ 787,788	\$ 557,642	\$ 801,042	\$ 630,309
Covered employee payroll	\$ 448,038	\$ 499,146	\$ 592,474	\$ 657,696	\$ 626,291
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	95.32%	157.83%	94.12%	121.80%	100.64%
Plan fiduciary net position as a percentage of the total pension liability (asset)	90.90%	84.70%	90.20%	86.50%	87.10%
Firefighters Retirement System					
Proportion of the net pension liability (asset)	0.0000000%	0.0000000%	0.0000000%	0.1147079%	0.2519685%
Proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ (904)	\$ (4,564)
Covered employee payroll	\$ -	\$ -	\$ -	\$ 31,812	\$ 67,725
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	-2.84%	-6.74%
Plan fiduciary net position as a percentage of the total pension liability (asset)	0.00%	0.00%	0.00%	100.40%	101.00%
Tier 2 Public Employees Retirement System					
Proportion of the net pension liability (asset)	0.0455433%	0.0434702%	0.0462752%	0.0482819%	0.0402451%
Proportionate share of the net pension liability (asset)	\$ 10,243	\$ 18,617	\$ 4,080	\$ 5,386	\$ (88)
Covered employee payroll	\$ 632,856	\$ 507,203	\$ 451,966	\$ 395,951	\$ 260,033
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	1.62%	3.67%	0.90%	1.36%	-0.03%
Plan fiduciary net position as a percentage of the total pension liability (asset)	96.50%	90.80%	97.40%	95.10%	100.20%
Tier 2 Public Safety and Firefighters Retirement					
Proportion of the net pension liability (asset)	0.1996096%	0.1737393%	0.1479603%	0.1203410%	0.1096770%
Proportionate share of the net pension liability (asset)	\$ 18,776	\$ 4,353	\$ (1,712)	\$ (1,045)	\$ (1,602)
Covered employee payroll	\$ 329,009	\$ 231,621	\$ 156,096	\$ 99,428	\$ 65,303
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	5.71%	1.88%	-1.10%	-1.05%	-2.45%
Plan fiduciary net position as a percentage of the total pension liability (asset)	89.60%	95.60%	103.00%	103.60%	110.70%

* In accordance with paragraph 81.a of GASB 68, employers will need to disclose a 10-year history of their proportionate share of the Net Pension Liability (Asset) in their RSI. The 10-year schedule will need to be built prospectively. The schedule above is only for the last five years.

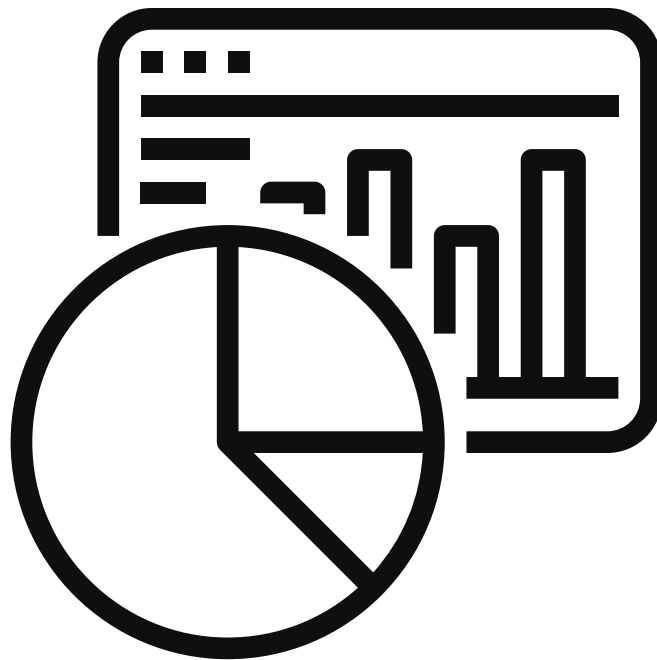
Ivins City
SCHEDULE OF CONTRIBUTIONS
 June 30, 2020
 Last 10 Fiscal Years*

	As of fiscal year ended June 30,	Actuarial Determined Contributions	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered employee payroll	Contributions as a percentage of covered employee payroll
Noncontributory Retirement System	2014	\$ 203,403	\$ 203,403	\$ -	\$ 1,183,501	17.19%
	2015	254,743	254,743	-	1,391,333	18.31%
	2016	236,400	236,400	-	1,290,304	18.32%
	2017	211,093	211,093	-	1,150,205	18.35%
	2018	208,558	208,558	-	1,136,216	18.36%
	2019	201,560	201,560	-	1,098,415	18.35%
	2020	184,912	184,912	-	1,003,590	18.43%
Public Safety System	2014	139,962	139,962	-	592,082	23.64%
	2015	169,240	169,240	-	651,617	25.97%
	2016	167,825	167,825	-	604,667	27.76%
	2017	184,841	184,841	-	651,285	28.38%
	2018	145,589	145,589	-	544,012	26.76%
	2019	114,900	114,900	-	486,494	23.62%
	2020	99,116	99,116	-	447,494	22.15%
Firefighters System	2014	3,563	3,563	-	120,768	2.95%
	2015	2,958	2,958	-	69,390	4.26%
	2016	2,668	2,668	-	66,866	3.89%
	2017	93	93	-	2,388	3.89%
	2018	-	-	-	-	0.00%
	2019	-	-	-	-	0.00%
	2020	-	-	-	-	0.00%
Tier 2 Public Employees Retirement System**	2014	15,075	15,075	-	107,759	13.99%
	2015	29,724	29,724	-	197,272	15.07%
	2016	50,371	50,371	-	337,833	14.91%
	2017	56,977	56,977	-	382,140	14.91%
	2018	77,584	77,584	-	513,460	15.11%
	2019	88,461	88,461	-	569,824	15.52%
	2020	111,741	111,741	-	713,546	15.66%
Tier 2 Public Safety and Firefighter System**	2014	26,747	26,747	-	128,284	20.85%
	2015	10,272	10,272	-	45,553	22.55%
	2016	21,196	21,196	-	94,200	22.50%
	2017	22,148	22,148	-	108,982	20.32%
	2018	39,684	39,684	-	188,184	21.09%
	2019	68,649	68,649	-	297,551	23.07%
	2020	78,355	78,355	-	338,760	23.13%
Tier 2 Public Employees DC Only System**	2014	-	-	-	-	0.00%
	2015	-	-	-	-	0.00%
	2016	-	-	-	-	0.00%
	2017	4,519	4,519	-	67,541	6.69%
	2018	8,225	8,225	-	122,949	6.69%
	2019	5,422	5,422	-	81,050	6.69%
	2020	5,225	5,225	-	78,105	6.69%
Tier 2 Public Safety and Firefighter DC Only System**	2014	3,046	3,046	-	30,175	10.09%
	2015	7,184	7,184	-	60,725	11.83%
	2016	5,671	5,671	-	47,940	11.83%
	2017	10,698	10,698	-	90,425	11.83%
	2018	12,232	12,232	-	103,402	11.83%
	2019	7,583	7,583	-	64,103	11.83%
	2020	6,952	6,952	-	58,769	11.83%

* Paragraph 81.b of GASB 68 requires employers to disclose a 10-year history of contributions in RSI. The 10-year schedule will need to be built

** Contributions as a percentage of covered-payroll may be different than the board certified rate due to rounding and other administrative issues.

Statistical Section



STATISTICAL SECTION

This part of the Ivins City Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in financial statements, note disclosures, and required supplemental information says about the government's overall financial health.

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Financial Trends	77
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	
Revenue Capacity	82
<i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	
Debt Capacity	87
<i>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 years.</i>	
Demographic and Economic Information	92
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	
Operational Information	94
<i>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.</i>	

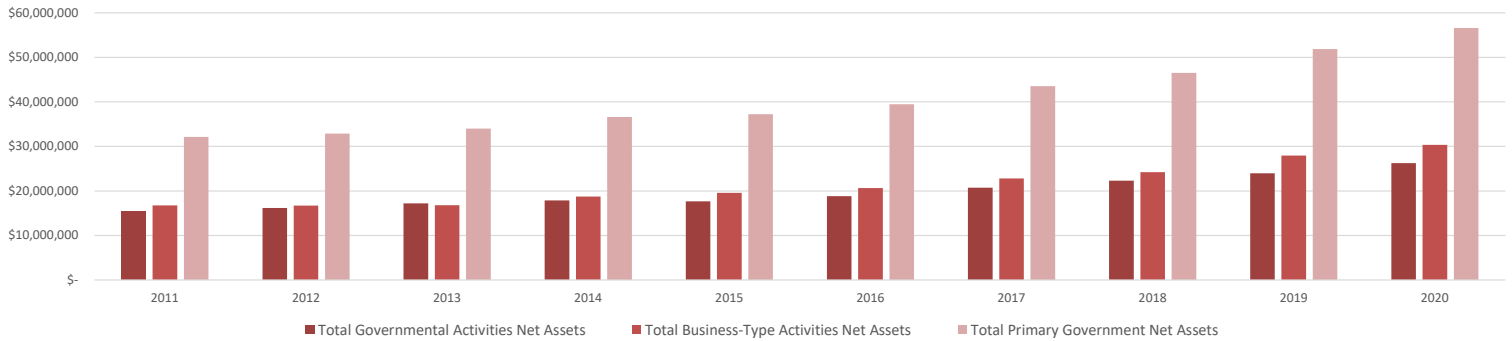
IVINS CITY

NET POSITION BY COMPONENT

Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental Activities										
Net Investment in Capital Assets	\$ 13,154,314	\$ 14,569,214	\$ 14,613,390	\$ 15,330,960	\$ 16,022,387	\$ 16,547,300	\$ 17,932,858	\$ 19,463,505	\$ 20,988,318	\$ 20,474,307
Restricted	112,154	784,472	1,680,250	1,569,547	1,647,232	1,881,649	2,000,079	1,652,079	1,126,113	1,770,490
Unrestricted	2,123,922	834,166	911,541	963,998	(21,386)	395,350	795,937	1,182,317	1,828,900	4,000,067
Total Governmental Activities Net Assets	\$ 15,390,391	\$ 16,187,852	\$ 17,205,181	\$ 17,864,506	\$ 17,648,234	\$ 18,824,299	\$ 20,728,874	\$ 22,297,901	\$ 23,943,331	\$ 26,244,864
Business-Type Assets										
Net Investment in Capital Assets	\$ 11,846,092	\$ 12,034,563	\$ 11,691,389	\$ 13,370,965	\$ 14,030,935	\$ 12,867,379	\$ 16,400,625	\$ 18,574,673	\$ 21,779,559	\$ 23,852,814
Restricted	2,954,775	2,424,442	2,180,820	2,480,714	2,480,714	4,748,115	3,720,914	2,655,628	3,151,469	4,110,089
Unrestricted	1,928,658	2,236,519	2,921,919	2,870,117	3,049,906	3,036,361	2,679,744	2,985,421	2,998,507	2,392,111
Total Business-Type Activities Net Assets	\$ 16,729,526	\$ 16,695,524	\$ 16,794,128	\$ 18,721,796	\$ 19,561,555	\$ 20,651,855	\$ 22,801,283	\$ 24,215,721	\$ 27,929,535	\$ 30,355,014
Primary Government										
Net Investment in Capital Assets	\$ 25,000,407	\$ 26,603,777	\$ 26,304,779	\$ 28,701,925	\$ 30,053,322	\$ 29,414,679	\$ 34,333,483	\$ 38,038,178	\$ 42,767,877	\$ 44,327,121
Restricted	3,066,930	3,208,914	3,861,070	4,050,261	4,127,946	6,629,764	5,720,993	4,307,707	4,277,582	5,880,579
Unrestricted	4,052,580	3,070,685	3,833,460	3,834,115	3,028,520	3,431,711	3,475,681	4,167,737	4,827,408	6,392,178
Total Primary Government Net Assets	\$ 32,119,917	\$ 32,883,376	\$ 33,999,309	\$ 36,586,302	\$ 37,209,789	\$ 39,476,154	\$ 43,530,157	\$ 46,513,622	\$ 51,872,867	\$ 56,599,878

Net Position by Component



**IVINS CITY
CHANGES IN NET POSITION
Last Ten Fiscal Years**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Government Activities										
General Government	\$ 675,812	\$ 708,303	\$ 718,361	\$ 447,032	\$ 692,614	\$ 666,238	\$ 625,443	\$ 1,088,878	\$ 1,631,421	\$ 1,405,651
Building	75,092	83,116	80,134	146,954	276,823	361,040	318,637	348,694	350,810	393,334
Public Safety	1,811,817	1,873,981	2,308,097	2,558,918	2,558,756	2,784,857	2,943,537	2,697,290	2,528,306	2,604,405
Public Works/Streets	1,174,831	1,350,051	1,495,076	1,783,208	1,693,933	1,832,155	1,888,451	2,081,536	1,397,135	2,340,027
Parks and Recreation	600,484	583,641	655,366	612,313	755,842	734,869	918,595	958,473	709,423	1,416,391
Community Development	117,886	123,879	134,094	141,481	18,858	-	-	-	-	-
Interest on Long-Term Debt	125,407	197,084	218,422	205,870	196,039	193,309	172,457	124,748	127,096	106,327
Total Governmental Activities Expense	\$ 4,581,329	\$ 4,920,053	\$ 5,609,550	\$ 5,895,776	\$ 6,192,866	\$ 6,572,468	\$ 6,867,120	\$ 7,299,619	\$ 6,744,191	\$ 8,266,135
Business-Type Activities										
Water	\$ 1,651,369	\$ 1,708,297	\$ 1,947,141	\$ 1,919,190	\$ 1,994,970	\$ 2,031,836	\$ 2,310,287	\$ 2,494,184	\$ 2,519,459	\$ 2,923,299
Waste Water	1,457,901	1,425,923	1,442,346	1,062,811	1,204,801	1,303,458	1,310,646	1,319,609	1,590,449	1,801,342
Total Business-Type Activities	\$ 3,109,270	\$ 3,134,220	\$ 3,389,487	\$ 2,982,001	\$ 3,199,771	\$ 3,335,294	\$ 3,620,933	\$ 3,813,792	\$ 4,109,908	\$ 4,724,641
Total Primary Governmental Expense	\$ 7,690,599	\$ 8,054,273	\$ 8,999,037	\$ 8,877,777	\$ 9,392,638	\$ 9,907,762	\$ 10,488,053	\$ 11,113,411	\$ 10,854,099	\$ 12,990,776
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	\$ 64,832	\$ 35,641	\$ 54,889	\$ 49,007	\$ 36,356	\$ 2,462	\$ 782	\$ 11,786	\$ 12,754	\$ 1,734
Building/Zoning	150,010	176,067	277,666	292,898	253,411	463,279	380,535	467,978	521,996	597,445
Public Safety	226,503	267,839	932,289	1,423,494	1,202,747	1,210,059	1,302,185	1,267,474	1,269,272	1,251,503
Public Works/Streets	571,517	803,408	638,796	443,954	762,155	552,530	644,456	666,565	688,307	722,388
Parks and Recreation	319,455	29,001	28,660	43,818	48,252	45,000	42,050	57,900	62,500	50,150
Operating Grants & Contributions	-	-	-	-	-	334,910	405,213	555,860	647,527	886,826
Capital Grants & Contributions	867,399	1,408,437	1,571,562	1,421,813	1,590,492	1,717,873	2,309,414	1,917,195	1,022,503	943,624
Total Governmental Activities Program Revenues	\$ 2,199,715	\$ 2,720,393	\$ 3,503,862	\$ 3,674,984	\$ 3,893,413	\$ 4,326,113	\$ 5,084,635	\$ 4,944,758	\$ 4,224,859	\$ 4,453,670
Business-Type Activities										
Charges for Services										
Water	\$ 1,606,432	\$ 1,689,330	\$ 1,763,365	\$ 1,748,534	\$ 1,734,879	\$ 1,859,792	\$ 2,031,617	\$ 2,134,264	\$ 2,224,123	\$ 2,630,983
Waste Water	1,364,337	1,402,530	1,264,855	1,255,614	1,298,166	1,354,616	1,476,138	1,513,864	1,748,557	1,914,292
Operating Grants & Contributions	-	-	-	-	-	-	-	-	-	-
Capital Grants & Contributions	452,759	584,062	576,754	1,808,868	1,206,639	1,183,543	2,212,640	1,521,075	3,777,336	2,535,302
Total Business Type Activities Program Revenues	\$ 3,423,528	\$ 3,675,922	\$ 3,604,974	\$ 4,813,016	\$ 4,239,684	\$ 4,397,951	\$ 5,720,395	\$ 5,169,203	\$ 7,750,016	\$ 7,080,577
Total Primary Government Program Revenue	\$ 5,623,243	\$ 6,396,315	\$ 7,108,836	\$ 8,488,000	\$ 8,133,097	\$ 8,724,064	\$ 10,805,030	\$ 10,113,961	\$ 11,974,875	\$ 11,534,247
Net (Expenses) Revenue										
Government Activities	(2,381,614)	(2,199,660)	(2,105,688)	(2,220,792)	(2,299,454)	(2,246,355)	(1,782,485)	(2,354,860)	(2,519,331)	(3,812,465)
Business Type Activities	314,258	541,702	215,487	1,831,015	1,039,913	1,062,657	2,099,462	1,355,411	3,640,108	2,355,936
Total Primary Government Net Expenses	\$(2,067,356)	\$(1,657,958)	\$(1,890,201)	\$ (389,777)	\$(1,259,542)	\$(1,183,699)	\$ 316,976	\$ (999,450)	\$ 1,120,776	\$ (1,456,530)

IVINS CITY CHANGES IN NET POSITION (continued) Last Ten Fiscal Years

General Revenues and Other Changes in Net Position

Governmental Activities

Property Tax Levied for General Purposes	\$ 1,261,212	\$ 1,310,484	\$ 1,352,740	\$ 1,344,618	\$ 1,370,169	\$ 1,402,204	\$ 1,483,779	\$ 1,560,913	\$ 1,640,111
Sales and Use Tax	874,174	875,379	940,122	991,673	1,071,462	1,151,342	1,250,612	1,388,670	1,476,788
Other Taxes	419,465	422,390	457,079	483,804	492,995	591,902	609,888	632,821	650,152
Unrestricted Earnings Investment	19,041	45,473	60,269	52,812	50,874	63,392	99,956	153,538	244,330
Special Assessments	-	-	-	-	-	75,727	115,915	61,264	40,023
Miscellaneous	-	-	-	-	21,095	124,369	107,605	124,101	94,361
Gain (Loss) on Disposal of Capital Assets	378,234	-	5,724	7,209	23,196	13,482	19,305	2,580	18,998
Transfers	379,836	343,394	280,954	-	-	-	-	-	-
Total Governmental Activities	\$ 3,331,962	\$ 2,997,119	\$ 3,096,888	\$ 2,880,115	\$ 3,029,792	\$ 3,422,418	\$ 3,687,060	\$ 3,923,887	\$ 4,164,762

Business Type Activities

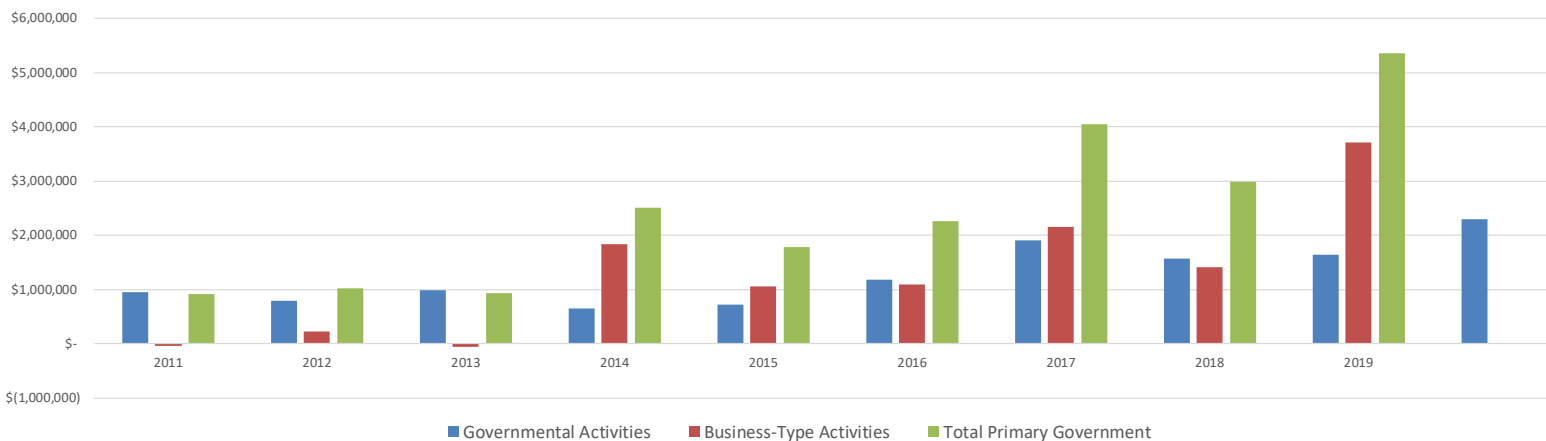
Unrestricted Investment Earnings	\$ 29,524	\$ 22,958	\$ 17,983	\$ 14,529	\$ 16,199	\$ 26,013	\$ 49,968	\$ 59,027	\$ 73,706
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	1,630	-	-	-
Transfers	(379,836)	(343,394)	(280,954)	-	-	-	-	-	-
Total Business Type Activities	\$ (350,312)	\$ (320,436)	\$ (262,971)	\$ 14,529	\$ 16,199	\$ 27,643	\$ 49,968	\$ 59,027	\$ 73,706

Total Changes in Net Position

Governmental Activities	\$ 950,348	\$ 797,459	\$ 991,200	\$ 659,323	\$ 730,338	\$ 1,176,063	\$ 1,904,575	\$ 1,569,027	\$ 1,645,430
Business Type Activities	(36,054)	221,266	(47,484)	1,845,545	1,056,112	1,090,300	2,149,430	1,414,437	3,713,814

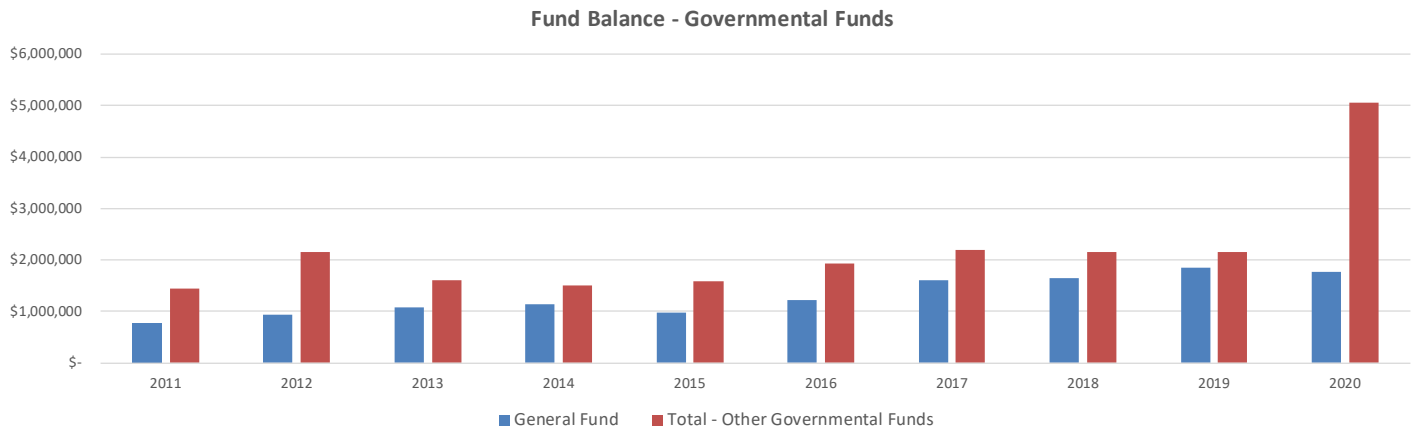
Total Changes in Net Position - Primary Government	\$ 914,294	\$ 1,018,726	\$ 943,716	\$ 2,504,868	\$ 1,786,450	\$ 2,266,363	\$ 4,054,005	\$ 2,983,464	\$ 5,359,244
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Change in Net Position



IVINS CITY
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Unspendable	\$ -	\$ 32,335	\$ 83,042	\$ 48,472	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-	-	-	-	-
Unassigned	784,561	897,648	989,503	1,090,167	977,934	1,222,774	1,600,387	1,643,748	1,844,779	1,770,064
Total General Fund	<u>\$ 784,561</u>	<u>\$ 929,983</u>	<u>\$ 1,072,544</u>	<u>\$ 1,138,640</u>	<u>\$ 977,934</u>	<u>\$ 1,222,774</u>	<u>\$ 1,600,387</u>	<u>\$ 1,643,748</u>	<u>\$ 1,844,779</u>	<u>\$ 1,770,064</u>
All Other Governmental Funds										
Restricted										
Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,742	\$ 203,348	\$ 319,638	\$ 266,679	\$ 195,760
Capital Projects	1,438,121	2,157,597	1,609,937	1,499,696	1,577,381	1,927,464	1,796,731	1,332,442	859,434	1,574,730
Assigned	-	-	-	-	-	-	187,292	511,120	1,036,251	3,280,406
Unassigned	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 1,438,121</u>	<u>\$ 2,157,597</u>	<u>\$ 1,609,937</u>	<u>\$ 1,499,696</u>	<u>\$ 1,577,381</u>	<u>\$ 1,932,206</u>	<u>\$ 2,187,371</u>	<u>\$ 2,163,200</u>	<u>\$ 2,162,364</u>	<u>\$ 5,050,896</u>
Total Governmental Funds	<u>\$ 2,222,682</u>	<u>\$ 3,087,580</u>	<u>\$ 2,682,482</u>	<u>\$ 2,638,335</u>	<u>\$ 2,555,314</u>	<u>\$ 3,154,980</u>	<u>\$ 3,787,758</u>	<u>\$ 3,806,947</u>	<u>\$ 4,007,143</u>	<u>\$ 6,820,960</u>



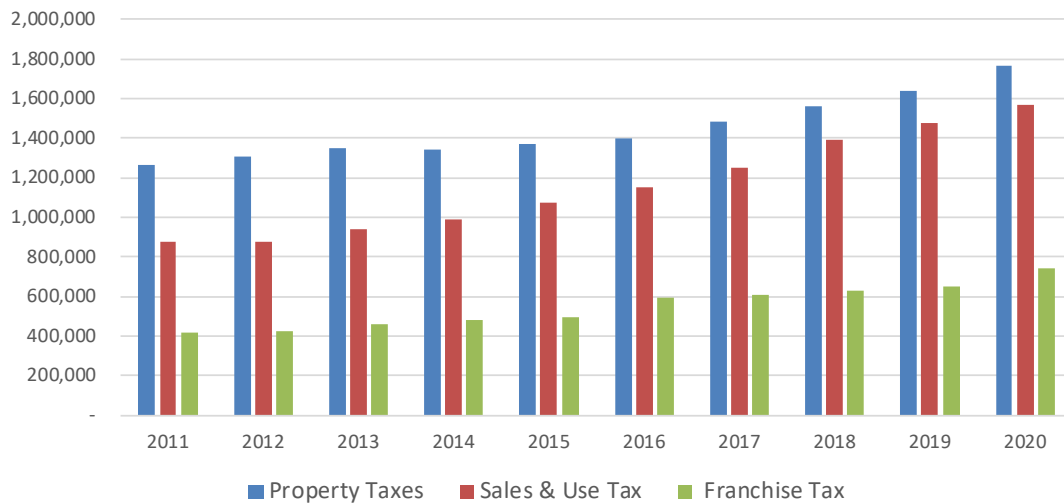
IVINS CITY
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Property Taxes	\$ 1,261,212	\$ 1,310,484	\$ 1,352,740	\$ 1,344,618	\$ 1,370,169	\$ 1,402,204	\$ 1,483,779	\$ 1,560,913	\$ 1,640,111	\$ 1,764,048
Sales & Use Taxes	874,174	875,379	940,122	991,673	1,071,462	1,151,342	1,250,612	1,388,670	1,476,788	1,570,163
Franchise Taxes	419,465	422,390	457,079	483,804	492,995	591,902	609,888	632,821	650,152	740,623
Licenses & Permits	145,092	178,433	266,131	278,104	240,603	431,925	348,623	429,020	480,082	545,589
Intergovernmental	426,846	351,741	457,317	343,911	311,435	334,910	581,389	855,860	747,527	897,936
Charges for Services	591,245	584,357	1,338,010	1,560,635	1,642,228	1,766,243	1,938,516	1,951,561	1,985,873	2,029,094
Fines & Forfeitures	51,017	48,309	44,552	6,368	56,000	75,163	82,870	91,122	88,875	48,537
Special Assessment Revenue	38,077	462,586	123,439	85,869	105,799	75,727	115,915	61,264	40,023	51,845
Impact Fee Revenue	467,209	830,294	990,806	800,377	709,156	1,392,747	839,529	755,228	922,503	932,514
Grant Revenue	304,922	-	-	-	180,074	-	-	-	-	-
Interest Earnings	19,041	45,473	60,269	52,812	50,874	63,392	99,976	153,538	244,330	212,210
Miscellaneous Revenue	77,753	57,918	47,152	64,153	82,654	124,369	107,605	124,101	94,361	122,028
Total Revenues	\$ 4,676,052	\$ 5,167,364	\$ 6,077,616	\$ 6,012,324	\$ 6,313,450	\$ 7,409,924	\$ 7,458,701	\$ 8,004,098	\$ 8,370,625	\$ 8,914,587
Expenditures										
Current Operating										
General Government	\$ 651,955	\$ 671,069	\$ 667,988	\$ 410,118	\$ 679,367	\$ 624,254	\$ 646,494	\$ 1,072,445	\$ 1,462,554	\$ 1,690,450
Building/Zoning	74,390	83,100	80,121	146,690	297,757	361,040	318,637	348,694	350,810	393,334
Public Safety	1,717,099	1,739,895	2,240,076	2,487,053	2,598,300	2,726,820	2,905,215	3,169,038	2,452,405	2,519,275
Public Works/Streets	714,516	876,550	910,717	1,093,985	997,898	1,089,826	1,115,887	1,439,440	1,445,139	1,775,201
Parks, Recreation and Public Property	465,595	457,497	527,956	494,199	661,260	614,933	702,702	1,594,331	1,633,179	1,584,233
Community & Economic Development	118,725	123,883	133,081	139,960	14,521	-	-	-	-	-
Capital Outlay	3,171,317	2,244,185	1,593,337	614,323	517,689	740,213	816,516	-	-	-
Debt Service										
Principle Retirement	266,000	260,000	395,000	466,846	474,846	497,190	3,332,519	538,560	723,546	586,504
Interest and Fiscal Charges	123,555	188,655	219,116	208,505	197,444	193,444	177,862	126,480	121,793	108,512
Cost of Issuance	36,000	48,027	2,000	2,000	2,000	-	-	-	-	-
Total Expenditures	\$ 7,339,153	\$ 6,692,861	\$ 6,769,392	\$ 6,063,679	\$ 6,441,082	\$ 6,847,720	\$ 10,015,833	\$ 8,288,988	\$ 8,189,426	\$ 8,657,509
Excess (Deficiency) of Revenues	\$ (2,663,101)	\$ (1,525,497)	\$ (691,776)	\$ (51,355)	\$ (127,632)	\$ 562,204	\$ (2,557,132)	\$ (284,890)	\$ 181,199	\$ 257,078
Other Financing Sources										
Transfers In	1,099,524	654,049	1,199,380	564,622	848,250	482,296	811,005	1,211,151	1,020,058	3,853,810
Transfers Out	(719,689)	(310,655)	(918,427)	(564,622)	(848,250)	(482,296)	(811,005)	(1,211,151)	(1,020,058)	(3,853,810)
Sale of Assets	440,831	-	5,724	7,209	23,196	13,482	23,430	2,580	18,998	2,556,741
Bond Proceeds	3,500,000	2,047,000	-	-	21,095	23,980	3,166,500	301,500	-	-
Bond Retired	-	-	-	-	-	-	-	-	-	-
Gain (loss) of Bond Refunding	-	-	-	-	-	-	-	-	-	-
Total Other Sources	4,320,667	2,390,394	286,678	7,209	44,291	37,462	3,189,930	304,080	18,998	2,556,741
Net Change in Fund Balance	1,657,566	864,897	(405,099)	(44,147)	(83,341)	599,666	632,798	19,189	200,196	2,813,817
Fund Balance Beginning of Year	565,119	2,222,685	3,087,582	2,682,483	2,638,337	2,554,995	3,154,661	3,787,459	3,806,947	4,007,143
Fund Balance End of Year	2,222,685	3,087,582	2,682,483	2,638,337	2,554,995	3,154,661	3,787,459	3,806,947	4,007,143	6,820,960
Debt Service as a percent of Non-Capital Expenditures	6.34%	9.91%	17.60%	39.13%	15.39%	12.20%	38.94%	10.06%	11.60%	8.96%

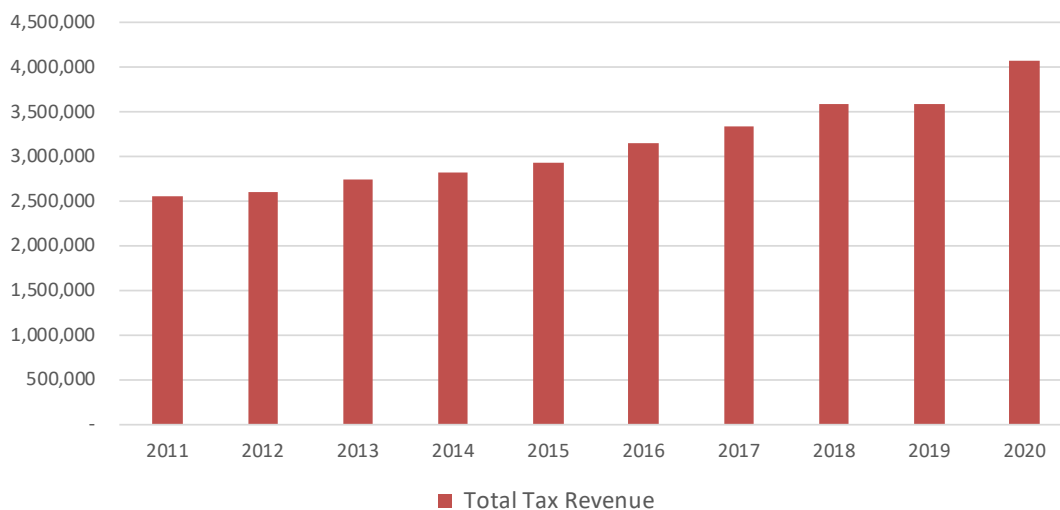
**IVINS CITY
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
Last Ten Fiscal Years**

Fiscal Year	Property Taxes	Sales & Use Tax	Franchise Tax	Total Tax Revenue
2011	1,261,212	874,174	419,465	2,554,850
2012	1,310,484	875,379	422,390	2,608,253
2013	1,352,740	940,122	457,079	2,749,940
2014	1,344,618	991,673	483,804	2,820,095
2015	1,370,169	1,071,462	492,995	2,934,626
2016	1,402,204	1,151,342	591,902	3,145,448
2017	1,483,779	1,250,612	609,888	3,344,279
2018	1,560,913	1,388,670	632,821	3,582,404
2019	1,640,111	1,476,788	650,152	3,582,404
2020	1,764,048	1,570,163	740,623	4,074,834

Major Revenue by Source



Ivins City Total Tax Revenues

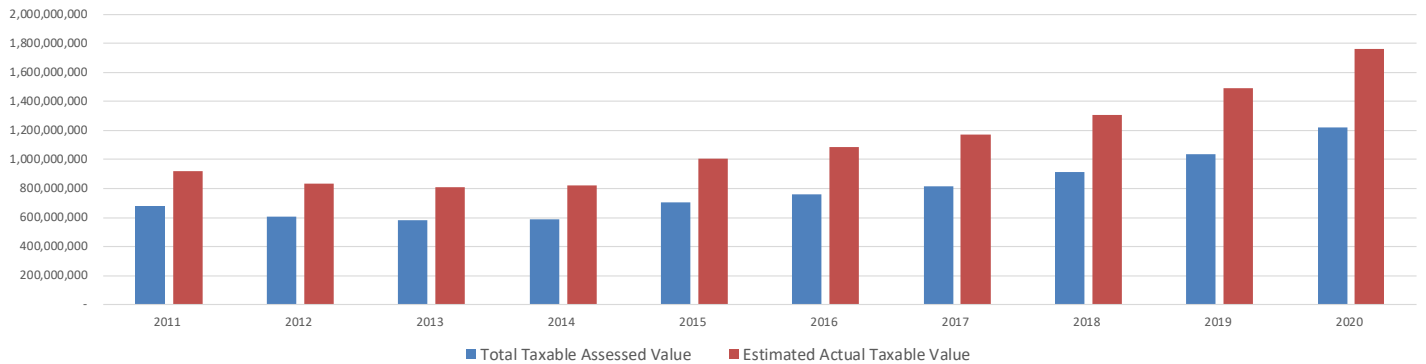


IVINS CITY ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY Last Ten Fiscal Years

Ivins City
Assessed Value And Estimated Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Property							Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Agricultural	Unimproved Land	Centrally Assessed	Personal Property	Motor Vehicles				
2011	457,166,475	20,198,710	277,870	182,097,755	5,160,931	6,977,802	5,793,200	677,672,743	1.9110	922,672,413	0.734467329
2012	429,475,580	22,091,935	281,000	135,481,845	5,941,832	6,117,166	5,088,200	604,477,558	2.0970	834,637,426	0.724239699
2013	423,948,325	22,207,375	281,400	121,923,720	5,885,301	4,254,563	4,965,533	583,466,217	2.1250	810,663,978	0.719738674
2014	437,170,510	26,161,700	282,905	109,042,750	5,928,209	4,768,422	4,965,533	588,320,029	1.9810	822,603,680	0.715192557
2015	561,912,400	21,216,400	275,330	106,774,995	6,333,727	3,907,652	5,071,600	705,492,104	1.8620	1,006,626,067	0.700848236
2016	605,966,150	25,565,945	263,305	115,260,950	7,132,108	3,661,903	5,156,533	763,006,894	1.7830	1,087,749,663	0.701454498
2017	654,674,845	28,361,800	275,475	118,586,500	7,378,227	3,619,090	5,204,467	818,100,404	1.7270	1,168,946,605	0.699861226
2018	727,770,570	37,746,600	254,100	132,137,625	7,717,241	3,951,757	5,675,267	915,253,160	1.6170	1,305,272,025	0.701197255
2019	835,822,085	56,429,500	265,200	124,115,647	9,097,427	7,471,833	6,400,467	1,039,602,159	1.5270	1,492,576,689	0.696515071
2020	1,010,177,487	55,102,400	274,739	130,756,760	10,865,293	7,690,668	6,501,933	1,221,369,280	1.3240	1,759,459,286	0.694173085

Property Valuation



Source: Washington County Clerk and Utah Property Tax Division.

Note: Property tax in the county is assessed annually. The county assesses primary residences at approximately 55% of actual value with all other properties assessed at 100%. Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates listed are per \$1,000 of assessed value.

**IVINS CITY
PROPERTY TAX RATES
DIRECT & OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years**

Direct		Overlapping Rates					Washington County School District	Total Direct & Overlapping Rates
Ivins City	Washington County	General	Water Conservancy District	Library Operation	Genral Obligation Bonds	Southwest Mosquito Abatement & Control	General	
Fiscal Year	General	General	Water Conservancy District	Library Operation	Genral Obligation Bonds	Southwest Mosquito Abatement & Control	General	Total Direct & Overlapping Rates
2011	1.7360	1.2930	0.8320	0.1940	0.2000	0.0310	6.9190	11.2050
2012	1.9900	1.4070	0.9640	0.2800	0.2840	0.0370	7.8040	12.7660
2013	2.1250	1.1800	0.0000	0.3040	0.1680	0.4580	8.2010	12.4360
2014	1.9810	1.9910	0.8780	0.0000	0.0000	0.0490	7.5440	12.4430
2015	1.8620	1.8430	0.8160	0.0000	0.0000	0.0460	7.2210	11.7880
2016	1.7830	1.2270	0.7750	0.0000	0.0000	0.0440	7.4950	11.3240
2017	1.7270	1.6210	0.7400	0.0000	0.0000	0.0420	7.2720	11.4020
2018	1.6170	1.4690	0.7000	0.0000	0.0000	0.0400	6.7060	10.5320
2019	1.5270	1.1520	0.6480	0.2170	0.0000	0.0370	6.6640	10.2450
2020	1.3630	0.9690	0.5540	0.1970	0.0750	0.0340	6.3730	9.5650

Note: Overlapping rates are those of local and county governments that apply to property owners within Ivins City. All overlapping rates may not apply to all Ivins City property owners. Tax rates listed are per \$1,000 of assessed value.

**IVINS CITY
PRINCIPAL PROPERTY TAXPAYERS
June 30, 2017**

Taxpayer	2020			2009		
	Total Assessed Value	Rank	Percentage of Total Assessed Value	Total Assessed Value	Rank	Percentage of Total Assessed Value
Rocky Vista University LLC	\$ 22,738,200	1	1.86%	-	-	-
Pivotal Mark I LC	\$ 11,368,700	2	0.93%	\$ 9,837,112	2	1.45%
Marten, RT	\$ 10,277,069	3	0.84%	\$ 21,363,883	1	3.15%
Gunlock Ridge Holding	\$ 9,675,255	4	0.79%	\$ 3,654,000	9	0.54%
Kayenta Homesites Inc	\$ 6,989,845	5	0.57%	\$ 5,584,931	4	0.82%
Fitness Ridge	\$ 6,270,000	6	0.51%	-	-	-
Pacificorp	\$ 5,812,821	7	0.48%	-	-	-
Padre Canyon Resort	\$ 5,306,700	8	0.43%	-	-	-
Pivotal Mark II LC	\$ 4,556,200	9	0.37%	-	-	-
Kamas - Outback LLC	\$ 3,880,000	10	0.32%	\$ 4,749,900	7	0.70%
Gardner Plumb LLC	-	-	-	\$ 7,100,625	3	1.05%
Her Family Matters LC	-	-	-	\$ 5,162,800	5	0.76%
Archuleta, George & Dianna L	-	-	-	\$ 4,871,830	6	0.72%
Bowler, Edward	-	-	-	\$ 3,922,400	8	0.58%
Cowichan LLC	-	-	-	\$ 3,615,428	10	0.53%
Total	\$ 86,874,790		7.11%	\$ 69,862,909		10.31%

Source: Washington County Treasurer

**IVINS CITY
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years**

Fiscal Year	Total Tax Levy for Fiscal Year	Same Year Collections	% Collected	Prior Year Collections	Total Tax Collections	Net Uncollected (Year Levied)
2011	1,191,231	1,080,510	90.71%	71,293	1,151,803	101,806
2012	1,212,661	1,122,355	92.55%	140,108	1,262,463	32,916
2013	1,239,495	1,175,384	94.83%	85,756	1,261,140	31,000
2014	1,271,961	1,207,222	94.91%	3,836	1,211,058	38,355
2015	1,304,345	1,241,612	95.19%	2,701	1,244,313	33,479
2016	1,351,536	1,267,812	93.81%	1,727	1,269,539	51,086
2017	1,404,074	1,327,707	94.56%	50,842	1,378,549	49,588
2018	1,471,222	1,416,419	96.28%	2,543	1,418,962	24,302
2019	1,578,371	1,501,964	95.16%	2,530	1,504,494	43,630
2020	1,657,125	1,589,501	95.92%	4,155	1,593,656	33,053

Source: Washington County Treasurer

IVINS CITY
RATIO 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	Excise Tax Bonds	Revenue Bonds	Special Assessment Bonds	Capital Leases	Water Bonds	Sewer Bonds	Storm Drain Bonds	Capital Leases			
2011	-	-	5,635,000	-	-	11,000	518,481	3,460,000	36,300	9,660,781	5.12%	1,427
2012	-	-	7,422,000	-	-	-	-	3,320,000	27,865	10,769,865	5.43%	1,557
2013	-	-	7,027,000	-	191,443	-	-	3,175,000	19,018	10,412,461	4.85%	1,460
2014	-	-	6,620,000	-	159,597	-	-	3,020,000	30,756	9,830,353	4.32%	1,341
2015	-	-	6,205,000	-	122,937	-	-	2,860,000	30,121	9,218,058	3.80%	1,212
2016	-	-	5,778,000	-	77,123	-	-	3,680,000	5,958	9,541,081	3.72%	1,222
2017	-	-	5,689,105	-	63,155	-	-	3,465,000	-	9,217,260	3.38%	1,144
2018	-	-	5,357,500	-	94,545	-	-	3,245,000	-	8,697,045	2.70%	996
2019	-	-	4,419,000	-	309,499	-	-	3,025,000	-	7,753,499	2.47%	870
2020	-	-	3,921,000	-	220,995	-	-	2,795,000	-	6,936,995	1.85%	755

IVINS CITY
RATIO OF GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Reserved for Debt Service	Total	Percentage of Personal Income	Per Capita
2009	372,000	203,825	575,825	0.31%	66
2010	189,000		189,000	0.10%	28
2011	189,000		189,000	0.09%	27
2012					
2013					
2014					
2015					
2016					
2017					
2018					

IVINS CITY
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of June 30, 2017

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Washington County	\$ 37,322,764	6.49%	\$ 2,422,247
Washington County School District	250,805,000	6.49%	16,277,245
Washington County Water Conservancy District	-	6.49%	-
Sub-Total Overlapping Debt	<u>288,127,764</u>		<u>18,699,492</u>
Ivins City Direct Debt	<u>6,936,995</u>		<u>6,936,995</u>
Total Direct and Overlapping Debt	<u>\$ 295,064,759</u>		<u>\$ 25,636,487</u>

Note: The estimated percentage is based on relative assessed value.

**IVINS CITY
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt Limit	81,320,729	72,537,307	70,015,946	70,598,403	84,659,052	91,560,827	98,172,048	109,830,379	124,752,259	146,564,314
Total Net Debt Applicable to Lin	1,252,034	1,017,417	776,913	529,481	-	-	-	-	-	-
Legal Margin	\$ 80,068,695	\$ 71,519,890	\$ 69,239,033	\$ 70,068,922	\$ 84,659,052	\$ 91,560,827	\$ 98,172,048	\$ 109,830,379	\$ 124,752,259	\$ 146,564,314
Total Net Debt Applicable to	1.54%	1.40%	1.11%	0.75%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation

Assessed Value	1,221,369,280
Add Back: Exempt Real Property	-
Total Assessed Value	<u>1,221,369,280</u>
Debt Limit	
General Obligation 4%	48,854,771
Water & Sewer 8%	<u>97,709,542</u>
Total Debt Limit	<u>146,564,314</u>
Debt Applicable to Limit:	
General Obligation Bonds	-
Less:	
Set Aside for Repayment	-
Total Net Debt Applicable to Limit	<u>-</u>
Legal Debt Margin	<u>\$ 146,564,314</u>

IVINS CITY
PLEDGED REVENUE COVERAGE
Last Ten Fiscal Years

Sales Tax Bond									
Fiscal Year	Gross Revenue	Operating Transfers	Expenses Net of		Net Available Revenue	Principle	Interest	Total	Coverage
			Depreciation	Revenue					
2011	702,883	-	-	-	702,883	-	50,586	50,586	13.89
2012	707,797	-	-	-	707,797	135,000	112,664	247,664	2.86
2013	940,122	-	-	-	940,122	130,000	109,117	239,117	3.93
2014	991,673	-	-	-	991,673	135,000	105,604	240,604	4.12
2015	1,033,861	-	-	-	1,033,861	135,000	101,804	236,804	4.37
2016	1,151,342	-	-	-	1,151,342	140,000	102,557	242,557	4.75
2017	1,250,612	-	-	-	1,250,612	151,000	49,002	200,002	6.25
2018	1,388,670	-	-	-	1,388,670	174,000	51,138	225,138	6.17
2019	1,476,788	-	-	-	1,476,788	176,000	48,029	224,029	6.59
2020	1,570,163	-	-	-	1,570,163	179,000	-	179,000	8.77

Excise Tax Bond									
Fiscal Year	Gross Revenue	Operating Transfers	Expenses Net of		Net Available Revenue	Principle	Interest	Total	Coverage
			Depreciation	Revenue					
2011	-	-	-	-	-	-	-	-	n/a
2012	281,155	-	-	-	281,155	46,000	11,941	57,941	4.85
2013	278,888	-	-	-	278,888	183,000	48,319	231,319	1.21
2014	284,340	-	-	-	284,340	188,000	43,681	231,681	1.23
2015	285,050	-	-	-	285,050	193,000	38,941	231,941	1.23
2016	294,328	-	-	-	294,328	198,000	34,081	232,081	1.27
2017	362,737	-	-	-	362,737	203,000	29,081	232,081	1.56
2018	411,745	-	-	-	411,745	208,000	23,931	231,931	1.78
2019	410,020	-	-	-	410,020	213,000	18,706	231,706	1.77
2020	447,129	-	-	-	447,129	218,000	13,344	231,344	1.93

Municipal Building Authority Revenue Bond									
Fiscal Year	Gross Revenue	Operating Transfers	Expenses Net of		Net Available Revenue	Principle	Interest	Total	Coverage
			Depreciation	Revenue					
2011	143,360	-	-	-	143,360	77,000	66,360	143,360	1.00
2012	143,050	-	-	-	143,050	79,000	64,050	143,050	1.00
2013	143,680	-	-	-	143,680	82,000	61,680	143,680	1.00
2014	143,680	-	-	-	143,680	84,000	59,220	143,220	1.00
2015	143,733	-	-	-	143,733	87,000	56,700	143,700	1.00
2016	143,090	-	-	-	143,090	89,000	54,090	143,090	1.00
2017	286,020	-	-	-	286,020	92,000	51,420	143,420	1.99
2018	145,035	-	-	-	145,035	95,000	48,660	143,660	1.01
2019	145,279	-	-	-	145,279	98,000	45,810	143,810	1.01
2020	145,462	-	-	-	145,462	101,000	42,870	143,870	1.01

Storm Drain Revenue Bond									
Fiscal Year	Gross Revenue	Operating Transfers	Expenses Net of		Net Available Revenue	Principle	Interest	Total	Coverage
			Depreciation	Revenue					
2011	474,390	303,791	290,257	-	487,924	130,000	159,414	289,414	1.69
2012	527,831	(42,923)	325,897	-	159,011	135,000	153,590	288,590	0.55
2013	566,740	(35,119)	251,137	-	280,484	140,000	148,313	288,313	0.97
2014	452,347	(27,310)	15,072	-	409,965	145,000	141,828	286,828	1.43
2015	466,094	-	172,838	-	293,256	155,000	135,516	290,516	1.01
2016	480,244	-	173,888	-	306,356	160,000	128,625	288,625	1.06
2017	1,342,982	-	749,540	-	593,442	215,000	122,139	337,139	1.76
2018	1,513,864	-	812,995	-	700,869	220,000	125,100	345,100	2.03
2019	1,748,557	-	1,027,007	-	721,550	220,000	119,600	339,600	2.12
2020	3,659,457	-	2,230,649	-	1,428,808	230,000	114,500	344,500	4.15

**IVINS CITY
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 Last Ten Fiscal Years**

Fiscal Year	Population*	Per Capita Income**	Personal Income	Unemployment Rate
2011	6,771	27,920	188,543,760	8.70%
2012	6,915	28,597	198,177,210	7.60%
2013	7,133	29,928	214,613,688	5.40%
2014	7,331	30,780	227,494,980	4.00%
2015	7,605	31,620	242,367,300	4.00%
2016	7,808	32,832	256,352,256	3.70%
2017	8,056	33,816	272,421,696	3.30%
2018	8,736	36,888	322,253,568	3.60%
2019	8,913	35,161	313,389,993	2.50% ¹
2020	9,192	40,886	375,824,112	5.30%

Note: Population is estimated based on utility service.

Source: Per capita income and unemployment rate were obtained from the Utah Department of Workforce Services.

**IVINS CITY
PRINCIPAL EMPLOYERS
Last Ten Fiscal Years**

Employer	2020		2009	
	Employees	Rank	Employees	Rank
MARK 1 2009 LLC	250-499	1		
AVALON CARE CENTER - VA IVINS, L.L.C.	100-249	2		
TUACAHN CENTER FOR THE ARTS	100-249	3		
VISTA SCHOOL	100-249	4		
C&E STONE MASONRY LLC	50-99	5		
IVINS CITY	50-99	6		Not Available
MOVARA FITNESS RESORT	50-99	7		
RED MOUNTAIN ELEMENTARY	50-99	8		
RHINE CONSTRUCTION, LLC	50-99	9		
ROCKY VISTA UNIVERSITY, LLC	50-99	10		

Source: Utah Division of Workforce Services

Utah Workforce Services does not provide specific numbers of employees, only ranges so percent of total employment is not reported. Additionally, employment data is not maintained by the State back to 2010.

IVINS CITY
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Function										
General Government										
Administration	2.2	1.5	1.9	2.7	3.1	3.0	2.9	2.9	3.6	3.7
Legal/HR	2.0	2.1	2.2	0.9	0.3	0.2	0.3	0.3	0.2	0.2
Total General Government	4.2	3.6	4.1	3.6	3.4	3.2	3.2	3.2	3.8	3.9
Building/Zoning	0.9	0.9	0.9	1.7	3.1	3.4	3.2	3.8	3.2	3.4
Public Safety										
Law Enforcement	11.5	11.4	18.8	19.4	19.3	19.4	20.3	20.3	22.1	20.2
EMS*			6.2	8.6	9.8	10.4	9.5	4.6	0.0	0.0
Animal Control	2.3	2.4	1.8	2.1	3.0	2.8	2.4	2.4	2.2	3.1
Fire*	10.3	8.2	2.6	1.6	1.3	1.7	1.5	1.0	0.0	0.0
Public Safety	24.1	22.0	29.4	31.7	33.4	34.3	33.7	28.3	24.3	23.4
Community Development	1.3	0.9	1.3	1.5	0.4	0.0	0.0	0.0	0.0	0.0
Public Works										
Streets	1.8	1.6	1.7	2.3	2.3	2.3	2.4	2.5	1.8	2.4
Water	6.5	5.8	6.2	6.3	6.8	6.8	7.2	7.5	8.0	7.9
Waste Water	3.4	3.1	3.5	3.5	3.8	3.9	4.1	4.4	4.9	4.8
Total Public Works	11.7	10.5	11.4	12.1	12.9	13.0	13.7	14.4	14.7	15.2
Parks & Recreation										
Parks	2.3	2.2	3.6	2.0	3.3	3.4	3.5	4.4	4.4	4.6
Recreation	1.6	1.1	0.3	1.5	1.4	1.3	1.2	1.2	1.3	1.3
Cemetery	0.9	0.8	0.9	0.8	1.3	1.2	1.2	1.6	1.5	1.6
Total Parks & Recreation	4.8	4.1	4.7	4.3	6.0	5.9	5.9	7.2	7.1	7.5
Total Primary Government	47.0	41.8	51.9	54.9	59.2	59.8	59.6	56.9	53.2	53.2

Note: Full Time Equivalent was calculated by taking total hours paid from the payroll and dividing by the fulltime equivalent hours of 2,080 per year.

At the beginning of Fiscal Year 2013, Law Enforcement combined forces with Santa Clara and became the Santa Clara Ivins police department. All revenue and expenditures of the combined police force are represented in Ivins City's financial statements. A percentage of expenditures is reimbursed by Santa Clara. In 2018, The City combined Fire / EMS with Santa Clara City. Santa Clara provides the services and employees, while Ivins pays a percentage of the expenditures.

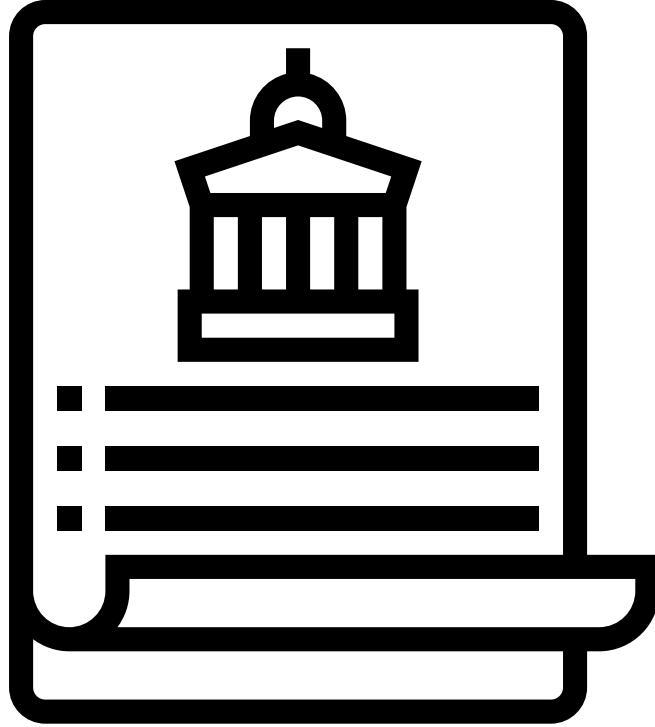
Also, at the beginning of Fiscal Year 2013, Emergency Medical Services were separated from the Fire Department and became a standalone department with in Public Safety.

IVINS CITY OPERATING INDICATORS BY FUNCTION Last Ten Fiscal Years

Function	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Building/Zoning										
Residential Building Permits	58	86	125	90	82	114	135	145	178	147
Residential Value	\$15,016,055	\$18,149,200	\$25,893,300	\$23,226,000	\$19,846,575	\$26,806,170	\$34,322,950	\$40,002,910	\$46,538,080	\$44,640,615
Addition Building Permits	35	72	61	21	20	33	27	35	22	31
Additions Value	\$227,040	\$945,319	\$844,462	\$809,200	\$633,820	\$1,089,765	\$1,020,205	\$2,142,785	\$1,081,280	\$2,233,340
Commercial Building Permits	0	1	0	0	1	6	0	0	0	4
Commercial Value	\$0	\$0	\$0	\$0	\$800,000	\$22,496,684	\$0	\$0	\$0	\$2,645,000
Other Building Permits	0	0	0	88	116	63	81	141	145	85
Other Value	\$0	\$0	\$0	\$2,215,152	\$2,338,545	\$1,435,271	\$2,100,451	\$3,955,191	\$3,986,966	\$2,912,904
Law Enforcement										
Patrol Officers	8	8	14	14	14	14	13	14	14	16
Training Hours	1,601	1,651	1,417	1,536	4,687	2,140	1,927	2,004	1,752	2,353
Citation	1,370	1,443	2,119	1,536	1,454	1,752	1,649	2,158	2,498	2,270
Calls for Service	2,072	2,262	3,149	3,954	3,949	4,065	4,191	4,434	4,855	5,313
Response Time (minutes)	5	4	9	8	7	6	7	7	7	7
Arrests	206	108	308	974	894	905	1,160	1,282	813	1,371
Fire Department										
Structure Fires	11	7	4	15	15	8	15	15	8	13
Automobile Accidents	29	26	12		41	47	53	76	41	64
Calls for Service	495	471	511	832	826	237	135	144	1,075	524
Training Hours	1,836	1,669	613	1,288	1,244	2,580	811	842	943	950
# of Full-Time Firemen	3	3	1	1	1	1	1	6	7	5
# of Volunteer Firemen	45	45	45	20	26	13	15	20	21	8
Ambulance										
Structure Fires	0	7	4	15	25	8	15	15	8	17
Automobile Accidents	0	26	12		58	47	53	76	41	73
Calls for Service	0	471	511	610	551	655	1,088	821	636	993
Training Hours	208	1,670	614	465	925	739	741	771	565	683
# of Full-Time Paramedics	0	0	1	1	1	1	1	2	2	2
# of Part-Time EMT	20	20	20	19	20	25	24	24	14	14
# of Part-Time Paramedics	5	5	5	10	21	17	10	9	8	8
Parks, Recreation and Trails										
Developed Acreage	39.95	39.95	39.95	39.95	39.95	39.95	41.95	43.95	43.95	44
Developed Acreage/1000 Populat	5.92	5.92	5.92	5.92	5.21	5.07	5.16	5.04	4.94	5
Undeveloped Acreage	51.00	51.00	51.00	51.00	51.00	51.00	49.00	47.00	47.00	47
Youth in Recreation Programs										
Sports	412	417	359	529	471	484	429	394	445	451
Fitness	421	419	213	114	120	181	100	96	100	95
Education	-	-	-	60	48	50	50	90	48	84
Public Works										
Water Gallons Billed (in thousand)	467,276	501,401	505,011	511,417	515,203	518,316	555,336	594,161	593,997	603,517
Water Connections	2,755	2,825	3,015	3,034	3,132	3,216	3,328	3,393	3,719	3,688
Sewer Connections	2,597	2,676	2,757	2,951	3,052	3,097	3,232	3,274	3,719	3,654
Storm Drain Services	2,912	2,996	3,123	3,243	3,353	3,444	3,594	3,648	3,931	3,958
Garbage Services	2,887	2,970	3,090	3,171	3,279	3,368	3,568	3,624	3,843	3,889

Note: Police, Fire and Ambulance have evolved over the last several years to full-time departments. Prior to 2002 law enforcement in the city was provided by Washington County. The City began an ambulance service in 2008. Ivins City created a recreation department on a full-time basis in 2006. Law Enforcement combined with Santa Clara and EMS was separated from Fire at the beginning of FY 2013. Fire / EMS were combined with Santa Clara in January 2018.

Federal & State Audit Reports



FEDERAL AND STATE REPORTS

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**INDEPENDENT AUDITOR’S 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***

The Honorable Mayor, and
Members of the City Council
Ivins City, Utah

We have audited, in accordance with the 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 Ivins City, Utah (herein referred to as the “City”), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements and have issued our report thereon dated November 19, 2020.

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

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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

Larson & Company, PC

Larson & Company, PC

Spanish Fork, Utah

November 19, 2020



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

The Honorable Mayor, and
Members of the City Council
Ivins City, Utah

Report on Compliance with General State Compliance Requirements

We have audited Ivins City’s (herein referred to as the “City”) compliance with the applicable general state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, that could have a direct and material effect on the City for the year ended June 30, 2020.

General state compliance requirements were tested for the year ended June 30, 2020 in the following areas:

Budgetary Compliance	Open and Public Meetings Act
Fund Balance	Fraud Risk Assessment
Restricted Taxes and Related Revenues	

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 *State Compliance Audit Guide*. Those standards and the *State Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on the City 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 with general state compliance requirements. However, our audit does not provide a legal determination of the City’s compliance.

Opinion on General State Compliance Requirements

In our opinion, Ivins City, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the City the year ended June 30, 2020.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with the *State Compliance Audit Guide*.

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, we considered the City's internal control over compliance with the compliance requirements that could have a direct and material effect on the City to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with general state compliance requirements and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide*, but not for the purpose of expressing 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 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 general 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 general 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 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 *State Compliance Audit Guide*. Accordingly, this report is not suitable for any other purpose.

Larson & Company, PC

Larson & Company, PC

Spanish Fork, Utah
November 19, 2020

November 19, 2020

To the Honorable Mayor and
Members of the City Council
City of Ivins, Utah

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Ivins City for the year ended June 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 4, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Ivins City are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of other existing policies was not changed during 2020. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 19, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the governmental unit’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management’s Discussion and Analysis, the Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund, and the schedules relating to pensions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of Ivins City, management of Ivins City, and other various Federal and State funding and auditing agencies and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Larson & Company, PC

Larson & Company, PC
Spanish Fork, Utah

SCHEDULE OF FINDINGS – CURRENT YEAR

State Compliance Finding(s)

No state compliance findings were noted in the current year.

Internal Control Finding(s)

No internal control findings were noted in the current year.

STATUS OF FINDINGS – PRIOR YEAR

State Compliance Finding(s)

Condition: The City reported the incorrect balance of one of their accounts on the deposits & investments report required by the Utah Money Management Council.

Criteria: *Utah Code 51-7-15(3)* A public treasurer shall file a written report with the Utah Money Management Council on or before January 31 and July 31 of each year. The reports shall contain the information about the deposits and investments of that public treasurer during the preceding six months ending December 31 and June 30. We are required to review the report to determine that the report agrees to financial institution statement year-end closing balances ('bank' balances not 'book' balances) and includes all accounts held by the entity.

Cause of condition: Oversight of treasurer

Status of finding: Appears to have been addressed and corrected. Reports filed timely and accurately during current period.

Internal Control Finding(s)

No internal control findings were noted in the prior year.