UTAH LEAGUE OF CITIES & TOWNS
BOARD OF DIRECTORS MEETING

50 SOUTH 600 EAST, SUITE 150, SALT LAKE CITY, UT 84102
MONDAY, DECEMBER 10, 2018 @ 9:30 AM
(TIMES ARE APPROXIMATE)

****BREAKFAST AT 9:15 AM****

1. Welcome and Introductions – Mayor Jon Pike, ULCT President **9:30 AM**

2. Public Hearing: FY 2019 Budget Amendment – Mayor Jon Pike, ULCT President **9:35 AM**

ACTION: Public Hearing
HANDOUT: Proposed FY 2019 Budget Amendment

3. Review & Approval of Minutes – Mayor Jon Pike, ULCT President **9:45 AM**

ACTION: Review & Approval of Minutes
HANDOUT: September 11, 2018 Minutes
October 15, 2018 Minutes

4. Conflict of Interest Disclosure – Mayor Jon Pike, ULCT President **9:48 AM**

ACTION: Disclosure of any potential conflict of interest with agenda items
HANDOUT: None

5. ULCT Board & Commission Reports & Appointments – Mayor Jon Pike, ULCT President & Brandon Smith, Legislative Research Analyst **9:50 AM**

ACTION: Receive reports from ULCT representatives to Boards & Commissions
HANDOUT: Board & Commission Reports & Appointments Memo

6. Review & Approval of Check Register – Nick Jarvis, Chief Operating Officer **9:55 AM**

ACTION: Review & Approval of October Check Register
HANDOUTS: October 2018 Check Register

7. FY 2019 Q1 Financial Report – Nick Jarvis, Chief Operating Officer **10:00 AM**

ACTION: Review & Approval of FY 2019 Q1 Financial Report
HANDOUT: FY 2019 Q1 Financial Report

8. Presentation of the FY 2018 Annual Audit – Eide Bailly LLP **10:10 AM**

ACTION: Review & Approval of Annual Audit
HANDOUT: FY 2018 Audited Financial Statements

9. FY 2019 Budget Amendment – Cameron Diehl, Executive Director & Nick Jarvis, COO **10:35 AM**

ACTION: Review and Approval of
HANDOUT: Proposed FY 2019 Budget Amendment

10. Y2 Analytics Toolkit & Update from Meeting with Governor Herbert

– Cameron Diehl, Executive Director & Mayor Jon Pike, ULCT President **10:45 AM**

ACTION: For information only
HANDOUT: Housing Gap 2018: Public Opinion & Messaging Survey Topline Report

11. ULCT Communication Plan (#CitiesWork, Op-Eds, Rapid Response Subgroup, Report Back)

– Cameron Diehl, Executive Director & Susan Wood, Director of Communications **11:10 AM**

ACTION: For information only
HANDOUT: None

12. Other ULCT Subgroup Reports (Convention, Amicus Briefs) **11:25 AM**

ACTION: For information only
HANDOUT: None

13. Closed Session (if needed) As per Utah Code 52-4-205 **11:30 AM**

ACTION: Vote required to enter closed session (as per Utah Code 52-4-204)
HANDOUT: None

14. Other Business

ACTION: For Information Only
HANDOUT: None

15. Adjourn

MINUTES OF THE UTAH LEAGUE OF CITIES & TOWNS
BOARD OF DIRECTORS MEETING
SHERATON HOTEL, 150 WEST 500 SOUTH, SALT LAKE CITY, UT 84101
TUESDAY, SEPTEMBER 11, 2018 @ 9:45 AM

CONDUCTING: ULCT Board of Directors President, Council Member Beth Holbrook, Bountiful

EXECUTIVE BOARD
Council Member Beth Holbrook, President, Bountiful
Mayor Jon Pike, 1st Vice President, St. George (participated electronically)
Council Member Mike Mendenhall, 2nd Vice President, Spanish Fork
Former Mayor, Steve Hiatt, Past President, Kaysville,

BOARD OF DIRECTORS
Council Member Don Christensen, West Valley City
Mayor Dean Baker, Naples
Council Member Andy Beerman, Park City
Mayor Mike Caldwell, Ogden City
Council Member Damon Cann, North Logan
Council Member Jewell Allen, Grantsville
Mayor Len Arave, North Salt Lake City
Council Member Nicole Martin, Herriman
Mayor Kelleen Potter, Heber City
Council Member Richard Barnet, Richfield
Council Member, Steve Fairbanks, UMMA President, Sandy City
Council Member Bob Stevenson, Layton

EX-OFFICIO MEMBERS
David Church, ULCT Legal Counsel
S. Annette Spendlove, North Ogden City Recorder, UMCA VP

ULCT STAFF
Cameron Diehl, Executive Director
Rachel Otto, Director of Government Relations
Nick Jarvis, Chief Operating Officer
Roger Tew, Senior Policy Analyst
Susan Wood, Director of Communications and Training

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1. Welcome and Introductions – Council Member Beth Holbrook, ULCT President

President Beth Holbrook called the meeting to order at 9:56 am and called for introductions.

2. Conflict of Interest Disclosure – Council Member Beth Holbrook, ULCT President

There were no Conflict of Interest items brought forward.

3. ULCT Resolutions – Cameron Diehl, Executive Director

Director Diehl reviewed the procedure for introducing a resolution. He also reviewed the procedure for the Board in recommending resolutions to the ULCT membership.

Director Diehl presented Resolution 2018-001 Medical Marijuana and proposed the following:

1. Cities and towns oppose any action, either via the legislative or a vote of the people, to preempt traditional local authority over land use planning and zoning with respect to medical marijuana.
2. Cities and towns oppose any action to preempt traditional local authority over business licensing of medical marijuana.
3. Cities and towns oppose any action to preempt traditional local authority to enact ordinances that are vital to the health, safety and welfare of our communities.

Be if further resolved that,

1. If Proposition 2 does not pass, cities and towns urge the Utah State Legislature, the Governor, and stakeholders to consider our concerns about a preemption of traditional local authority over land use, legislative policymaking, and licensing in future legislation or initiatives about medical marijuana.
2. If Proposition 2 passes, cities and towns urge the Utah State Legislature, the Governor, and stakeholders to address ULCT concerns in statute about the current initiative language that preempts traditional local authority over land use, legislative policymaking, and licensing.

Mayor Pike joined the Board meeting by phone.

Mayor Pike stated that he is not sure how all Board Members feel about this issue, but he does know that this is a heated discussion throughout the State. He also feels when this resolution is presented to the ULCT membership that there will be vastly different opinions. He suggested that the Board make their concerns known as the resolution is presented

Bountiful Chief Ross and President of the Utah Chiefs of Police Association addressed the Board. He said there has been a lot of discussion about the medical marijuana issue and the Chief's Association has spent a lot of time going through the Proposition. He read a letter from the Utah Chiefs of Police Association who voiced their concerns and their opposition to Proposition 2. He said from an enforcement standpoint the marijuana proposition makes it very difficult for law enforcement from doing anything to prevent marijuana being used illegally.

Mayor Pike feels it would be appropriate to reference the letter of opposition that was just read by Chief Ross in the resolution.

Director Diehl said he can add more law enforcement language to the resolution but it broadens the scope of what the Board would be presenting to the ULCT membership

Council Member Allen asked if comparisons have been made of what is happening in other States in regards to the marijuana proposition.

Chief Ross responded they have looked at what has been happening in other States and he can't make a guess on if the proposition will pass, people don't understand the repercussions. He has been in discussions about medicinal marijuana over the last four years and he does feel there are some medical benefits but, he also concerned about the impact on society. There should be fair and balanced information given so the public can make an informed decision.

Director Diehl stated that when he met with League Directors around the country he found that the use of medical marijuana passed in approximately 30 cities. The use of recreational marijuana primarily passes but there have been a few States where it did not pass for the reason of it did not get enough campaigning. In those States where it did not pass it was expected that it would be on the ballot again. Approval ratings are still very high in the State for medical marijuana even after the LDS Church announced their opinion. There is a very strong and organized support for medical marijuana

Council Member Beerman suggested that the League strengthen their statement acknowledging the concerns by law enforcement.

ACTION: Council Member Beerman moved to approve *Resolution 2018-001 Medical Marijuana* as presented. The motion was seconded by Council Member Cann. The motion carried unanimously.

Director Diehl presented Resolution 2018-002 Water. He met with a subcommittee who reviewed the amendments and proposed the following to the Board:

1. Utah cities and towns support the attached proposed amendment to Article 11 Section 6 of the Utah State Constitution.
2. Utah cities and towns support the narrow ability for a municipality to convey water works to another governmental entity that is a public water supplier.
3. Utah cities and towns support equal protection for all water customers within a designated water service area established by a municipality.
4. Utah cities and towns support increased transparency and opportunities for public input regarding retail water rates in a designated water service area.
5. Utah cities and towns oppose any state effort to verse or regulate the municipal legislative responsibility of setting water rates or the designation of designated water service areas.
6. Utah cities and towns support the continued ability of municipalities to protect all of their sources of culinary water from contamination.

ACTION: Council Member Bob Stevenson moved to approve *Resolution 2018-002 Water* as presented. The motion was seconded by Council Member Steve Fairbanks. The motion carried unanimously.

Director Diehl presented Resolution 2018-003 Our Schools Now and proposed the following to the Board:

1. Cities and towns support legislative action, either through the legislature or directly by the people, that would result in an increase of the gas tax.
2. Cities and towns support efforts to inform the general public about local transportation funding needs in order to repair, replace, or construct vital road infrastructure.
3. Cities and towns urge the Utah State Legislature, if voters approve Question 1, o incresase the gas tax by ten cents.
4. Cities and towns urge the Utah State Legislature to allocate the ten-cent gas tax increase according to consensus formulas.

ACTION: Council Member Cann moved to approve *Resolution 2018-003 Our Schools Now* as presented. The motion was seconded by Council Member Beerman. The motion carried unanimously.

Director Diehl presented Resolution 2018-004 Population Growth and turned the time over to Rachel Otto to present more information about the proposed resolution.

Ms. Otto stated that this resolution is an attempt to bring forward the issues that the League has been working on for the past year in regards to population growth, housing affordability, affordable housing and the referendum process. The resolution has six parts which are the following:

1. Population growth and the housing gap
2. Housing affordability
3. Affordable housing
4. Direct democracy
5. Legislative authority
6. Revenues for infrastructure and services

ACTION: Council Member Jewel moved to approve *Resolution 2018-004 Population Growth* as presented. The motion was seconded by Council Member Fairbanks. The motion carried unanimously.

4. Communications Plan and Research – Cameron Diehl, Executive Director; Y2 Analytics & Penna Powers

Director Diehl stated that the League has entered into a partnership with Y2 Analytics to ask the question of what residents perceive about population growth. He introduced Scott Riding from Y2 to present information from their survey.

Mr. Riding reported they have done a series of focus groups and a quantitative study was also completed. The goal of the study was to try and understand the scope of public opinion about the housing crisis and as a secondary goal to try and find avenues for communication which they are still working on.

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Mr. Riding reported on the following:

1- Housing affordability is the top issue in many cities throughout the State of Utah
2- Those who currently own homes are conflicted
3- There are 2/3rd of the voters who currently see their community growing too quickly
4- There are 2/3rd of the votes who are aware of new multifamily developments in their neighborhoods and their reaction to these new developments is negative.

Mr. Riding said the question was asked, who should take the role of planning and then communicate what those plans should be. The majority of respondents believe that planning for long term growth needs communication and falls on local organizations which combines local government and community groups such as HOA's. The respondents feel the decisions need to be made locally and that growth is happening too quickly.

Director Diehl stated this information will be presented during the business meeting on Friday at the ULCT Conference.

Mr. Riding said the goal is to get everyone on the same page and to be disciplined in how the information is presented.

Director Diehl introduced Wendy Hansen from Penna Powers who he stated will talk about the communication strategy and what we do as a local government to reboot the term, "local control".

Ms. Hansen asked, how many have a Youth City Council in their City? The majority of the Board raised their hand.

Ms. Hansen said one of the best ways that communities can be educated and learn how their City works is to educate high school students.

Ms. Hansen asked in regards to the term "Local Control." How have the different cities heard this term used?

The following responses were given by the Board: Housing and Land Use, use a softer word other than "control" which draws a negative connotation, represent the needs of those we serve, needs to be about community based decision making versus centralized decision making and use the word community instead.

Council Member Martin said the fundamental message the Board has discussed is to express the voice of the citizen on the issues that matter to them. They need to know they are being heard but there also needs to be a reality check and citizens need to know there has to be growth and that growth is coming but it can be managed.

Council Member Mendenhall said we also need to convey sympathy and understanding with our constituents when they come to us regarding their concerns about growth.

Council Member Allen says it comes down to citizens being educated.

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Ms. Hansen asked how does the legislature see cities, city officials and how do constituents see city officials.

Council Member Christensen said he feels the legislature represents the will of the people as they see it not as city officials see things who are closer to the people.

Council Member Martin said when it comes to the housing issue, the legislators feel that city officials are pandering to the clamor and are unable to set forward an outline/plan for population growth where, we all have to do our part. The legislators feel they are doing things for the greater good and that city officials lack the political courage to do the same on the local level.

Council Member Barnet said the legislature tends to treat city officials the same way they accuse the federal government of treating them but, they don't see it that way.

Council Member Fairbanks said the challenge is the constant turnover with elected officials. The legislature created municipalities to take care of the day-to-day business of a community. In Sandy City, the two biggest problematic issues are short term rentals and fireworks which they have very little control over and yet citizens are demanding that city officials have more control.

Ms. Hansen asked if city officials could have it their way, how would they want their citizens and the legislature to feel?

Council Member Fairbanks responded that city officials would like to feel they are competent.

Council Member Cann said speaking of the legislature specifically, one thing that helps him realize the legislature feels he is competent is working as partners on a project and reaching the goals of both.

Council Member Mendenhall said quality of life is a concern of his citizens.

Ms. Hansen asked as a Board, what is the comfort level of making changes to the way they partner with the legislature?

Council Member Martin responded that no one city council member can do anything so there has to be a spirit of collaboration and partnership. There are going to be moments where we disagree but city officials have to protect their citizens.

Mayor Arave said city officials and the legislators are elected by the same citizens but cities are challenged by the implementation.

Council Member Beerman feels the League has already taken steps to improve the partnership with the legislature.

Council Member Allen said she appreciates that in the past, the League have said that certain issues are non-negotiable.

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Director Diehl said there will be some who will not be on the ULCT Board in October but he would welcome any further comments or feedback.

5. ULCT Board & Commission Reports & ULCT Board Update – Council Member Beth Holbrook, ULCT President

Council Member Fairbanks reported on the Privatization Board and said this Board is looking at all State operations and verifying how much involvement there is from the private sector. The Board meets quarterly.

6. ULCT Board and Commission Appointments – Cameron Diehl, Executive Director

Director Diehl reported on the following:

Emergency Management Administration Council – The Emergency Management Administration Council (EMAC)was created to provide advice and coordination for State and local government agencies on government emergency prevention, mitigation, preparedness, response, and recover actions and activities. Hugh Daniels of Park City has recently retired, leaving a vacant ULCT seat on EMAC. Hugh has been replaced by 'Mike' McComb as the City's Emergency Program Manager. The vacant ULCT seat on the EMAC only needs to be appointed by the ULCT Board of Directors to be filled. Director Diehl recommended that Mike be appointed to fill this vacancy.

Joint Highway Committee – The Joint Highway Committee (JHC) provides coordination and yearly project recommendations to the Utah Transportation Commission for the use of federal funds. Jeffrey L. Snelling formerly with Salt Lake City, has been replaced by Matt Cassel as the City Engineer for Salt Lake, leaving a vacant ULCT seat on the JHC for Region 2. The seat only needs to be appointed by the ULCT Board of Directors to be filled. Director Diehl recommended that Matt be appointed to fill this vacancy.

Private Activity Bond Review Board – The Private Activity Bond Review Board makes allocations of volume cap to issuing authorities and determines the amount of volume cap to be allocated with respect to approved applications. The board also maintains a record of all applications filed, and of all bonds issued by issuing authority during each year. They will also determine the amount of volume cap to be treated as a carryforward and allocate this carryforward to one or more qualified carry forward purposes. Finally, they will promulgate rules for the allocation of volume cap. Currently, the Private Activity Bond Review Board has a vacant ULCT seat which needs to be filled. The two current members are Chip Dawson, South Jordan Treasurer, and Wally Ritchie, Ivins Assistant City Manager. They had their names submitted by the ULCT Board of Directors in the spring and have since been appointed by the Governor and confirmed by the Senate. Those nominated by the Board of Directors for the current vacancy will be proved to the Governor for his appointment, followed by confirmation of the Senate. Director Diehl recommended that Dean Lundell, Finance Director of Lehi, and Bruce Riddle, Assistant City Administrator and Finance Director for Springville be nominated to the Governor's Office for consideration.

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Utah Communications Authority Board – The Utah Communication Authority (UCA) Board governs the UCA, which is responsible for the operation of the 800 and 150 MHz radio networks, and statewide interoperability which serves to enhance and promote inter-operable and emergency communications at the State, regional, local and tribal levels. It also oversees the management of the 911 program, which includes oversight for the next generation 911 systems, and promulgating minimum standards and best practices. Finally, it performs FIRSTNET coordination within the State of Utah to establish a nationwide, high speed, and wireless broadband network dedicated to public safety use. John Park of Cottonwood Heights has recently retired, leaving a vacant ULCT seat on the UCA Board. The vacant ULCT seat requires nomination by the ULC Board of Directors to the Governor for his appointment, followed by confirmation of the Senate. Director Diehl recommended that Wayne Parker, Provo City Chief Administrative Officer, and Adam Cowie, Lindon City Administrator, be considered for this position.

ACTION: Council Member ?? moved to approve the appointments as presented. The motion was seconded by Council Member??. The motion carried unanimously.

7. National League of Cities Endorsements – Cameron Diehl, Executive Director

Director Diehl reported on the National League of Cities endorsements. Clearfield Mayor Mark Shepherd who is running for the NLC Board of Directors and Amy Fowler from Salt Lake City. The process of the NLC is an endorsement from ULCT.

ACTION: Council Member ?? moved to approve the endorsements of Council Member Amy Fowler and Mayor Mark Shepherd to the National League of Cities Board of Directors as presented. The motion was seconded by Council Member?? The motion carried unanimously.

8. Review & Approval of Check Registers – Nick Jarvis, Chief Operating Officer

Nick Jarvis reviewed the check resister from August 2018 and the credit card statement for July and August 2018. He said there are two charges for the Rural Mayor's Summit that include alcohol.

Mayor Arave said in regards to the alcohol purchase, there was a contribution from Rocky Mountain Power in the amount of $2,500 for the reception.

Director Diehl added that alcohol is also served at the Midyear and Annual Conference and ULCT was on budget for the Rural Mayor's Summit.

Mayor Hiatt suggested making an amendment with an exception or isolated statement regarding alcohol being served with the pre-approval of the Director.

Director Diehl clarified that alcohol is not against League policy as long as its approved in advance and is for business meals.

Council Member Allen stated that whether it's allowed or not she suggested that it's something the Board should review and she is not comfortable using taxpayer funds for alcohol.

ACTION: Council Member Jewell Allen moved to approve the Check Registers as presented. The motion was seconded by Council Member Nicole Martin. The motion carried unanimously.

9. ULCT – Annual Convention 2018 Preview – Susan Wood, Director of Communication & Technology

Susan Woods addressed the Board regarding the Annual Convention and asked the Board if they would like to introduce the presenters.

President Holbrook responded that she feels if they able, she would like the Board to make the introductions.

10. Closed Session (if needed) As per Utah Code 52-4-205

No closed session was held by the Board.

11. Other Business

12. Adjourn

ACTION: Motion by Council Member Fairbanks moved to adjourn the ULCT Board of Directors meeting of September 11, 2018. The motion was seconded by Council Member Barnet. The motion carried unanimously.

MINUTES APPROVED:

_____ _____

Chairman Date

_____ _____

Secretary Date

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MINUTES OF THE UTAH LEAGUE OF CITIES & TOWNS BOARD OF DIRECTORS MEETING

Utah Local Governments Trust
55 US-89
North Salt Lake, Utah 84054
Monday October 15, 2018
9:00 AM

CONDUCTING: ULCT Board of Directors President John Pike

EXECUTIVE BOARD PRESENT
Mayor John Pike, President, St. George
Mike Mendenhall, 1st Vice President, Spanish Fork
Mike Caldwell, 2nd Vice President, Ogden
Council Member Beth Holbrook, Bountiful

BOARD OF DIRECTORS PRESENT
Jewel Allen, Grantsville
Richard Barnett, Richfield
Andy Beerman, Park City
Damon Cann, North Logan
Don Christensen, West Valley City
John Christensen, Mayfield
Dan Christiansen
Brett Graham, Holladay
Michelle Kaufusi, Provo
Nicole Martin, Herriman
Erin Mendenhall, Salt Lake City
Emily Niehaus, Moab
Jeff Silvestrini, Millcreek
Dustin White, Roosevelt

ULCT STAFF PRESENT
Cameron Diehl, Executive Director
Nick Jarvis, Chief Operating Officer
Susan Wood, Director of Communication and Training
Abby Bolic, Operations Coordinator
David Church, General Counsel
Rachel Otto, Director of Government Affairs
Meg Ryan, Manager-Land Use Academy of Utah
Roger Tew, Senior Policy Advisor
Brandon Smith, Legislative Research Analyst
Karson Eilers, Legislative Research Analyst

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John Hiskey, Senior Policy Advisor

Visitors: Steve Fairbanks – Past Board Member, Scott Riding, Nick Starn, Kyrene Gibb, Steve Fairbanks, Justin Smart, Wendy Hansen, Mike Applegarth, Ron Mortinson

WELCOME AND INTRODUCTIONS

ULCT President John Pike called the meeting to order and welcomed all to the meeting. He excused Maile Edwards – Cedar City, Dawn Ramsey – South Jordan, Jim Talbot – Farmington, Len Arave – North Salt Lake, and Gary Hill – UCMA

BOARD MEMBER EXPECTATIONS

Cameron Diehl thanked the members of the Board of Directors for their willingness to serve. He indicated the Board had 21 members representing 248 cities and 1,380 elected officials. He explained League staff would keep its focus on legislative advocacy, training, and the underlining communication platform. He encouraged the members of the Board to review the memo regarding the takeaways from the April Board Retreat in St. George.

Cameron mentioned other organizations similar to the ULCT throughout the Country were experiencing similar issues with explaining and articulating the role of local government. He commented it was a critical message that needed to be heard. He also reviewed the Local Government Principle Prism, the structure of ULCT, the role of the Executive Board, and the duties of the Board of Directors.

Cameron asked the members of the Board to report League business to the member cities within each geographic region in an effort to establish confidence that they are represented at the League and to create a two way dialogue about legislative priorities. He added there was a need for volunteers for a convention site selection committee, a communications rapid response ad hoc group, a subgroup to work with Penna Powers on rebooting the local control message, members willing to testify at the capitol, and a subgroup on potential amicus briefs. He stated an email would be sent to Board members asking for volunteers to participate in the various opportunities.

Nicole Martin expressed the need to coordinate and manage messages about local control and local government in general as well as managing who the spokespeople were for the messages.

REVIEW AND APPROVAL OF THE MINUTES

The Board reviewed the minutes from the August 20, 2018 ULCT Board of Directors meeting. Nick Jarvis mentioned a change had been made to the minutes to indicate Damon Cann represented North Logan rather than North Ogden and Kent North Logan was removed.

Mike Caldwell moved to approve the minutes from the August 20, 2018 ULCT Board of Directors meeting as amended. The motion was seconded by Damon Cann. The vote was unanimous. The motion carried.

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CONFLICT OF INTEREST DISCLOSURE

No disclosure of potential conflict of interest was presented.

Jon Pike, President, directed members of the Board to the Annual Conflict of Interest Disclosure in the packet and asked them to fill them out and return them to Nick Jarvis.

ULCT BOARD AND COMMISSION REPORTS

Cameron Diehl explained ULCT had representation on twenty-five boards and commissions across the State. He stated the Board made final approval of nominations to serve on those boards and commissions. He indicated Brandon Smith was coordinating the two-way communication between the Board and those serving on boards and commissions. No action was required at the meeting.

ULCT BOARD AND COMMISSION APPOINTMENTS

There were no board or commission appointments.

Beth Holbrook explained she served on the Utility Facility Review Board which was a subset of the Public Service Commission. She stated that particular board dealt with legislation and lawsuits between local government and Rocky Mountain Power. She reported there had been a resolution on a lawsuit that had been in process for a couple of years regarding the relocation of a transmission line easement that affected Summit and Wasatch counties. She continued the transmission line easement was moved slightly and paid for by the private property owner.

ULCT BOARD OF DIRECTORS VACANCY

Mike Caldwell reported Dean Baker from Naples resigned from the Board. He thanked him for his service.

Mike Caldwell moved to appoint Dustin White from Roosevelt to fill the vacancy through September 2019. The motion was seconded by Nicole Martin. The vote was unanimous. The motion carried.

ULCT PERSONNEL

Cameron Diehl explained that as a result of the restructuring of staff positions last year, the position of Director of Research and Technology previously held by Nick Jarvis had been left vacant. He proposed to replace the position with a Director of Policy in an effort to make ULCT more proactive on legislation with a greater emphasis on policy. He commented the proposal might require a budget amendment by the Board at its meeting in December.

Erin Mendenhall encouraged staff to be cognizant of recruiting diversity. Cameron assured the Board that was a priority for staff and detailed past efforts to seek diversity.

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REVIEW AND APPROVAL OF CHECK REGISTER

Nick Jarvis presented the check register report. He explained the process for review. Jon Pike asked if the late fee issue had been addressed. Nick reported the issue had been addressed and automatic payments were established to avoid any future issues.

Damon Cann moved to approve the September 2018 check register as presented. The motion was seconded by Andy Beerman. The vote was unanimous. The motion carried.

FY 2018 YEAR-END FINANCIAL REPORT

Nick Jarvis presented the FY 2018 Year-end Financial Report. He reported at the end of FY 2018 revenues outpaced expenditures by just over $500,000. He explained staff had made a significant effort to be conservative with expenditures. Cameron Diehl commented the financials had been incomplete in the past but that practice was changed with significant help from other staff members. He added staff also wanted to be conservative in an effort to cover the costs associated with remodeling the ULCT offices. Nick also reported the budget included interest income resulting from the League revenues being invested in the PTIF (Public Treasurers Investment Fund). He reported the League was in a sound fiscal position as it moved into the new fiscal year.

Damon Cann asked if the Municipal Finance Authority (MFA) coop funds were gone. Nick reported the funds were gone. Dave Church reported on the status and dissolution of the MFA coops. Jon Pike expressed appreciation for the efforts of the current staff to resolve past discrepancies and issues.

Jewell Allen moved to approve the FY 2018 Year-End Financial Report as presented. The motion was seconded by Richard Barnett. The vote was unanimous. The motion carried.

PUBLIC OPINION AND MESSAGING SURVEY – Y2 ANALYSIS (WFRC)

Cameron Diehl reported the League, in conjunction with the Salt Lake Chamber of Commerce and Wasatch Front Regional Council, contracted with Y2 Analytics for research and analysis regarding public opinion on population growth and the current housing crisis.

Scott Riding, Y2 Analytics, reported the study looked for major differences by areas and types of cities regarding housing issues and the public's perceptions. He stated, in general, the recommendations were the same regardless of the size of the city. He stated the study was a three-phase research project that looked at historical data for themes; took that research to focus groups to better understand voter expectations, motivations, and fears regarding growth in their communities; and, conducted a scientific survey of over 2,000 voters across nine highest growth counties to quantify awareness and understanding, and to test preferences for various housing options by community. He reported the details of the survey were provided to the Board in its agenda packet.

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Scott defined the priorities for the discussion as the following:

- The current state of trust in local government
- Perceptions of local growth and its consequences
- Moving the needle of public opinion

The following results were identified (Local elected officials were defined as mayors and city council members.):

- Local elected officials were seen relatively favorably.
- Local elected officials were seen as best responsible and trusted for planning long term needs of communities.
- Local elected officials were seen as most responsible and trusted for communicating with the public.
- Local elected officials were seen as most responsible and trusted for researching local views.
- Local elected officials were seen as most responsible and trusted for ensuring necessary infrastructure was in place.
- Local elected officials were see as most responsible and trusted for looking out for community interests.
- The current housing marketing conditions were blamed primarily on real estate or housing developers in Utah and then the government in the city or town where the respondent lived.
- Issues surrounding growth were a top priority for respondents, most particularly housing affordability.
- There was a perception that current population growth in Utah came from people moving in from out-of-state rather than from children and grandchildren settling in the local communities.
- There was a perception that the respondents don't have a meaningful say in the way their community was growing and developing.
- There was a perception that increased traffic and congestion always accompany growth and development in communities.
- There was a perception that crime rates increased with growth in the community.
- Infrastructure issues and broken promises were the most damaging communications that undermined trust in local elected officials.
- The current housing crisis and having children and grandchildren being able to afford a decent place to live in the community were the most persuasive arguments for local control of growth.

Scott mentioned the voters appeared to support the League's position that local elected officials had primary responsibility for planning communities. He cautioned that voters would hold local elected officials more responsible for perceived failures because of that trust. He reported the perception that local elected officials should lead planning efforts was common across all types of communities. He commented proactive communication was key and would be required to address the housing crisis.

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Scott indicated the survey tested housing attributes that appealed to the respondents such as housing types, number of new occupants, proximity to amenities, mixed use features, approval process, transportation access, density, location in the community, and infrastructure accommodations. He stated the survey indicated the top components were type of housing, ownership, transportation, and mixed use.

Nicole Martin expressed concern that people have great concerns about density and then have no interest in hearing the rest of the story. Scott suggested substance did matter but the optics mattered as well. He stated there were types of developments that made sense when coupled with proactive communication. He offered access to tools that would assist communities in using the data as they planned for new development.

Andy Beerman expressed appreciation for the data but suggested it was only half of the equation. He suggested there still needed to be some data found that addressed how the housing crisis occurred. Cameron Diehl commented effort was being made to identify the causes. He agreed there was an incomplete narrative and those false assumptions were driving the course. Erin Mendenhall commented there had been talk of high impact fees affecting development. She expressed appreciation for the survey data that identified infrastructure as a concern for voters. She encouraged a mindful approach to the real costs of future development when local government can't afford to pay for the new infrastructure needed. Cameron commented that point would be brought up at LPC with a request for participation in a survey asking for feedback so a consensus could be determined.

ULCT REBOOTING LOCAL CONTROL

Cameron Diehl stated the League supported local control which meant that the government closest to the people governed best. He indicated the word "control" had become a negative term so there was a need to analyze how the League could signal a collaborative tone. He reported Penna Powers was asked to look for a new strategic messaging framework that would reboot local control while providing communication tools that could be used at the Legislature.

Justin Smart, Penna Powers, explained the discussion would include words that could be used by League members in the policy space so as to be perceived differently while providing leverage. He stated it was important to reinforce the message that League members were trusted, equal partners in the policy arena while highlighting the need for decision-making to reside at the appropriate level and for policy outcomes that benefitted their respective constituencies.

Justin presented a proposed messaging framework to be specifically used in the policy arena. The proposed Policy Pillars follow:

- Respect for Roles – all levels of government need to recognize each level has a role to play.
- Collaborative Approach – displays a willingness to come to the table.
- Focus on Outcomes – signal the League is focused on outcomes.

DRAFT

Beth Holbrook was curious about the order of the pillars. She commented respect could be offered but it didn't mean it would be reciprocated. Justin commented the order was based on the concept that each level of government had a role to play.

Justin presented a prism that would guide decisions and assist in communicating with residents. He suggested it would not be a big adjustment rather a retooling. The proposed Policy Pillars Prism follows:

- What problem is the bill trying to solve?
- Is the bill a "one size fits all approach?"
- Does the bill empower or restrict the ability of mayors and council members to govern?
- Does the bill have a financial impact on local government?

There were general comments about the concept proposing a fair message while emphasizing how League members were an extension of their residents. There was a discussion about further clarifying some of the points in the prism to add clarity. Cameron reviewed the prism previously used by ULCT staff in evaluating bills and how it was used at the Legislature.

Justin presented language that might be used to convey the League's message as follows:

- As elected officials at every level work to find positive outcomes for our residents, we must demonstrate respect for everyone's roles.
- Whether elected officials at all levels of government find themselves on the same side or opposing sides of an issue, we must pursue a collaborative approach to finalizing any decision.
- We will be successful as we focus on quality outcomes.

Justin presented modular hashtags that might give purpose to drawing threads through conversations and reinforcing concepts. There was a discussion on the use of hashtags and what hashtags might reach the most people. It was suggested that there was a need to simplify the message portrayed through hashtags.

Justin recommended the following moving forward:

- Shift from the umbrella of "local control" to three Policy Pillars: Respect. Collaboration. Outcomes.
- Link the Policy Pillars to the evaluative Prism developed ahead of the 2019 Legislative Session.
- Widely incorporate the Policy Pillars into written and spoken communications (speaking engagements, city/county newsletters, "Message from the Mayor," etc.)
- Implement a modular hashtag approach on social media to reinforce ULCT's tagline and the Policy Pillars as needed.
- Establish an ongoing dialogue with State officials.
- Seek and accommodate opportunities to promote win-win scenarios in the public view, where local and State elected officials can be seen working together for community benefit.
- Share data as appropriate from citizen surveys, community inputs (EMS, service providers, other operations), etc. with your counterparts at other levels.

DRAFT

Jon Pike asked the Board to review the information so it could be revisited at the December meeting.

BALLOT PROPOSITIONS UPDATE

Jon Pike commented the ballot propositions update would be addressed during LPC.

CLOSED SESSION (if needed)

There was no need for a closed session.

OTHER BUSINESS

There was no other business to come before the Board.

Mike Caldwell moved to adjourn at 11:50 a.m. The motion was seconded by Beth Holbrook. The vote was unanimous.

DRAFT

UTAH LEAGUE OF CITIES AND TOWNS

TO: ULCT Board of Directors

FROM: Brandon Smith, Legislative Research Analyst

DATE: December 5, 2018

SUBJECT: Boards and Commissions Appointments and Nominations

The following are seats on various boards and commissions that require action for appointment or nomination.

Wasatch Front Regional Council (WFRC)
The Wasatch Front Regional Council (WFRC) is an Association of Governments (AOG) organized to discuss and study community challenges of mutual interest and concern. It also serves as the Metropolitan Planning Organization (MPO) for the Salt Lake City-West Valley City and Ogden-Layton Urbanized Areas. The mission of WFRC is to build consensus and enhance quality of life by developing and implementing visions and plans for a well-functioning multi-modal transportation system, livable communities, a strong economy, and a healthy environment. The Council is made up of 27 members, including a non-voting member who represents the Utah League of Cities and Towns.

Beth Holbrook, former Bountiful Council Member, and Immediate Past President of the ULCT Board of Directors, has resigned from her seat on the Wasatch Front Regional Council. The seat only needs the appointment of the ULCT Board of Directors. It is my recommendation that Mayor Dawn Ramsey of South Jordan be appointed to fill this seat.

Governor's Rural Partnership Board
The Governor's Rural Partnership Board is part of the Governor's Office of Rural Development. The Office of Rural Development works with businesses in Utah's rural counties, providing resources and programs to sustain business and improve employment opportunities. The office collaborates with local governments and other development partners to support rural economic growth.

The seat on this board was previously held by Mayor Kelleen Potter of Heber City. The individual holding this seat needs to be a rural member of the ULCT Board of Directors. It is my recommendation that Mayor Niehaus of Moab be appointed to fill this seat.

Utility Facility Review Board
The Utility Facility Review Board was established by the Legislature to resolve issues between interested parties regarding the construction and installation of public utility facilities.

Beth Holbrook, former Bountiful Council Member, and Immediate Past President of the ULCT Board of Directors, has resigned from her seat on the Utility Facility Review Board. The nomination from the board will be submitted to the Governor's Office for appointment. There is no Senate confirmation for this seat. It is my recommendation that Troy Fitzgerald, City Manager for Springville, be nominated to this position.

Quality Growth Commission
The Quality Growth Commission makes recommendations to the Legislature and advises them on growth management issues. The commission is to conduct a review each year to determine progress statewide. The commission is also charged to assist as many local entities as possible, at their request, to identify principles of growth that the local entity may consider implementing to help achieve the highest possible quality of growth for that entity.

Steve Pruden recently resigned from the Quality Growth Commission. The board's nomination for the seat on the Quality Growth Commission will be submitted to the Governor's Office for appointment, then finally to the Senate for confirmation. It is my recommendation that Mayor Jenney Rees of Cedar Hills be nominated to this position.

Envision Utah
Envison Utah is a diverse group of action-oriented community leaders, united by a commitment to secure a bright future for Utah. ULCT Executive Director, Cameron Diehl, has been invited to serve on the Board for Envision Utah for a 3-year term. The invitation included the following, "Our nominating committee, staff, and I [Mayor Brunst] hope that you will join the board and bring your personal and professional experiences to enhance and improve Envision Utah's work as we carry out our mission, which is: 'Envision Utah engages people to create and sustain communities that are beautiful, prosperous, healthy, and neighborly for current and future residents.'"

The Board for Envision Utah consists of about 30 individuals, including leaders Scott Anderson, Pamela Atkinson, H. David Burton, Spencer Eccles, Andrew Gruber, Natalie Gochnour, Lonnie Bullard, Ty McCutcheon, and others who serve as Envision Utah's governing body. They meet for about 2 hours once each month. No action is required for this position.

Communications from Boards and Commissions
There are 52 seats across 25 boards and commission on which ULCT has representatives on. Moving forward, there will be a monthly email requesting information from those who sit on

boards and commissions to assist in keeping ULCT staff updated, and in preparation for the ULCT Board of Directors meetings.
We have received information and feedback for a number of boards, and acknowledgement from many others whose board or commission has not yet met since the letter was sent. Below is a brief report from those who have shared information with us.

- **Commission on Housing Affordability** – Andrew Johnston of Salt Lake City and Chris Condie of Lehi
    - This board has been very active this summer. Andrew and Chris have worked on the Commission, and many of its subgroups to work on legislation for this coming legislative session.

- **Emergency Management Administration Council** – Dustin Lewis of South Jordan and Jonathan "Mike" McCombs
    - The Council last met on November 28. Topics included water outlook and conservation efforts, fire season report, "see something, say something" campaigns, and the potential for a bill addressing the Disaster Recovery Fund.

- **Procurement Policy Board** – Bryan Hemsley of Salt Lake City
    - The board meets only as needed. Their last meeting was in April, in which they discussed a proposed rule amendment for scoring evaluation criteria in the RFP process.

- **State Records Committee** – Cindi Mansell of Salt Lake City
    - The Committee met this past month for three hearings on records cases ranging from appeals of denied requests, to a request for a fee waiver for costs associated with records production.

- **Utah Indigent Defense Commission** – Nicole Cottle of West Valley and Ryan Loose of South Jordan
    - The Indigent Defense Commission in its first year of operation has made great strides in educating cities and counties on how to properly provide and contract for indigent defense. Nicole Cottle reported that better tracking of cases and attorneys involved with indigent defense would be very helpful in better understanding how funds are used for indigent defense. Ryan Loose reported that the IDC has also provided grant funds to a handful of entities, one of which was Ogden City.

- **Towing Advisory Board** – Mark Stratford of Ogden and Brian Jones of Provo
    - Mark Stratford and Brian Jones have been in regular communication with ULCT staff regarding towing and the issues they are discussing, including signage for towing, rotation list qualifications for towers, and the appeals process for those removed from the list.

- **Utah Communications Authority Board** - Gary Whatcott of South Jordan and John Park previously with Cottonwood Heights
    - Gary Whatcott and John Park have reported that the UCA Board has been working diligently on updating radio communications around the state, as well as developing overall policies and procedures for the newly structured UCA Board. The Board keeps busy as it addresses the needs of radio communications, 911 services, and public safety answering points (PSAPs).

- **Utah Substance Use and Mental Health Advisory Board** – Howard Madsen of Sunset
    - Mayor Madsen, as a retired police officer, is working hard to keep the message of prevention as an important piece of the discussion on opioid abuse. He reports that there is a great amount of discussion about treatment and shared the efforts the committee is involved in regarding awareness campaigns.

Thank you to all of those who are on boards and commissions for their work and for their communication with ULCT staff. If you have any questions regarding a specific board, please contact Brandon Smith at bsmith@ulct.org, or 801-328-1601 ext. 6.

Board	Currently Filled by	City/Town	Appointed by
Commission on Housing Affordability	Andrew Johnston	Salt Lake City	Governor
Commission on Housing Affordability	Chris Condie	Lehi	Governor
Emergency Management Administration Council	Dustin Lewis	South Jordan	ULCT Board of Directors
Emergency Management Administration Council	Jonathan "Mike" McCombs	Park City	ULCT Board of Directors
Free Market Protection and Privatization Board	Steven Fairbanks	Sandy	Governor
Governor's Rural Partnership Board	VACANT	VACANT	ULCT Board of Directors
Joint Highway Committee	Gary Uresk	Woods Cross	ULCT Board of Directors
Joint Highway Committee	Gary Hill	Bountiful	ULCT Board of Directors
Joint Highway Committee	Matt Cassel	Salt Lake City	ULCT Board of Directors
Joint Highway Committee	Trae Stokes	Murray	ULCT Board of Directors
Joint Highway Committee	Ryan Snow	Roosevelt	ULCT Board of Directors
Joint Highway Committee	David Graves	Provo	ULCT Board of Directors
Joint Highway Committee	Jon Pike	St. George	ULCT Board of Directors
Joint Highway Committee	Jason Brown	Beaver	ULCT Board of Directors
Joint Highway Committee	Miles Nelson	Price	ULCT Board of Directors
Joint Highway Committee	Jeremy Redd	Blanding	ULCT Board of Directors
Joint Highway Committee	Mike Langston	Richfield	ULCT Board of Directors
Joint Highway Committee	Joe Decker	Kanab	ULCT Board of Directors
Joint Highway Committee	Jamie Davidson	Orem	ULCT Board of Directors
Joint Highway Committee	Paul Hansen (Jim Bolser)	Tooele	ULCT Board of Directors
Joint Highway Committee	Russ Willardson	West Valley	ULCT Board of Directors
Joint Highway Committee	Cameron Diehl	ULCT	ULCT Board of Directors
Kem C. Gardner Policy Institute	Roger Tew / Cameron Diehl?	ULCT	Position for ULCT Executive Director
Land Use and Eminent Domain Advisory Board	Clint Drake	Bountiful	Governor
Point of the Mountain Development Commission	Jim Miller	Saratoga Springs	ULCT Board of Directors
Point of the Mountain Development Commission	Kurt Bradburn	Sandy	ULCT Board of Directors
Private Activity Bond Review Board	Dean Lundell (Pending)	Lehi	Governor
Private Activity Bond Review Board	Chip Dawson	South Jordan	Governor
Private Activity Bond Review Board	Wally Ritchie	Ivins	Governor
Procurement Policy Board	Bryan Hemsley	Salt Lake City	ULCT Board of Directors
Quality Growth Commission	VACANT	VACANT	Governor
Quality Growth Commission	Andy Beerman	Park City	Governor
Quality Growth Commission	Erin Mendenhall	Salt Lake	Governor
State Records Committee	Cindi Mansell	Salt Lake	Governor
Towing Advisory Board	Mark Stratford	Ogden	ULCT Board of Directors
Towing Advisory Board	Brian Jones	Provo	ULCT Board of Directors
Uniform Building Code Commission	Kent Bush	Clearfield	Governor
Utah Communications Authority Board	Wayne Parker (Pending)	Provo	Governor
Utah Communications Authority Board	Gary Whatcott	South Jordan	Governor
Utah Indigent Defense Commission	Ryan Loose	South Jordan	Governor
Utah Indigent Defense Commission	Nicole Cottle	West Valley	Governor

Board	Currently Filled by	City/Town	Appointed by
Utah Motor Vehicle Franchise Advisory Board	Cameron Diehl	ULCT	Executive Director of the Department of Commerce
Utah Motor Vehicle Franchise Advisory Board - Alternate	Rachel Otto	ULCT	Executive Director of the Department of Commerce
Utah Outdoor Recreation Grant Advisory Committee	Cameron Diehl	ULCT	Executive Director of the Outdoor Recreation Office
Utah Retirement System Membership Board	Jamie Davidson	Orem	ULCT Board of Directors
Utah Seismic Safety Commission	Cameron Diehl	ULCT	ULCT Director
Utility Facility Review Board	VACANT	VACANT	Governor
Wasatch Front Regional Council (Primary Member)	VACANT	VACANT	ULCT Board of Directors
Wasatch Front Regional Council (Alternate Member)	Shayne Scott	Kaysville	ULCT Board of Directors
Wasatch Front Regional Council Regional Growth Committee	Gary Uresk	Woods Cross	ULCT Board of Directors
Utah Substance Use and Mental Health Advisory Council	Howard Madsen	Sunset	ULCT Board of Directors

Utah League of Cities & Towns

Check Register (Checks and EFTs of All Types)

Sorted by Check Number
October 2018 Checks/EFTs

Check Number	Date	EFT #/ Vendor	Name	Discounts	Net Amount
			Cash Account #1 [Zions Bank - Checking]		
EFT	10/31/18	PAYROLL DIRECT DEPOSIT			
		NAT 102	National Payroll Systems	0.00	24323.21
EFT	10/15/18	2018 10 15 PAY TAXES			
		NAT 102	National Payroll Systems	0.00	8026.11
EFT	10/15/18	2018 10 15 DIR DEP			
		NAT 102	National Payroll Systems	0.00	23273.86
EFT	10/15/18	2018 10 15 PAYROLL FEES			
		NAT 102	National Payroll Systems	0.00	189.65
EFT	10/15/18	2018 10 15 LEGAL PAY			
		CHU 100	David Church	0.00	3000.00
EFT	10/31/18	2018 10 31 NAT FEES			
		NAT 102	National Payroll Systems	0.00	113.93
EFT	10/31/18	2018 10 31 PAYROLL TAX			
		NAT 102	National Payroll Systems	0.00	8115.01
37288	10/14/18	ABB 100	Abby Bolic	0.00	286.40
37289	10/14/18	CAP 105	Capitol Hill Association	0.00	8000.00
37290	10/14/18	EXE 100	Executech	0.00	1092.30
37291	10/14/18	FIL 100	Access	0.00	220.53
37292	10/14/18	LEX 100	RELX Inc. DBA LexisNexis	0.00	116.00
37293	10/14/18	MAR 108	Marvellous Catering	0.00	2145.16
37294	10/14/18	NIC 100	Nick Jarvis	0.00	303.38
37295	10/14/18	OPD 100	The OP Dealer	0.00	104.80
37296	10/14/18	SAL 108	Salt Lake County Center for the Arts	0.00	5122.52
37297	10/14/18	SUS 100	Susan Wood	0.00	295.40
37298	10/14/18	TEW 100	Roger Tew	0.00	147.15
37299	10/14/18	UP&L 100	Rocky Mountain Power	0.00	463.55
37300	10/14/18	URB 101	Urban Decision Group	0.00	2205.60
37301	10/14/18	VAN 100	Vanguard Cleaning Systems	0.00	395.00
37302	10/30/18	6TH 100	Sixth East Condo Assoc.	0.00	900.00
37303	10/30/18	CAR 100	Carr Printing	0.00	140.00
37304	10/30/18	COM 100	Comcast	0.00	731.99
37305	10/30/18	FAS 100	Fast Forward Productions	0.00	825.00
37306	10/30/18	JOH106	John Michael Oliver	0.00	1746.25
37307	10/30/18	LES 100	Les Olsen Company	0.00	2657.25
37308	10/30/18	PAU 102	Paulsen Construction LLC	0.00	55607.30
37309	10/30/18	PEH 100	Public Employees Health Program	0.00	300.96
37310	10/30/18	QUE 100	Dominion Energy	0.00	33.25
37311	10/30/18	UTA 100	Utah Local Gov't Trust	0.00	439.34
37312	10/30/18	WAS 100	Washington Speakers Bureau	0.00	3132.60
37313	10/30/18	PRE 100	Prescott Muir Architects	0.00	3092.41
37314	10/30/18	UP&L 100	Rocky Mountain Power	0.00	266.23
37315	10/30/18	USU 101	USU Event Services	0.00	6017.00
37316	10/31/18	ZIO 100	Zions Bank	0.00	22016.07
			Cash account Total	0.00	185845.21

Utah League of Cities & Towns

Check Register (Checks and EFTs of All Types)

Sorted by Check Number
October 2018 Checks/EFTs

Check Number	Date	EFT #/ Vendor	Name	Discounts	Net Amount
			Report Total	0.00	185845.21

Utah League of Cities and Towns Credit Card Reallocation of Expenses Template

Card Name: VISA Statement Close 10/24/18

ard Number: VISA

DATE	RECEIPT	CARD	TO	AMOUNT	BUSINESS PURPOSE	REALLOCATE TO
9/25/2018	Yes	Abby	Amazon.com*MT7EL4AA2 A	$23.49	Office Supplies	8345.099
9/25/2018	Yes	Abby	Amazon.com*MT4FA31Z0 A	$9.94	Office Supplies	8345.099
9/25/2018	Recurring	Abby	EIG*CONSTANTCONTACT.C(	$125.00	Recurring	8100.099
9/26/2018	Yes	Abby	CAFE ZUPAS - DOWNTOWN	$116.85	LUTF Mtg	8200.099
9/28/2018	Yes	Abby	COSTCO WHSE #0113 SALT I	$510.00	Office Food	8200.099
9/28/2018	Recurring	Abby	INTUIT *QB ONLINE 800-28(	$32.06	Recurring	8100.099
9/29/2018	Recurring	Abby	ADOBE *PHOTOGPHY PLAN	$10.67	Recurring	8100.099
10/1/2018	Recurring	Abby	STOR-N-LOCK #9 801-974-0	$202.00	Recurring	8100.099
10/1/2018	Yes	Abby	GOLD STAR AWARDS & ENG	$774.79	Annual Gifts	6150.022
10/2/2018	Yes	Abby	NATIONAL LEAGUE OF 202-(	$920.00	Registration	8600.099
10/3/2018	Yes	Abby	NATIONAL LEAGUE OF 2026	-$580.00	Registration	8600.099
10/3/2018	Yes	Abby	NATIONAL LEAGUE OF 2026	-$540.00	Registration	8600.099
10/5/2018	Recurring	Abby	ADOBE *ACROPRO SUBS 80	$16.13	Recurring	8100.099
10/8/2018	Recurring	Abby	VBULLETIN SOLUTIONS(USD	$19.95	Recurring	8100.099
10/8/2018	Recurring	Abby	ZOOM.US 888-799-9666 CA	$14.99	Recurring	8100.099
10/9/2018	Recurring	Abby	MICROSOFT *OFFICE 365 m	$7.47	Recurring	8100.099
10/9/2018	Recurring	Abby	ADOBE *ACROPRO SUBS 80	$16.13	Recurring	8100.099
10/10/2018	Yes	Abby	PIZZERIA LIMONE DT SALT L	$182.44	LUTF Mtg	8200.099
10/10/2018	Yes	Abby	KNEAD A MASSAGE - SALT S	$324.00	Annual Massages	6110.022
10/10/2018	Yes	Abby	MICROSOFT - 21 SALT LAKE	$1,648.00	Cam Laptop	8550.099
10/11/2018	Recurring	Abby	DS SERVICES STANDARD CO	$43.78	Recurring	8100.099
10/12/2018	Yes	Abby	NATIONAL LEAGUE OF 202-(	$155.00	Registration	8600.099
10/15/2018	Yes	Abby	SALT LAKE CHAMBER WWW	$340.00	Registration	8600.099
10/16/2018	Yes	Abby	UTAH CITY MGMT ASSOC 8(	$100.00	Registration	8600.099
10/16/2018	Yes	Abby	MICROSOFT *OFFICE 365 m	$7.52	Recurring	8100.099
10/16/2018	Recurring	Abby	MICROSOFT *OFFICE 365 m	$7.47	Recurring	8100.099
10/16/2018	Recurring	Abby	MICROSOFT *OFFICE 365 m	$7.52	Recurring	8100.099
10/16/2018	Recurring	Abby	MICROSOFT *OFFICE 365 m	$7.52	Recurring	8100.099
10/16/2018	Recurring	Abby	MICROSOFT *OFFICE 365 m	$7.52	Recurring	8100.099
10/16/2018	Yes	Abby	WHOLEFDS TSQ 10280 SALT	$19.34	Gift	8200.099
10/16/2018	Yes	Abby	CAPITOL PRESERVATION B S	$10.00	Room Deposit	8250.099
10/17/2018	Recurring	Abby	ZOOM.US 888-799-9666 CA	$14.99	Recurring	8100.099
10/18/2018	Yes	Abby	THE UTAH LAND USE INSTIT	$609.96	Registration	8600.099
10/20/2018	Recurring	Abby	MSFT * E02006RE5K 800-64	$8.88	Recurring	8100.099
10/20/2018	Recurring	Abby	ZOOM.US 888-799-9666 CA	$14.99	Recurring	8100.099
			ABBY BOLIC			
			TOTAL XXXXXXXXXXXX8233	**$5,188.40**		

Common Reallocation Accoun	Account Name	Total
8200.099	Food - Administrative	$828.63
8600.099	Staff Training	$1,004.96
8100.099	Dues & Subscribtions	$564.59
6150.022	Speaker Fees	$774.79
8345.099	Office Supplies	$33.43
6110.022	Entertainment Annual	$324.00
8250.099	Facility Rent & Set Up	$10.00
8550.099	Equipment Purchase	$1,648.00
	STATEMENT TOTAL	**$5,188.40**

UTAH LEAGUE OF CITIES AND TOWNS

UTAH LEAGUE OF CITIES AND TOWNS

TO: ULCT Board of Directors

FROM: Nick Jarvis, Chief Operating Officer

DATE: December 5, 2018

SUBJECT: FY 2019 Q1 Financial Report

Attached please find a ULCT FY 2019 Q1 unaudited actual income and expenses compared to budget. This report covers the period July 1, 2018 to October 31, 2018.

Revenue

Overall, by the end of Q1 FY 2019, the League has collected 61% of all revenue budgeted for the year.

52% of ULCT annual budgeted revenue derived from **Membership Dues**. Membership dues were just over 88% collected by the end of Q1. All cities and towns have indicated that they will participate with ULCT this year (for the first time in three years), and management expects to collect 100% of dues by the end of Q2.

The ULCT's revenue from **Registration Fees** is 14% of total revenue budgeted. By the end of Q1, the League received 49% of the registration fee revenue budgeted. Staff expects to collect 100% of budgeted registration fee revenue and ULCT still has two major events that will collect registration fees (Local Officials Day and Midyear).

Donation and Advertising revenue accounts for 12% of annual budgeted revenue, and the League has collected 11% of that expected revenue. ULCT Executive Director Cameron Diehl has met the League's sponsors and anticipates all current sponsors to continue their support. Invoices will be sent to sponsors in January, and the vast majority of this revenue will be collected in Q3.

Exhibit Space revenue at the end of Q1 is 44% of budget. Staff expects to collect the remaining budgeted revenue in this category at the April Midyear Conference at the Dixie Center which allows for more exhibit space than the Annual Convention at the Sheraton.

0% of **Grants and Special Project** revenue was collected in this period. The only budgeted grant revenue is from Intermountain Healthcare for the ULCT Active and Healthy Communities Grant, which staff expects to receive in Q3. Additionally, ULCT may receive funds for the Land Use Academy of Utah from the Office of the Property Rights Ombudsman. No revenue was budgeted in the subcategory because of changes made to the process by which the funds are awarded. We now engage in a competitive grant process that includes other entities, and staff has submitted 6 proposals for funding to the Office of the Property Rights Ombudsman. Therefore, staff is hopeful that we will receive over 100% of budgeted revenue in this category by year-end.

UTAH LEAGUE OF CITIES AND TOWNS

Expenditures

Overall, actual Q1 expenditures are 35% of what was budgeted for FY 2019.

Personnel Services

Expenditures for Personnel Services account for 28% of overall ULCT budgeted spending. So far, ULCT has spent 22% of what has been budgeted. This is right on track for what staff expects to expend based on the current budget.

Charges for Services

Charges for Services account for 12% of total expenditures and is 30% expended by the end of Q1. This is also on track for what we have budgeted for FY 2019.

Operating & Program Expenses

This category accounts for 39% of budgeted expenditures. Actual expenditures for Q1 in this category are 42% of budget for the year. This is largely due to the fact that the costs for facility rental at the Sheraton for our Annual Convention are significantly higher than the other venues the League rents for our remaining events. Staff expects to remain on-budget in this category.

Grants and Special Projects

Expenditures in this category are extremely low (2% of budget). The major expense in this category is the Active and Healthy Communities Grant which will be dispersed later in the year.

Materials and Supplies

The expenditures in this category are only at 2% of budget. Once the move to the remodeled space is complete, staff expects spend more in this category.

Capital

73% of budgeted expenditures have been spent in this category in Q1. Actual costs of the office remodel have outpaced what was budgeted for FY 2019 and management is presenting the board with a budget amendment to be considered to complete the project. The majority of capital expenses will be complete by the end of Q2, with possible expenses lingering into Q3.

Conclusion

The ULCT finances are in good shape. We are on pace to be on budget for FY 2019 in all non-capital expense categories. Staff has diligently made sure that revenue and expenditures are properly classified in order to give management and the board a better understanding of where ULCT resources are utilized. Staff will continue to monitor the budget to ensure that the League remains in a financially sound position.

UTAH LEAGUE OF CITIES AND TOWNS

FY 2018-19 YTD 09.30.2018

REVENUES	2018-2019 ADOPTED BUDGET	YTD Actual July -September YTD Actual	Difference 2019 Budget TO Actual	% Collected 25%
General Revenue				
Membership Dues	$1,700,000	$1,488,355	($211,645)	88%
Registration Fees	$455,000	$223,151	($231,849)	49%
Donations & Advertising	$387,000	$44,500	($342,500)	11%
Exhibit Space	$85,000	$37,680	($47,320)	44%
Interest	$22,000	$10,746	($11,254)	49%
Publications	$10,000	$3,899	($6,101)	39%
Miscellaneous Income	$5,000	$1,248	($3,752)	25%
Reserves	$312,000	$0	($312,000)	0%
Rental Income	$0	$0	$0	100%
General Revenue	$2,976,000	$1,809,579	$1,166,421	61%
Grants & Special Projects				
Essay Contest Donations	$0	$0	$0	0%
Co-Op Funds Deseret News Project	$0	$0	$0	0%
Grant for Research Assistant	$0	$0	$0	0%
Transfer-Making Life Better	$0	$0	$0	0%
Grants-Active & Healthy Communitie	$300,000	$0	($300,000)	0%
Grants-LUAU	$0	$0	$0	0%
Grant-UTOPIA	$0	$0	$0	0%
Benchmarking	$0	$0	$0	0%
Grants & Special Projects	$300,000	$0	($300,000)	0%
TOTAL REVENUE	$3,276,000	$1,809,579	$1,466,421	55%

EXPENDITURES	2018-2019 ADOPTED BUDGET	YTD Actual July -September YTD Actual	Difference 2019 Budget TO Actual	Difference % Expended
Personnel Services				
Employee Benefits	$285,550	$41,588	$243,962	15%
Staff Salaries	$644,000	$163,283	$480,717	25%
Personnel Services Subtotal	$929,550	$ 204,871	$724,679	22%
Charges for Services				
Database Maintenance	$20,000	$0	$20,000	0%
Accounting Expenses	$45,000	$6,000	$39,000	13%
Contract Labor	$260,000	$99,271	$160,729	38%
Building Utilities	$8,000	$1,319	$6,681	16%
Computer Services	$24,000	$500	$23,500	2%
Legal Expense	$36,000	$9,000	$27,000	25%
Charges for Services Subtotal	$393,000	$116,090	$50,500	30%
Operating & Program Expenses				
Car Expense	$9,000	$2,250	$6,750	25%
Building Repairs	$17,500	$4,858	$12,642	28%
Dues and Subscriptions	$45,000	$18,647	$26,353	41%
Depreciation	$0	$0	$0	0%
Convention Programming	$270,000	$128,507	$141,493	48%
Food & Beverage	$450,000	$222,139	$227,861	49%
Facility Rent/Setup	$215,000	$85,831	$129,169	40%
League Relations	$5,000	$0	$5,000	0%
Library	$0	$0	$0	0%
Insurance	$8,500	$8,092	$408	95%
Printing Expense	$50,000	$7,498	$42,502	15%
Postage and Freight	$5,000	$603	$4,397	12%
Equipment Repairs and Maint.	$4,000	$379	$3,621	9%
Staff Training & Tuition Aid	$2,500	$858	$1,642	34%
Equipment purchases	$10,000	$11,876	($1,876)	119%
Spec. Equip. Rental	$65,000	$11,805	$53,195	18%
Telephone Expense	$13,000	$2,916	$10,084	22%
Travel and Lodging	$70,000	$12,984	$57,016	19%
League Office Lease Payment	$9,000	$9,000	$0	100%
Credit Card Processing/Bank Fees	$25,000	$10,540	$14,460	42%
Board Expenses	$11,000	$2,103	$8,897	19%
Operating & Program Exp. Subtotal	$1,284,500	$540,886	$743,614	42%
Grants & Special Projects				
Special Project-UTOPIA	$0	$0	$0	0%
Salary Survey	$0	$0	$0	0%

Special Project-ULCTv	$0	$0	$0	0%
Special Project-LUAU	$0	$5,655	($5,655)	0%
Special Project-Making Life Better	$0	$0	$0	0%
Special Projects-IHC Wellness	$278,000	$0	$278,000	0%
Deseret News Project	$0	$0	$0	0%
Tax Book	$12,000	$0	$12,000	0%
Municipal Funding Project	$0	$0	$0	0%
University of Utah Policy Institute	$0	$0	$0	0%
Essay Contest Expenses	$4,950	$0	$4,950	0%
Benchmarking	$0	$0	$0	0%
Grants & Special Projects Subtotal	$294,950	$5,655	$294,950	2%
Materials and Supplies				
Office Supplies	$13,000	$236	$12,764	2%
Materials & Supplies Subtotal	$13,000	$236	$12,764	
Miscellaneous				
Miscellaneous	$1,000	$1,932	($932)	193%
Transfer to Fund Balance	$0	$0	$0	0%
Contingency Reserve	$0	$0	$0	0%
Miscellaneous Subtotal	$1,000	$1,932	($932)	193%
Capital				
Capital Outlay	$0	$0	$0	0%
Capital Improvements - Office remodel	$360,000	$262,467	$97,533	0%
Capital Subtotal	$360,000	$262,467	$97,533	73%
TOTAL EXPENSES	$3,276,000	$1,132,137	$2,143,863	35%
TOTAL ALL REVENUES	$3,276,000	$1,809,579	$1,466,421	55%
REVENUES (Under) Over EXPENSES	$0	$677,442		

Financial Statements
June 30, 2018 and 2017

Utah League of Cities and Towns

Independent Auditor's Report 1

Management's Discussion and Analysis 5

Financial Statements

- Statements of Net Position 9
- Statements of Revenues, Expenses, and Changes in Net Position 10
- Statements of Cash Flows 11
- Notes to Financial Statements 12

Required Supplementary Information

- Schedule of the Proportionate Share of the Net Pension Liability 27
- Schedule of Contributions 28
- Notes to Required Supplementary Information 29

Supplementary Information

- Supplemental Schedule to Statement of Revenues, Expenses and Changes in Net Position – Compared with Budget 31

Compliance and Internal Control

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* 33

Independent Auditor's Report on Compliance with General State Compliance Requirements and Internal Control over Compliance as Required by the *State Compliance Audit Guide* 35

Schedule of Findings and Responses 37

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CPAs & BUSINESS ADVISORS

Independent Auditor's Report

Board of Directors
Utah League of Cities and Towns
Salt Lake City, Utah

Report on the Financial Statements

We have audited the accompanying financial statements of the Utah League of Cities and Towns (the League) as of and for the year ended June 30, 2018 and 2017, and the related notes to the financial statements, which collectively comprise basic financial statements of the League's primary government 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 audits. We conducted our audits 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 unmodified opinion on the basic financial statements of the primary government and our adverse opinion on the discretely presented component unit.

Basis for Adverse Opinion on the Discretely Presented Component Unit

The financial statements do not include the financial data for Utah Municipal Finance Cooperative No. II Trust (the Trust), a legally separate component unit of the primary government of the League.

Accounting principles generally accepted in the United States of America require the financial data for the Trust to be reported with the financial data of the League's primary government, unless the League also issues financial statements for the financial reporting entity that include the financial data for its component unit. The League has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, liabilities, net position, revenues, and expenses of the Trust are not discretely presented in the accompanying financial statements. The effect of this departure has not been determined.

Adverse Opinion on Discretely Presented Component Unit
In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on the Discretely Presented Component Unit" paragraph, the financial statements referred to above do not present fairly the financial position of the Trust as a discretely presented component unit of the League as of June 30, 2018 and 2017, or the changes in its financial position thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinion on Primary Government
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the primary government of the Utah League of Cities and Towns as of June 30, 2018 and 2017, and the changes in its net position and cash flows for the years then ended in conformity 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, the schedule of the proportionate share of the net pension liability, and the schedule of contributions, as listed in the table of contents, be presented to supplement the basic financial statements of the primary government. Such information, although not a part of the basic financial statements of the primary government, 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements of the primary government, and other knowledge we obtained during our audit of the basic financial statements of the primary government. 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 League's financial statements. The supplemental schedule to statement of revenues and expenses and changes in net position – compared with budget for the primary government of the League is presented for purposes of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Adverse Opinion on Discretely Presented Component Unit paragraph above, it is inappropriate to and we do not express an opinion on the supplementary information referred to above.

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2018 on our consideration of the League'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 League's internal control over financial reporting and compliance.

Eide Bailly LLP

Salt Lake City, Utah
October 23, 2018

Management's Discussion and Analysis
June 30, 2018 and 2017

Utah League of Cities and Towns

As Management of the Utah League of Cities & Towns (the League), an Interlocal Cooperative, we offer readers of the League's financial statements this narrative overview and analysis of the financial activities of the League for the fiscal year ended June 30, 2018. We encourage readers to consider the information presented here in conjunction with the financial statements and accompanying notes to enhance their understanding of the League's financial activities.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the League's basic financial statements. The financial statements are designed to provide readers with a broad overview of the League's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the League's assets, deferred outflows, liabilities, and deferred inflows, with the difference being 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 League is improving or deteriorating.

The statement of revenues, expenses, and changes in net position presents information showing how the League's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The statement of cash flows presents changes in cash and cash equivalents, resulting from operating, non-capital financing, capital and related financing, and investing activities. In other words, it provides information regarding where the cash came from and how it was used, and the change in cash balance during the reporting period.

The League maintains one type of proprietary fund, an enterprise fund. A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning the League's budget and actual amounts.

FINANCIAL HIGHLIGHTS

The League's total assets at June 30, 2018 were $1,681,502 which is an increase of $491,588 from June 30, 2017, resulting primarily from an increase in the League's cash balances by $494,720. The League's total assets June 30, 2017 were $1,189,914, which is an increase of $112,445 from June 30, 2016, resulting primarily from an increase in the League's cash balances by $156,517.

The League ended the 2018 fiscal year with $567,051 in total liabilities, which is a decrease of $492,996 from the prior year, resulting primarily from a decrease in net pension liability of $527,470. Net position increased by $510,548. The increase in net position is primarily due to an increase in contracts and grants collected throughout the year and an increase in membership dues.

The League ended the 2017 fiscal year with $1,060,047 in total liabilities, which is a decrease of $382,302 from the prior year, resulting primarily from 1) a decrease membership dues received in advance of $105,182, 2) a decrease in accrued liabilities of $197,713, and 3) a decrease in net pension liability of $83,214. Net position increased by $491,735. The increase in net position is primarily due to an increase in donations collected throughout the year and increases in sponsorships.

The following table describes the Utah League of Cities and Town's net position as of June 30, 2018, 2017 and 2016:

	2018	2017	2016
Current and Other Assets	$ 1,624,639	$ 1,136,066	$ 1,001,168
Capital Assets, Net	56,863	53,848	76,301
Total assets	1,681,502	1,189,914	1,077,469
Total Deferred Outflows of Resources	34,525	272,451	312,983
Current Liabilities	416,547	382,073	681,161
Long-Term Liablities	150,504	677,974	761,188
Total liabilities	567,051	1,060,047	1,442,349
Total Deferred Inflows of Resources	241,926	5,816	43,336
Net Position			
Net investment in capital assets	56,863	53,848	76,301
Unrestricted	850,187	342,654	(171,534)
Total net position	$ 907,050	$ 396,502	$ (95,233)

Revenues

Comparison of Fiscal Year 2018 to Fiscal Year 2017
Total operating revenues increased by approximately 2.2% overall due to an increase in the collection of membership dues by approximately $100,000. Dues assessed by the League help to finance the organization's day-to-day operations and represent the majority of the League's revenue. The League's other significant revenue sources come from registration at conferences, grants and advertising, and the sale of publications. Additionally, in the current fiscal year, the League received $97,000 from the State Department of Commerce in connection with a land use training project, which is classified as non-operating revenues. Dues revenue increased approximately 6% in the current fiscal year. The dues are calculated using a formula based upon sales tax revenue, assessed valuation and population. Registration related revenue decreased approximately $16,000 (3.4%).

Comparison of Fiscal Year 2017 to Fiscal Year 2016
Total operating revenues increased by approximately 11.4% overall due to an increase in the collection of donations by approximately $557,000. Dues assessed by the League help to finance the organization's day-to-day operations and represent the majority of the League's revenue. The League's other significant revenue sources come from registration at conferences, grants and advertising, and the sale of publications. Additionally, in the current fiscal year, the League received $103,000 from the State Department of Commerce in connection with a land use training project, which is classified as non-operating revenues. Dues revenue increased approximately 5% in the current fiscal year. The dues are calculated using a formula based upon sales tax revenue, assessed valuation and population. Registration related revenue increased approximately $2,500 (0.5%).

Expenses
Comparison of Fiscal Year 2018 to Fiscal Year 2017
Operating expenses increased by approximately $120,000 (4.8%). Significant factors contributing to the overall increase include an increase in contract labor of approximately $97,000.

Comparison of Fiscal Year 2017 to Fiscal Year 2016
Operating expenses decreased by approximately $450,000 (15%). Significant factors contributing to the overall decrease include a decrease in the pension expense of approximately $244,000 associated with the net pension liability calculated at June 30, 2018. In addition, salaries and employee benefits and taxes decreased by approximately $163,000.

The elements of the increase in net position for the fiscal years ended June 30, 2018, 2017 and 2016 are as follows:

	2018	2017	2016
Revenues			
Operating revenues	$ 2,929,829	$ 2,866,508	$ 2,571,234
Nonoperating revenues	150,022	111,433	32,942
Total revenues	3,079,851	2,977,941	2,604,176
Expenses			
Payroll and related benefits	757,565	744,291	1,152,018
Other expenses	1,849,127	1,741,915	1,783,935
Total expenses	2,606,692	2,486,206	2,935,953
Transfer In (Out)	37,389	-	-
Change in Net Position	510,548	491,735	(331,777)
Net Position - Beginning of the Year	396,502	(95,233)	236,544
Net Position - End of the Year	$ 907,050	$ 396,502	$ (95,233)

Capital Assets

Capital assets were purchased in 2018 for $23,981. No capital asset purchases were made during 2017 and 2016. Current year depreciation for the fiscal year ended June 30, 2018 was $20,966, compared to $22,453 and $26,281 for fiscal years ended June 30, 2017 and 2016.

Requests for Information

This report is designed to provide a general overview of the League's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Utah League of Cities and Towns, 50 South 600 East, Suite 150, Salt Lake City, UT 84102.

Utah League of Cities and Towns
Statements of Net Position
June 30, 2018 and 2017

	2018	2017
Assets		
Current Assets		
Cash and cash equivalents	$ 1,592,081	$ 1,097,361
Accounts receivable, net	-	12,500
Prepaid expenses	32,558	26,205
Total current assets	1,624,639	1,136,066
Capital assets, net	56,863	53,848
Total assets	1,681,502	1,189,914
Deferred Outflows of Resources		
Pensions	34,525	272,451
Liabilities		
Current Liabilities		
Accounts payable	21,882	30,575
Accrued liabilities	22,858	14,632
Unearned revenues		
Membership dues	331,377	289,619
Grants and contracts	40,430	47,247
Total current liabilities	416,547	382,073
Net pension liability	150,504	677,974
Total liabilites	567,051	1,060,047
Deferred Inflows of Resources		
Pensions	241,926	5,816
Net Position		
Net investment in capital assets	56,863	53,848
Unrestricted	850,187	342,654
Total net position	$ 907,050	$ 396,502

Utah League of Cities and Towns

Statements of Revenues, Expenses, and Changes in Net Position
Years Ended June 30, 2018 and 2017

	2018	2017
Operating Revenues		
Membership dues	$ 1,663,748	$ 1,564,284
Contracts and grants	306,817	14,359
Registration fees	460,546	476,587
Donations, advertising and exhibit space	478,046	787,302
Publication sales	13,172	5,976
Rental income	7,500	18,000
Total operating revenues	2,929,829	2,866,508
Operating Expenses		
Speaker fees and honorariums	86,894	119,271
Convention supplies	17,214	7,178
Food and beverage	320,644	426,459
Entertainment	100,642	102,530
Facility rent and setup	242,403	124,634
Printing/copying	56,875	53,599
Employee benefits and payroll taxes	144,771	89,382
Salaries	559,362	574,711
Pension expense	53,432	80,198
Repairs and maintenance	18,781	21,577
Bad debt expense	-	12,300
Depreciation	20,966	22,453
Special equipment- rental	41,062	23,989
Special projects	343,113	337,794
Travel and lodging	43,421	53,129
Professional services	81,812	73,409
Computer consulting	25,377	40,020
Contract labor	291,832	194,860
Other expenses	158,091	128,713
Total operating expenses	2,606,692	2,486,206
Operating Income	323,137	380,302
Non-Operating Revenues		
Government grants and contracts	97,000	103,000
Interest income	53,022	8,433
Income before transfers	473,159	491,735
Transfers In	37,389	-
Change in Net Position	510,548	491,735
Net Position, Beginning of Year	396,502	(95,233)
Net Position, End of Year	$ 907,050	$ 396,502

See Notes to Financial Statements

	2018	2017
Operating Activities		
Receipts from members	$ 1,705,506	$ 1,459,102
Receipts from customers	971,764	1,295,979
Receipts from grants and contracts	300,000	5,001
Payments to suppliers	(1,802,145)	(1,843,016)
Payments to employees	(802,773)	(871,982)
Net Cash from Operating Activities	372,352	45,084
Non-Capital Financing Activities		
Government grants and contracts received	97,000	103,000
Transfers in	37,389	-
Net Cash from Non–Capital Financing Activities	134,389	103,000
Investing Activities		
Purchases of property, plant, and equipment	(23,981)	-
Interest received	53,022	8,433
Net Cash from Investing Activities	29,041	8,433
Net Change in Cash and Cash Equivalents	535,782	156,517
Cash and Cash Equivalents, Beginning of Year	1,097,361	940,844
Cash and Cash Equivalents, End of Year	$ 1,633,143	$ 1,097,361
Cash Flows from Operating Activities		
Operating income	$ 323,137	$ 380,302
Adjustments to reconcile operating income to net cash from operating activities		
Depreciation	20,966	22,453
Bad debt	-	12,300
Net pension adjustment	(53,434)	(80,204)
Changes in operating assets and liabilities		
Accounts receivable	12,500	8,114
Prepaid expenses	(6,353)	1,205
Accounts payable	(8,693)	(137,059)
Accrued liabilities	8,226	(47,487)
Unearned revenues - membership dues	41,758	(105,182)
Unearned revenues - grants and contracts	(6,817)	(9,358)
Net Cash from Operating Activities	$ 331,290	$ 45,084

Note 1 - Reporting Entity and Summary of Significant Accounting Policies

The Utah League of Cities and Towns (the League) is a governmental agency created pursuant to the Utah Interlocal Cooperation Act, and is exempt from income taxation. The League represents municipal government interests with a strong, unified voice at the state and federal levels and provides information, training and technical assistance to local officials on municipal issues in order to create a greater public awareness and understanding of municipal responsibilities, governance and administration. The League is not a component unit of another governmental entity and is governed by a board of directors selected from the elected officials of the cities and towns the League represents.

Reporting Entity

For financial reporting purposes, the League has considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the League are such that the exclusion would cause the League's financial situation to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) in its Statement No. 14, *The Financial Reporting Entity* and Statement No. 39, *Determining Whether Certain Organizations are Component Units* has established criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the League to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the League.

Discretely Presented Component Unit

Utah Municipal Finance Cooperative No. II Trust (the Trust) was created in 1993 to receive certain property to be administered for the benefit of the League. The Trust is governed by four trustees who have the authority to determine the timing and amount of distributions to or on behalf of the League. Under the terms of the Trust agreement, it was to have terminated December 31, 2012, and distributed the remaining assets to the League. The League has considered whether the Trust qualifies as a component unit using the guidance of GASB Statements No. 14 and 39. The Trust meets the criteria established in GASB Statement No. 39 paragraph five warranting inclusion as a component unit in the League's financial statements due to the nature and significance the Trust's ongoing financial support to the League. The League has determined further that the financial data of the Trust is required to be reported in the League's financial statements as a discretely presented component unit, in a separate column from the activity of the League as the primary government.

On November 30, 2017, the Trust notified the Utah Attorney General's Office that the trustees had taken steps to terminate the Trust in accordance with the Utah Uniform Trust Code by resolving outstanding tax obligations and distributing all of its remaining funds to the League. The Trust's final tax return was filed during September 2017.

Because of the lack of availability of financial data and information relating to any contingent assets or liabilities for the Trust through November 30, 2017, it is not practicable to include the financial data of the Trust in the accompanying financial statements, as required by accounting principles generally accepted in the United States of America.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The League's operations are accounted for within a proprietary fund. The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the League are member dues, registration fees, various donations and government contracts, and other charges to members and customers for goods and services rendered. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the League's policy to use restricted resources first, then unrestricted resources as they are needed.

Membership Dues

Membership dues are recognized as revenue in the applicable membership period, which coincides with the League's fiscal year.

Capital Assets

Property and equipment acquisitions in excess of $2,000 are capitalized and recorded at cost. Depreciation is provided using the straight-line method based on the estimated useful lives of the assets over three to thirty years.

Unearned Revenues

Dues and other revenues collected in advance are deferred and recognized as revenue in the period earned.

Cash and Investments (Cash Equivalents)

For purposes of the statement of cash flows, the League considers all investments with an original maturity of three months or less to be cash equivalents. The Public Treasurer's Investment Fund is considered a cash equivalent since it is readily accessible by the League.

The League's investments in the Public Treasurer's Investment Fund (an external investment pool) are recorded at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income. See Note 2 for further discussion regarding the League's policies regarding cash deposits and investments.

Accounts Receivable

Accounts receivable primarily consist of amounts due from members for dues and grants receivable. Management provides for probable uncollectible amounts through an allowance for doubtful accounts. Additions to the allowance for doubtful accounts are based on management's judgment, considering historical write-offs, review of specific past-due accounts, collections and credit conditions. Balances which remain outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for doubtful accounts and a credit to the applicable accounts receivable. Payments received on accounts receivable subsequent to being written off are considered a bad debt recovery. As of June 30, 2018 and 2017, the allowance for doubtful accounts totaled $0.

Vacation and Sick Leave

An employee may accumulate up to 240 hours of vacation, which can be carried forward each fiscal year. Under extenuating circumstances, employees may accumulate more than 240 hours of vacation. All accrued vacation leave is payable at the time of termination.

Once each year, employees may convert up to 32 hours of sick leave to cash at their current pay rate. However, the employee must retain a minimum of 240 hours of sick leave after conversion.

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 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.

Deferred Outflows of Resources and Deferred Inflows of Resources

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

Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Reclassifications

Reclassifications have been made to the June 30, 200W financial information to make it conform to the current year presentation. The reclassifications had no effect on previously reported operating results or changes in net position.

Note 2 - Cash and Investments (Cash Equivalents)

Cash Deposits – At June 30, 2018 and 2017, the carrying amount of the League's book cash balance was $1,592,081 and $1,097,361, respectively. No deposits are collateralized.

Deposit Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The League's policy for managing custodial credit risk is to deposit funds in financial institutions whose deposits are insured by the federal government. At times, the League's deposit balance may exceed federally insured limits. The State of Utah does not require collateral on deposits.

Investments – The League's deposits and investment policy follows the requirements of the Utah Money Management Act (the Act) (Utah Code Annotated 1953, Chapter 7) in handling its depository and temporary investing transactions. This law requires the depositing of Leagues funds in a "qualified depository." The Act defines a "qualified depository" as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

The Act defines the types of securities authorized as appropriate investments for the League's funds and the conditions for making investment transactions. Investment transactions may be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities. The Act authorizes the League to invest in the following types of instruments:

1. Negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories;
2. Repurchase and reverse repurchase agreements;
3. Commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations;
4. Bankers' acceptances that are eligible for discount at a federal reserve bank and which have a remaining term of 180 days or less;
5. Obligations of the United States Treasury, including bills, notes and bonds;
6. Obligations, other than mortgage derivative products, issued by U.S. government sponsored enterprises (U.S. Agencies) such as the Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae);
7. Bonds, notes, and other evidence of indebtedness of political subdivisions of the State;

8. Fixed rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations;
9. Shares or certificates in a money market mutual fund as defined in the Money Management Act; and
10. Utah State Public Treasurers' Investment Fund.

The League has invested the majority of its temporarily idle funds with the Utah Public Treasurer's Investment Fund (PTIF). The Utah State Treasurer's Office operates the PTIF. The PTIF is available for investment of funds administered by any Utah public treasurer and is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Money Management Act (*Utah Code,* Title 51, Chapter 7). The Act established the Money Management Council which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments.

Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments. Parties interested in learning what specific investments comprise the State Treasurer's Fund may contact the Utah State Treasurer's Office.

The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses of the PTIF, net of administration fees, are allocated based upon the participant's average daily balance. The fair value of the PTIF investment pool is approximately equal to the value of the pool shares.

Fair Value of Investments – The League 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, 2018 and 2017, the League had $1,428,837 and $952,026 in the PTIF. These investments were valued by applying the June 30, 2018 fair value factor, as calculated by the Utah State Treasurer, to the League's average daily balance in the PTIF. Such valuation is considered a *Level 2* valuation for GASB Statement No. 72 purposes.

Summary – The above described cash deposits and investments are summarized and presented in the financial statements at fair value in accordance with the following analysis:

	June 30, 2018		June 30, 2017	
	Bank Balances	Book Balances	Bank Balances	Book Balances
Cash on hand	$ -	194	$ -	194
Cash on deposit	1,635,128	1,591,887	1,119,520	1,097,167
Total	$ 1,635,128	$ 1,592,081	$ 1,119,520	$ 1,097,361

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The League does not have a formal investment policy that limits investment maturities as a means of managing its exposure to increasing interest rates.

Section 51-7-11 of the Money Management Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on all investments in commercial paper, bankers' acceptances, fixed rate negotiable deposits, and fixed rate corporate obligations to 270 days - 15 months or less.

The Act further limits the remaining term to maturity on all investments in obligations of the United States Treasury; obligations issued by U.S. government sponsored enterprises; and bonds, notes, and other evidence of indebtedness of political subdivisions of the state to five years. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding two years. The League's investments in the PTIF can be withdrawn at any time.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The League's policy for reducing its exposure to credit risk is to comply with the Act as previously discussed. As of June 30, 2018 and 2017, the League's investments in the State of Utah's PTIF were unrated.

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. The League's policy for reducing the 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% to 10%, depending upon the total dollar amount held in the portfolio.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the League will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The League does not have a formal policy for custodial credit risk.

Note 3 - Capital Assets

The following table summarize the changes in capital assets during the year ended June 30, 2018:

	June 30, 2017	Additions	Transfers or Deletions	June 30, 2018
Capital assets being depreciated				
Buildings and improvements	$ 344,512	$ 23,981	$ -	$ 368,493
Furniture and equipment	171,989	-	-	171,989
Total capital assets being depreciated	516,501	-	-	540,482
Less accumulated depreciation				
Buildings and improvements	(299,214)	(12,416)	-	(311,630)
Furniture and equipment	(163,439)	(8,550)	-	(171,989)
Total accumulated depreciation	(462,653)	(20,966)	-	(483,619)
Net capital assets being depreciated	$ 53,848	$ (20,966)	$ -	$ 56,863

The following table summarize the changes in capital assets during the year ended June 30, 2017:

	June 30, 2016	Additions	Retirements	June 30, 2017
Capital assets being depreciated				
Buildings and improvements	$ 344,512	$ -	$ -	$ 344,512
Furnitureand equipment	171,989	-	-	171,989
Total capital assets being depreciated	516,501	-	-	516,501
Less accumulated depreciation				
Buildings and improvements	(288,148)	(11,066)	-	(299,214)
Furniture and equipment	(152,052)	(11,387)	-	(163,439)
Total accumulated depreciation	(440,200)	(22,453)	-	(462,653)
Net capital assets being depreciated	$ 76,301	$ (22,453)	$ -	$ 53,848

Note 4 - Contingencies

The League is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the League carries commercial insurance. The League carries a Workers' Compensation policy for which the premiums are based on past experience.

Note 5 - Pension Plan

Defined Benefit Plans – General Information and Contributions

Plan description: Eligible plan participants are provided with pensions through the Utah Retirement Systems (URS). The URS are comprised of the following pension trust funds:

- Public Employees Contributory Retirement System (Contributory System); is a multiple employer, cost sharing, public employee retirement system.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System); is a multiple employer, cost sharing, public employee retirement system.

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 URS, are members of the Tier 2 Retirement System. The URS are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The URS' 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 URS under the direction of the URS Board, whose members are appointed by the Governor. The URS 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.

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 percent per year services	COLA**
Contributory System	Highest 5 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	1.25% per year to June 1975; 2.00% per year July 1975 to present	Up to 4%
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.50% per year all years	Up to 2.5%

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

Contributions: As a condition of participation in the URS, 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.

Contribution rates as of June 30, 2018 and 2017 were as follows:

	Employee Paid	Paid by Employer for Employee	Employer Contribution Rates	Employer Rate for 401(k) Plan
June 30, 2018				
Contributory System				
11 Local Governmental Division Ti	6.000%	N/A	14.46%	N/A
111 Local Governmental Division T	N/A	N/A	16.87%	1.58%
Tier 2 DC Only				
211 Local Government	N/A	N/A	8.45%	10.00
June 30, 2017				
Contributory System				
11 Local Governmental Division Ti	6.000%	N/A	14.46%	N/A
111 Local Governmental Division T	N/A	N/A	16.87%	1.78%
Tier 2 DC Only				
211 Local Government	N/A	N/A	8.45%	10.00

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

For the fiscal years ended June 30, 2018 and 2017, the employer and employee contributions to the URS were as follows:

	2018		2017	
	Employer Contributions	Employee Contributions	Employer Contributions	Employee Contributions
Contributory System	$ 29,303	$ -	$ 45,982	$ -
Tier 2 Public Employees System	7,873	-	7,460	-
Tier 2 DC Only System	24,822	N/A	14,008	N/A
Total Contributions	$ 61,998	-	$ 67,450	-

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

Defined Benefit Plans – Pension Assets, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources relating to Pension

At June 30, 2018 and 2017, the League reported net pension liabilities of $150,505 and $677,973,respectively, which are summarized as follows:

	2018		2017		
	Proportionate Share	Net Pension Liability	Proportionate Share	Net Pension Liability	Change in Proportionate Share
Contributory System	1.8445904%	$ 150,102	2.0638026%	$ 677,156	-0.2192122%
Tier 2 Public Employees System	0.0045708%	403	0.0073265%	817	-0.0027557%
		$ 150,505		$ 677,973	

The net pension asset and liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2017, and rolled forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the League's actual contributions to the Systems during the plan year over the total of all employer contributions to the Systems during the plan year.

For the years ended June 30, 2018 and 2017, the League recognized an actuarial pension adjustments of $8,395 and $12,860, respectively.

At June 30, 2018, the League reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 15	$ 377
Changes in assumptions	542	41
Net difference between projected and actual earnings on pension plan investments	-	241,351
Changes in proportion and differences between contributions and proportionate share of contributions	561	157
Contributions subsequent to the measurement date	33,407	-
	$ 34,525	$ 241,926

$33,407 was included in deferred outflows of resources related to pensions—this results from contributions made by the League prior to the fiscal year end, but subsequent to the measurement date of December 31, 2017. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year.

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

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2018	$ (14,488)
2019	(20,707)
2020	(112,380)
2021	(93,540)
2022	(89)
Thereafter	397

At June 30, 2017, the League reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 5,742
Changes in assumptions	528	74
Net difference between projected and actual earnings on pension plan investments	237,227	-
Changes in proportion and differences between contributions and proportionate share of contributions	5,234	-
Contributions subsequent to the measurement date	29,462	-
	$ 272,451	$ 5,816

$29,462 was included in deferred outflows of resources related to pensions—this results from contributions made by the League prior to the fiscal year end, but subsequent to the measurement date of December 31, 2016.

Actuarial Assumptions

The total pension liability in the December 31, 2017 measurement was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- Inflation — 2.50%
- Salary increases — 3.25 – 9.75%, average, including inflation
- Investment rate of return — 6.9%, net of pension plan investment expense, including inflation

The total pension liability in the December 31, 2016 measurement was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- Inflation 2.60%
- Salary increases 3.35 – 10.35%, average, including inflation
- Investment rate of return 7.20%, 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, 2017 valuation were based on the results of an actuarial experience study for the five–year period ended December 31, 2016, and the actuarial assumptions used in the January 1, 2016 valuation were based on the results of an actuarial experience study for the five–year period ended December 31, 2013.

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 and is applied consistently to each defined benefit pension plan. 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		
Asset 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%	0.89%
Absolute return	16%	2.85%	0.46%
Cash and cash equivalents	0%	0.00%	0.00%
Totals	100%		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.

Discount rate: The discount rate used to measure the total pension liability was 6.95% and 7.20%, respectively. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees.

Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced to 6.95% from 7.20% from the prior measurement period.

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%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (5.95%) or one-percentage-point higher (7.95%) than the current rate:

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

	1% Decrease (5.95%)	Discount Rate (6.95%)	1% Increase (7.95%)
Contributory System	$ 1,017,704	$ 150,102	$ (577,663)
Tier 2 Public Employees System	4,745	403	(2,945)
Total	$ 1,022,449	$ 150,505	$ (580,608)

Changes of Assumptions

As a result of an experience study conducted as of December 31, 2016, the Board adopted recommended changes to several economic and demographic assumptions that are used in the actuarial valuation. The assumption changes that had the largest impact on the Total Pension Liability (and actuarial accrued liability) include a decrease in the investment return assumption from 7.20% to 6.95%, a reduction in the price inflation assumption from 2.60% to 2.50% (which also resulted in a corresponding decrease in the cost-of-living-adjustment assumption for the funds with a 4.00% annual COLA max), and the adoption of an updated retiree mortality table that is developed using URS's actual retiree mortality experience. There were changes to several other demographic assumptions, but those changes had a minimal impact on the Total Pension Liability (and actuarial accrued liability).

Defined Contribution Savings Plans

The Defined Contribution Savings Plans are administered by the Utah Retirement Systems Board and are generally supplemental plans to the basic retirement benefits of the URS, but may also be used as a primary retirement plan. These plans are voluntary tax-advantage 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.

Utah League Cities and Towns participates in the following Defined Contribution Savings Plans with Utah Retirement Systems.

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

	2018	2017	2016
401(k) Plan:			
Employer contributions	$ 46,315	$ 20,547	$ 15,122
Employee contributions	$ 41,634	$ 8,829	$ -
Roth IRA Plan			
Employer contributions	N/A	N/A	N/A
Employee contributions	$ 6,326	$ -	$ -

Note 6 - Leases

The League leases to other tenants unused office space in its building on a month-to-month lease. Rental income for the years ended June 30, 2018 and 2017 was $7,500 and $18,000, respectively.

Note 7 - Employee Benefits

The League and it employees also participate in a separate defined contribution retirement plan (the Plan) pursuant to Internal Revenue Code 401(k). All employees who are 18 years of age or older are eligible to participate in the Plan. Participants are 100% vested in the employer's contribution after three years of service. The Plan is funded by voluntary employee contributions, employer profit sharing contributions and discretionary matching employer contributions of 3.35% of the employee's first 1.65% of which they contribute to the plan. For the years ended June 30, 2018 and 2017, the League contributed $7,543 and $7,068, respectively, to the Plan.

Note 8 - Subsequent Events

The League has evaluated subsequent events through October 23, 2018, the date which the financial statements were available to be issued.

Required Supplementary Information
June 30, 2018

Utah League of Cities and Towns

	As of and for the Calendar Year Ended December 31,	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a a Percentage of the Total Pension Liability
Contributory System	2014	0.8078009%	$ 233,005	$ 362,189	64.30%	94.00%
	2015	1.0829946%	761,188	370,373	205.52%	85.70%
	2016	2.0638026%	677,156	378,251	179.02%	92.90%
	2017	1.8445904%	150,102	226,299	66.33%	98.20%
Tier 2 Public Employees Systems	2014	0.0000000%	$ -	$ -	0.00%	0.00%
	2015	0.0025496%	(6)	16,500	-0.04%	100.20%
	2016	0.0073265%	817	60,083	1.36%	95.10%

* GASB Statement No. 68 requires ten years of information be presented in this table. However, the schedule above is only for years ending in 2014 and after. The League will build the 10-year schedule prospectively.

	For the Year Ended June 30,	Actuarially Determined Contributions	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Employee Payroll**
Contributory System	2014	$ 48,993	$ 48,993	$ -	$ 368,921	13.28%
	2015	51,739	51,739	-	357,805	14.46%
	2016	54,793	54,793	-	378,928	14.46%
	2017	45,982	45,982	-	317,995	14.46%
	2018	29,303	29,303	-	202,649	14.46%
Tier 2 Public Employees System***	2014	$ -	$ -	$ -	$ -	0.00%
	2015	-	-	-	-	0.00%
	2016	8,307	8,307	-	49,833	16.67%
	2017	7,460	7,460	-	44,750	16.67%
	2018	7,873	7,873	-	46,667	16.87%
Tier 2 Public Employees DC Only***	2014	$ 8,882	$ 8,882	$ -	$ 121,009	7.34%
	2015	11,224	11,224	-	132,356	8.48%
	2016	12,028	12,028	-	142,345	8.45%
	2017	14,008	14,008	-	165,775	8.45%
	2018	24,822	24,822	-	293,750	8.45%

* GASB Statement No. 68 requires ten years of information be presented in this table. However, the schedule above is only for fiscal years ending in 2014 and after. The League will build the 10-year schedule prospectively.

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

*** Contributions in Tier 2 include an amortization rate to help fund the unfunded liabilities in the Tier 1 systems. Tier 2 systems were created effective July 1, 2011.

Changes of Assumptions

As a result of an experience study conducted as of December 31, 2016, the Board adopted recommended changes to several economic and demographic assumptions that are used in the actuarial valuation. The assumption changes that had the largest impact on the Total Pension Liability (and actuarial accrued liability) include a decrease in the investment return assumption from 7.20% to 6.95%, a reduction in the price inflation assumption from 2.60% to 2.50% (which also resulted in a corresponding decrease in the cost-of-living-adjustment assumption for the funds with a 4.00% annual COLA max), and the adoption of an updated retiree mortality table that is developed using URS's actual retiree mortality experience. There were changes to several other demographic assumptions, but those changes had a minimal impact on the Total Pension Liability (and actuarial accrued liability).

Supplementary Information
June 30, 2018

Utah League of Cities and Towns

Utah League of Cities and Towns

Supplemental Schedule to the Statement of Revenues, Expenses and Changes in Net Position - Compared with Budget
For the Year Ended June 30, 2018

	Annual Budget	Actual	Variance with Budget
Operating Revenues			
Membership dues	$ 1,650,000	$ 1,663,748	$ 13,748
Contracts and grants	488,286	306,817	(181,469)
Registration fees	490,000	460,546	(29,454)
Donations, advertising and exhibit space	438,000	478,046	40,046
Publication sales	15,000	13,172	(1,828)
Rental income	-	7,500	7,500
Reserves	288,000	-	(288,000)
Other income	250	-	(250)
Total operating revenues	3,369,536	2,929,829	(439,707)
Operating Expenses			
Speaker fees and honorariums	150,000	86,894	(63,106)
Convention supplies	12,000	17,214	5,214
Food and beverage	545,000	320,644	(224,356)
Entertainment	94,000	100,642	6,642
Facility rent and setup	104,526	242,403	137,877
Printing/copying	75,000	56,875	(18,125)
Employee benefits and payroll taxes	273,000	144,771	(128,229)
Salaries	625,000	559,362	(65,638)
Pension expense	-	53,432	53,432
Repairs and maintenance	1,000	18,781	17,781
Depreciation	-	20,966	20,966
Special equipment- rental	65,000	41,062	(23,938)
Special projects	454,000	343,113	(110,887)
Travel and lodging	70,000	43,421	(26,579)
Professional services	54,000	81,812	27,812
Computer consulting	24,000	25,377	1,377
Contract labor	332,500	291,832	(40,668)
Capital outlay	369,510	-	(369,510)
Other expenses	124,500	158,091	33,591
Total operating expenses	3,373,036	2,606,692	(766,344)
Operating Income (Loss)	(3,500)	323,137	326,637
Non-Operating Revenue			
Government grants and contracts	-	97,000	97,000
Interest income	3,500	53,022	49,522
Transfers In	-	37,389	37,389
Change in Net Position	$ -	$ 510,548	$ 510,548

Compliance and Internal Control
June 30, 2018

Utah League of Cities and Towns

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 Board of Directors
Utah League of Cities and Towns
Salt Lake City, Utah

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the primary government of Utah League of Cities and Towns (the League) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the basic financial statements of the primary government of the League, and have issued our report thereon dated October 23, 2018.

Internal Control over Financial Reporting
In planning and performing our audit of the financial statements, we considered the League'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 opinion on the basic financial statements of the primary government of the League, but not for the purpose of expressing an opinion on the effectiveness of the League's internal control. Accordingly, we do not express an opinion on the effectiveness of the the League's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses, we identified a certain deficiency in internal control that we consider to be a material weakness.

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. We consider the deficiency described in the accompanying schedule of findings and responses as item 2018-A to be a material weakness.

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.

Compliance and Other Matters
As part of obtaining reasonable assurance about whether the basic financial statements of the primary government of the League 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.*

Utah League of Cities and Towns' Response to Findings
The responses of Utah League of Cities and Towns to the findings identified in our audit are described in the accompanying schedule of findings and responses. Utah League of Cities and Towns' responses were not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

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 over 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.

Eide Bailly LLP

Salt Lake City, Utah
October 23, 2018

EideBailly

CPAs & BUSINESS ADVISORS

Independent Auditor's Report on Compliance with General State Compliance Requirements and Internal Control over Compliance as Required by the *State Compliance Audit Guide*

To The Board of Directors
Utah League of Cities and Towns
Salt Lake City, Utah

Report on Compliance with General State Compliance Requirements

We have audited the Utah League of Cities and Towns' compliance with the applicable 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 Utah League of Cities and Towns for the year ended June 30, 2018.

State compliance requirements were tested for the year ended June 30, 2018 in the following areas:

Budgetary Compliance
Fund Balance
Utah Retirement Systems
Open and Public Meetings Act
Public Treasurer's Bond

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on Utah League of Cities and Town's compliance based on our audit of the state 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 state compliance requirements referred to above that could have a direct and material effect on a state compliance requirement occurred. An audit includes examining, on a test basis, evidence about the Utah League of Cities and Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each state compliance requirement referred to above. However, our audit does not provide a legal determination of the Utah League of Cities and Town's compliance with those requirements.

Opinion on Compliance

In our opinion, the Utah League of Cities and Towns complied, in all material respects, with the state compliance requirements referred to above for the year ended June 30, 2018.

Report on Internal Control over Compliance

Management of the Utah League of Cities and Towns is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Utah League of Cities and Towns' internal control over compliance with the compliance requirements that could have a direct and material effect on the Utah League of Cities and Towns to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Utah League of Cities and Towns' internal control over compliance.

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

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

Purpose of 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.

Eide Bailly LLP

Salt Lake City, Utah
October 23, 2018

Current Year Findings – Financial Statements

2018-A GAAP Departure for Exclusion of Discretely Presented Component Units Material Weakness in Internal Control over Financial Reporting

Criteria: Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity* and Statement No. 39, *Determining Whether Certain Organizations are Component Units* require that certain component units that meet certain criteria to be considered in determining financial accountability for primary governments, and include guidance about the inclusion of component units in the financial statements of primary governments.

Condition: Utah Municipal Finance Cooperative No. II Trust (the Trust) meets the criteria established in GASB Statement No. 39 paragraph five warranting inclusion in the League's financial statements as a discretely presented component unit due to the nature and significance the Trust's ongoing financial support to the League.

Cause: Prior management of the League did not disclose the relationship of the Trust with the League to board members. Prior management also omitted the related party footnote that disclosed the relationship in financial statements for the years ended June 30, 2012 through 2015.

During a change in management of the League, current management and the board of directors reviewed its relationship with the Trust. Considering the guidance of GASB Statements No. 14 and 39, the League determined the Trust meet the criteria established in GASB Statement No 39 paragraph five warranting inclusion as a component unit in the League's financial statements due to the nature and significance of the Trust's ongoing financial support to the League. The League has determined further that the financial data of the Trust is required to be reported in the League's financial statements as a discretely presented component unit, in a separate column from the activity of the League as the primary government.

Because of the lack of availability of financial data for the Trust, management determined that it is not practicable to include the financial data of the Trust in the accompanying financial statements, as required by accounting principles generally accepted in the United States of America.

Effect: The financial statements of the League do not comply with accounting principles generally accepted in the United States of America. Because the Trust is a legally separate entity and qualifies as a discretely presented component unit, for purposes of the audit the League and the Trust are considered separate opinion units, and each receives a separate auditor's opinion. In the accompanying auditor's report on the financial statements, the League, as the primary government entity received an unmodified opinion; however, the exclusion of the Trust, as the discretely presented component unit, received an adverse opinion.

Recommendations: This is a repeat finding. When this finding was reported for the year ended June 30, 2017, we recommended that management and the board of directors of the League continue their review and consideration of the League's relationship with the Trust to resolve outstanding issues, including the availability of financial data for the Trust.

During the year ended June 30, 2018, the Trust notified the Utah Attorney General's Office that the trustees had taken steps to terminate the Trust in accordance with the Utah Uniform Trust Code by resolving outstanding tax obligations and distributing all of its remaining funds to the League. The Trust's final tax return was filed during September 2017.

Views of Responsible Officials: It has been reported to the League by the Trust's attorney and accountant that the Trust has now been wound down and the final tax return filed and accepted by the relevant tax agencies. All of the funds of the Trust have been distributed to the Utah League of Cities and Towns which was the beneficiary of the Trust. This was accomplished by the Trustees of the Trust during the 2018 fiscal year of the League and the final tax returns for the Trust were accepted and final taxes and accountant fees were paid by the Trustee in the 2018 League fiscal year.

These transactions were handled by attorneys and accountants retained by the Trustees of the Trust and not the League. The League has been copied with the relevant tax returns and financial information on the winding down of the Trust but did not participate in those activities other than as the beneficiary of the Trust. As such it had limited access to financial data from the Trust during this last fiscal period.

The Trust was originally created by an interlocal entity (The Utah Municipal Finance Cooperative no. II) of which the League was a founding member. Utah Municipal Finance Cooperative no. II was an independent legal entity with a governing board that was separate from the League. The Trust was created by the interlocal entity to facilitate the use of funds generated by the activity of the interlocal entity for the benefit of the League. While the previous League staff and facilities were used to administer both the Utah Municipal Finance Cooperative no. II and the Trust, the Trustees of the Trust operated independently from the League's governing board.

Now that the purposes of the Trust have been accomplished the Trust has been wound down and the funds have been distributed to the League, the Trust has been dissolved and no future activity will be conducted by Trust. Therefore this issue should not arise in the future.

Prior Year Findings – Financial Statements

2017-A GAAP Departure for Exclusion of Discretely Presented Component Unit Material Weakness in Internal Control over Financial Reporting

Initial Year Finding Occurred: Year ended June 30, 2016

Finding Summary: Because of the lack of availability of financial data for the Utah Municipal Finance Cooperative No. II Trust (the Trust), the League determined that it is not practicable to include the financial data of the Trust in the accompanying financial statements, as required by accounting principles generally accepted in the United States of America. Therefore, not presenting the Trust as a discretely presented component unit.

Status: This is a finding in the current year. See item 2018-A. However, during the year ended June 30, 2018, the Trust notified the Utah Attorney General's Office that the trustees had taken steps to terminate the Trust in accordance with the Utah Uniform Trust Code by resolving

outstanding tax obligations and distributing all of its remaining funds to the League. The Trust's final tax return was filed during September 2017.

Prior Year Findings – State Compliance:

2017-B **Open and Public Meetings Act**
Material Weakness in Internal Control over Compliance

Initial Year Finding Occurred: Year ended June 30, 2017

Finding Summary: The League is required to upload board minutes to the Utah Public Notice Website within three days of approval. During the year ended June 30, 2017, the League did not post the required notices to the Utah Public Notice Website within three days of approval because roles had not been properly assigned during the year for responsibilities related to uploading meeting minutes to the Utah Public Notice Website.

Status: This is no longer a finding.

2017-C **Open and Public Meetings Act**
Material Weakness in Internal Control over Compliance

Initial Year Finding Occurred: Year ended June 30, 2017

Finding Summary: The League is required to provide adequate assurance that closed meetings are for authorized purposes and is documented through a sworn statement or an audio recording. During the year ended June 30, 2017, the league did not provide a sworn statement or recording for closed sessions throughout the year due to technical difficulties that occurred during the meeting.

Status: This is no longer a finding.

UTAH LEAGUE OF CITIES AND TOWNS

TO: ULCT Board of Directors

FROM: Cameron Diehl, Executive Director
Roger Tew, Senior Policy Advisor

DATE: December 3, 2018

SUBJECT: FY 2019 Budget Amendment

Background:

When the Utah League of Cities and Towns Board of Directors adopted the League's FY 2019 budget, the budget included $312,000 in the "Transfer from Reserves" revenue category. This was made possible through two years of revenue over expenditures savings. The League currently has $1,804,108 in ULCT's PTIF reserve account (55% of the original FY 2019 budget).

The original FY 2019 budget included $360,000 in "Capital Improvements – Office Remodel" expenditures. The remodel is essentially at completion and final costs, including the furnishing of the remodeled space (previously unaccounted for), are projected to be significantly higher than anticipated.

Proposed Budget Amendment

The ULCT staff created a budget amendment for the ULCT Board to consider. Through the amendment, the Transfer from Reserves revenue for FY 2019 is increased by $150,000. Correspondingly, an increase in Capital Improvements – Office Remodel expenditures in the amount of $150,000 is created in the FY 2019 budget. $150,000 is approximately 8% of ULCT's PTIF reserves.

The ULCT staff provided public notice for a public hearing for the Board to accept public comment regarding the proposed budget amendment. Following the public hearing, the Board should consider adopting a motion amending the FY 2019 ULCT Budget.

Proposed Motion

Adopt a motion amending the ULCT FY 2019 Budget as outlined in FY 2019 Budget Amendment #1 dated December 10, 2018 as prepared by staff.

UTAH LEAGUE OF CITIES AND TOWNS

FY 2019 Budget Amendment #1 - December 10, 2018

REVENUES	*FY 2019 Adopted Budget*	*FY 2019 Budget Amendment*	*FY 2019 Budget As Amended*
General Revenue			
Membership Dues	***$1,700,000***	***$0***	***$1,700,000***
Registration Fees	***$455,000***	***$0***	***$455,000***
Donations & Advertising	***$387,000***	***$0***	***$387,000***
Exhibit Space	***$85,000***	***$0***	***$85,000***
Interest	***$22,000***	***$0***	***$22,000***
Publications	***$10,000***	***$0***	***$10,000***
Miscellaneous Income	***$5,000***	***$0***	***$5,000***
Reserves	***$312,000***	***$150,000***	***$462,000***
Rental Income	***$0***	***$0***	***$0***
General Revenue	***$2,976,000***	***$150,000***	***$3,126,000***
Grants & Special Projects			
Essay Contest Donations	***$0***	***$0***	***$0***
Co-Op Funds Deseret News Project	***$0***	***$0***	***$0***
Grant for Research Assistant	***$0***	***$0***	***$0***
Transfer-Making Life Better	***$0***	***$0***	***$0***
Grants-Active & Healthy Communities	***$300,000***	***$0***	***$300,000***
Grants-LUAU	***$0***	***$0***	***$0***
Grant-UTOPIA	***$0***	***$0***	***$0***
Benchmarking	***$0***	***$0***	***$0***
Grants & Special Projects	***$300,000***	***$0***	***$300,000***
TOTAL REVENUE	***$3,276,000***	***$150,000***	***$3,426,000***

EXPENDITURES	*FY 2019 Adopted Budget*	*FY 2019 Budget Amendment*	*FY 2019 Budget As Amended*
Personnel Services			
Employee Benefits	***$285,550***	***$0***	***$285,550***
Staff Salaries	***$644,000***	***$0***	***$644,000***
Personnel Services Subtotal	***$929,550***	***$0***	***$929,550***
Charges for Services			
Database Maintenance	***$20,000***	***$0***	***$20,000***
Accounting Expenses	***$45,000***	***$0***	***$45,000***
Contract Labor	***$260,000***	***$0***	***$260,000***
Building Utilities	***$8,000***	***$0***	***$8,000***
Computer Services	***$24,000***	***$0***	***$24,000***
Legal Expense	***$36,000***	***$0***	***$36,000***
Charges for Services Subtotal	***$393,000***	***$0***	***$393,000***
Operating & Program Expenses			
Car Expense	***$9,000***	***$0***	***$9,000***
Building Repairs	***$17,500***	***$0***	***$17,500***
Dues and Subscriptions	***$45,000***	***$0***	***$45,000***
Convention Entertainment	***$0***	***$0***	***$0***
Convention Programming	***$270,000***	***$0***	***$270,000***
Food & Beverage	***$450,000***	***$0***	***$450,000***
Facility Rent/Setup	***$215,000***	***$0***	***$215,000***
League Relations	***$5,000***	***$0***	***$5,000***
Library	***$0***	***$0***	***$0***
Insurance	***$8,500***	***$0***	***$8,500***
Speakers Fee/Honorariums	***$0***	***$0***	***$0***
Printing Expense	***$50,000***	***$0***	***$50,000***
Postage and Freight	***$5,000***	***$0***	***$5,000***
Equipment Repairs and Maint.	***$4,000***	***$0***	***$4,000***
Staff Training & Tuition Aid	***$2,500***	***$0***	***$2,500***
Equipment purchases	***$10,000***	***$0***	***$10,000***
Spec. Equip. Rental	***$65,000***	***$0***	***$65,000***
Telephone Expense	***$13,000***	***$0***	***$13,000***
Travel and Lodging	***$70,000***	***$0***	***$70,000***
League Office Lease Payment	***$9,000***	***$0***	***$9,000***
Credit Card Processing/Bank Fees	***$25,000***	***$0***	***$25,000***
Board Expenses	***$11,000***	***$0***	***$11,000***
Operating & Program Exp. Subtotal	***$1,284,500***	***$0***	***$1,284,500***

EXPENDITURES	FY 2019 Adopted Budget	FY 2019 Budget Amendment	FY 2019 Budget As Amended
Grants & Special Projects			
Special Project-UTOPIA	$0	$0	$0
Salary Survey	$0	$0	$0
Special Project-ULCTv	$0	$0	$0
Special Project-LUAU	$0	$0	$0
Special Project-Making Life Better	$0	$0	$0
Special Projects-IHC Wellness	$278,000	$0	$278,000
Deseret News Project	$0	$0	$0
Tax Book	$12,000	$0	$12,000
Municipal Funding Project	$0	$0	$0
University of Utah Policy Institute	$0	$0	$0
Essay Contest Expenses	$4,950	$0	$4,950
Benchmarking	$0	$0	$0
Grants & Special Projects Subtotal	$294,950	$0	$294,950
Materials and Supplies			
Office Supplies	$13,000	$0	$13,000
Materials & Supplies Subtotal	$13,000	$0	$13,000
Miscellaneous			
Miscellaneous	$1,000	$0	$1,000
Transfer to Fund Balance	$0	$0	$0
Contingency Reserve	$0	$0	$0
Miscellaneous Subtotal	$1,000	$0	$1,000
Capital			
Capital Outlay	$0	$0	$0
Capital Improvements - Office remodel	$360,000	$150,000	$510,000
Capital Subtotal	$360,000	$150,000	$510,000
TOTAL EXPENSES	$3,276,000	$150,000	$3,426,000
TOTAL ALL REVENUES	$3,276,000	$150,000	$3,426,000
REVENUES (Under) Over EXPENSES	$0	$0	$0

UTAH HOUSING GAP 2018
PUBLIC OPINION RESEARCH & MESSAGING SURVEY

TOPLINE REPORT

METHODOLOGY DETAILS

n=2,213 Registered Voters
Online interviews fielded September 4-9, 2018
Margin of error +- 1.96

For this survey, 2,213 Utahns residing in Box Elder, Cache, Davis, Salt Lake, Summit, Utah, Wasatch, Washington, and Weber Counties were sampled from a publicly available list of registered voters in Utah. Survey invitations were sent to email addresses purchased from a third-party vendor.

The data were weighted to ensure that the demographics of the respondents were reflective of all registered voters in the nine selected counties in Utah, specifically in regards to age, gender, and county.

CONTACT

For more information, please contact Scott Riding or Quin Monson at:

Scott Riding, 801-556-3204, scott@y2analytics.com
Quin Monson, 801-367-6588, quin@y2analytics.com

Y^2 Analytics
60 South 600 East Ste. 250
Salt Lake City, Utah 84102

QINTRO. Do you currently live in Utah? (n = 2,259)

Yes	100%
No (TERMINATED)	--

QSEX. What is your gender? (n = 2,257)

Male	47%
Female	53

QYEARBORN. Please select the year you were born: (RECODED INTO AGE CATEGORIES, n = 2,239)

18-24	4%
25-34	15
35-44	22
45-54	17
55-64	20
65+	22

QSCREEN. Are you, or is anyone in your household, employed with a newspaper, television or radio station? (n = 2,213)

Yes (TERMINATED)	--
No	100%
Don't know (TERMINATED)	--

QTIMELIVED1. How many years have you lived in the state of Utah? (n = 2,213)

	Average
Years lived in Utah	35

QORIGINAL. Were you born in Utah or did you move here from another state or country? (n = 2,212)

Born in Utah	53%
Moved here from another state or country	47

QHOUSTYPE. Which of the following best describes your current residence? (n = 2,212)

Single-family home	82%
Duplex	2
Townhome	6
Condominium	4
Mother-in-law or basement apartment	2
Apartment in a small complex (10 or fewer units in one building)	1
Apartment in a medium sized complex (11-30 units in one or two buildings)	1
Apartment in a large complex (31 or more units in three or more buildings)	3

QOWNRENT. Which of the following best describes where you are currently living? (n = 2,212)

Own or buying my own home	81%
Rent my home or apartment	14
Live with parents or relatives	4
Other (please specify)	1

QHOUSSAT. Overall, how satisfied or dissatisfied are you with your current residence? (n = 2,213)

Very satisfied	61%
Somewhat satisfied	27
Neither satisfied nor dissatisfied	5
Somewhat dissatisfied	6
Very dissatisfied	2

QTIMELIVED2. How long have you lived in your current residence? (n = 2,212)

	Average
Years lived in current residence	12

QURBAN. In your view, which of the following best describes the area where you live? (n = 2,211)

Urban	19%
Suburban	72
Rural	9

QRELIGION. What, if any, is your religious preference? (n = 2,199)

Mormon or LDS	61%
Protestant [e.g. Baptist, Methodist, etc.]	5
Roman Catholic	4
Other Christian	<1
Jewish	6
Muslim/Islamic	<1
Other non-Christian	1
Agnostic/Atheist	7
None	16

IF 'AGNOSTIC/ATHEIST' AND 'NONE' WERE NOT SELECTED IN QRELIGION, RESPONDENTS SAW QGOCHUR2

QGOCHUR2. How active do you consider yourself in the practice of your religious preference? Would you say you are... (n = 1,709)

Very active	67%
Somewhat active	15
Not very active	7
Not active	8
Prefer not to say	3

QOVERALL. All things considered, on a scale from 0 to 100, with 0 being very low and 100 being very high, how would you rate your overall quality of life in your community? (n = 2,202)

	Average
Overall quality of life in your community	81

QISSUE. Which of the following do you consider to be the most important issue facing Utah communities and residents today? (n = 2,211)

Housing affordability	22%
Air quality	19
Water quality, supply, and conservation	7
Education	12
Infrastructure (roads, bridges, mass transit)	10
Crime and public safety	7
Jobs and the economy	8
Healthcare	9
Other (please specify)	7

QFAV. Below are the names of some people and organizations who have been in the news lately. For each one, please tell me whether you have a favorable or unfavorable impression of that person or organization. If you are not aware of a person or organization, or if you have no impression of them, please select Not aware. (n = 2,210)

	Very favorable	Somewhat favorable	Neither favorable nor unfavorable	Somewhat unfavorable	Very unfavorable	Not aware
Utah Governor Gary Herbert	21%	30	18	15	12	4
The Utah State Legislature	4	28	23	22	16	7
The mayor and council members in the city or town where you live	12	36	23	13	6	10
The Utah Housing Gap Coalition	2	9	25	7	4	54
Real estate or housing developers in Utah	2	15	31	26	15	11

QGROWRATE. Which of the following statements best reflects how you feel about the pace at which your city or town is growing? (n = 2,210)

My city or town is growing much too quickly	33%
My city or town is growing a bit too quickly	30
My city or town is growing at an appropriate pace	34
My city or town is growing a bit too slowly	2
My city or town is growing much too slowly	1

QPREV. Some people have lived in many types of housing throughout their life. Below are a few kinds of housing in which you may have lived before your current residence. What are the different types of housing in which you have lived? Select all that apply. (n = 2,210)

Single-family home	83%
Duplex	27
Townhome	24
Condominium	17
Mother-in-law or basement apartment	23
Apartment in a small complex (10 or fewer units in one building)	33
Apartment in a medium sized complex (11-30 or more units in one or two buildings)	26
Apartment in a large complex (31 or more units in three or more buildings)	35
I have never lived in another residence	1

IF 'NEVER LIVED IN ANOTHER RESIDENCE' WAS NOT SELECTED IN QPREV1, RESPONDENTS SAW QPREV2

QPREV2. Did you rent or own each of the previous types of housing in which you have lived? Select all that apply. (n = 2,096)

	Previously rented	Previously owned
Single-family home	28%	60
Duplex	22	2
Townhome	15	7
Condominium	9	7
Mother-in-law or basement apartment	20	1
Apartment in a small complex (10 or fewer units in one building)	30	<1
Apartment in a medium sized complex (11-30 or more units in one or two buildings)	23	<1
Apartment in a large complex (31 or more units in three or more buildings)	31	<1

QIMPORTANT. How important were each of the following factors when you chose to live in your current community? (n = 2,205)

	Very important	Somewhat important	Neither important nor unimportant	Somewhat unimportant	Very unimportant
Proximity to family and friends	28%	41	19	6	6
Staying in the community where I grew up	5	14	29	14	38
Personal space, privacy	55	37	5	2	1
Room for family to grow	33	28	18	8	13
Affordability	68	25	5	1	1
Safety and security	72	23	4	<1	1
Access to amenities such as restaurants, entertainment, parks, etc.	25	47	20	6	3
Job opportunities	34	29	23	6	8
Neighbors who are like me	17	35	32	9	7
Appearance	42	47	8	3	1

QIMPORTANT_OTHER. Are there any other factors not listed above that contributed to your decision to live in your current community? (OPEN-ENDED RESPONSES VERBATIM IN APPENDIX)

ASKED ONLY OF HOME OWNERS:

QPROPVAL. Some people like to have real estate prices go up because their homes are worth more money. Others do not like to have housing prices go up because it means they have to pay more property taxes. Which comes closest to your view? (n = 1,789)

I like it when real estate prices increase because it raises the value of my home	54%
I do not like it when real estate prices increase because it raises my property taxes	35
Don't know	12

QMIGRATION. Which statement comes closer to your own views, even if neither is exactly right? (n = 2,206)

People moving in from out of state strengthen Utah because they add to the tax base and contribute hard work and talents to our communities	73%
People moving in from out of state are a burden on Utah because they take our jobs and put strain on our infrastructure, housing, government services, and health care	27

QHOUSE. Please indicate the extent to which you agree or disagree with each of the following statements. (n = 2,209)

	Strongly agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Strongly disagree
Owning a home is part of the American dream	52%	35	10	2	1
Housing affordability is a major problem in my community	37	36	18	7	3
I want my community to stay the way it was when I chose to live here	16	31	28	18	7
More of the population growth in Utah right now comes from people moving in from out-of-state than from our own children and grandchildren	19	33	32	12	4
People moving into my community today share my values	5	33	44	15	4
Population growth and the change it brings will ruin my community	8	23	27	26	17
I have a meaningful say in the way my community is growing and developing	4	19	29	28	21
I am worried about the increasing crime rates that come with a growing community	22	38	20	14	6
Increased traffic and congestion always accompany growth	48	39	7	5	1

and development in a community					
Buying a home is the best long-term investment an individual can make	39	41	12	6	3
I sometimes have anxiety about paying my rent or mortgage	10	21	20	17	33
ASKED ONLY OF SELF-IDENTIFIED MEMBERS OF THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (n = 1,335):					
Growth in my community is important for the health of my local church congregation	6	22	47	14	10
High turnover in my community puts a strain on my local church congregation	7	17	37	21	18
Members of my congregation who rent their homes or apartments tend to need more assistance from the church than home owners in the congregation	9	28	42	14	7
I wish growth would slow down so I could get to know people in my congregation	6	16	46	19	12

RESPONDENTS WERE RANDOMLY ASSIGNED TO SEE ONE OF QINFOFLOW/REACT SERIES – A OR B

SERIES A.

QINFOFLOW1A. Have you seen, read, or heard anything about new apartment, condo, or townhome developments, either proposed or under construction, in or near your neighborhood? (n = 1,084)

Yes	68%
No	27
Don't know	5

IF 'YES' WAS SELECTED IN QINFOFLOW1A, RESPONDENTS SAW QINFOFLOW2A-QREACT2A

QINFOFLOW2A. What have you recently seen, read, or heard about new apartment, condo, or townhome developments, either proposed or under construction, in or near your neighborhood? (OPEN-ENDED RESPONSES VERBATIM IN APPENDIX)

QREACT1A. And how would you describe your reaction to or feelings toward the new apartment, condo, or townhome developments, either proposed or under construction, in or near your neighborhood? (n = 738)

Very negative	21%
Somewhat negative	34
Neither negative nor positive	22
Somewhat positive	14
Very positive	6
Not sure, no feelings	3

QREACT2A. Please briefly explain why you had a "[PIPED IN RESPONSE TO PREVIOUS QUESTION]" reaction to the new apartment, condo, or townhome developments, either proposed or under construction, in or near your neighborhood. (OPEN-ENDED RESPONSES VERBATIM IN APPENDIX)

SERIES B.

QINFOFLOW1B. Have you seen, read, or heard anything about new single-family home developments, either proposed or under construction, in or near your neighborhood? (n =1,128)

Yes	57%
No	37
Don't know	6

IF 'YES' WAS SELECTED IN QINFOFLOW1B, RESPONDENTS SAW QINFOFLOW2B-QREACT2B

QINFOFLOW2B. What have you recently seen, read, or heard about new single-family home developments, either proposed or under construction, in or near your neighborhood? (OPEN-ENDED RESPONSES VERBATIM IN APPENDIX)

QREACT1B. And how would you describe your reaction to or feelings toward the new single-family home developments, either proposed or under construction, in or near your neighborhood? (n = 642)

Very negative	10%
Somewhat negative	31
Neither negative nor positive	23
Somewhat positive	20
Very positive	13
Not sure, no feelings	3

QREACT2B. Please briefly explain why you had a "[PIPED IN RESPONSE TO PREVIOUS QUESTION]" reaction to the new single-family home developments, either proposed or under construction, in or near your neighborhood. (OPEN-ENDED RESPONSES VERBATIM IN APPENDIX)

RESPONDENTS SAW A RANDOM SELECTION OF THREE OF THE FOLLOWING RESPONSIBILITY/TRUST QUESTION PAIRS (QPLAN-QFOLLOWUP_STIMGROW)

QPLAN. Please indicate which of the individuals and organizations listed below you believe should be responsible for... Planning for the long-term needs of a growing community. Select all that apply. (n = 739)

Utah Governor Gary Herbert	13%
The Utah State Legislature	18
Your local city or town government	40
The Utah Housing Gap Coalition	11
Real estate or housing developers in Utah	14
Community groups such as a neighborhood council or a home owner's association	21
Other (SPECIFIED RESPONSES IN APPENDIX)	3

QFOLLOWUP_PLAN. And which of these individuals or organizations do you trust the most with... Planning for the long-term needs of a growing community? (n = 739)

Utah Governor Gary Herbert	5%
The Utah State Legislature	6
Your local city or town government	58
The Utah Housing Gap Coalition	5
Real estate or housing developers in Utah	2
Community groups such as a neighborhood council or a home owner's association	22
Other (SPECIFIED RESPONSES IN APPENDIX)	2

QCOMM. Please indicate which of the individuals and organizations listed below you believe should be responsible for... Communicating with community residents about plans and developments. Select all that apply. (n = 758)

Utah Governor Gary Herbert	7%
The Utah State Legislature	10
Your local city or town government	42
The Utah Housing Gap Coalition	9
Real estate or housing developers in Utah	19
Community groups such as a neighborhood council or a home owner's association	24
Other (SPECIFIED RESPONSES IN APPENDIX)	1

QFOLLOWUP_COMM. And which of these individuals or organizations do you trust the most with... Communicating with community residents about plans and developments? (n = 758)

Utah Governor Gary Herbert	2%
The Utah State Legislature	2
Your local city or town government	53
The Utah Housing Gap Coalition	2
Real estate or housing developers in Utah	4
Community groups such as a neighborhood council or a home owner's association	35
Other (SPECIFIED RESPONSES IN APPENDIX)	1

QRESEARCH. Please indicate which of the individuals and organizations listed below you believe should be responsible for... Conducting research to understand community thoughts and feelings about new developments. Select all that apply. (n = 772)

Utah Governor Gary Herbert	9%
The Utah State Legislature	16
Your local city or town government	39
The Utah Housing Gap Coalition	14
Real estate or housing developers in Utah	19
Community groups such as a neighborhood council or a home owner's association	23
Other (SPECIFIED RESPONSES IN APPENDIX)	2

QFOLLOWUP_RESEARCH. And which of these individuals or organizations do you trust the most with... Conducting research to understand community thoughts and feelings about new developments? (n = 772)

Utah Governor Gary Herbert	3%
The Utah State Legislature	4
Your local city or town government	47
The Utah Housing Gap Coalition	9
Real estate or housing developers in Utah	4
Community groups such as a neighborhood council or a home owner's association	32
Other (SPECIFIED RESPONSES IN APPENDIX)	2

QINFRA. Please indicate which of the individuals and organizations listed below you believe should be responsible for... Ensuring that the necessary infrastructure is in place to accommodate new developments. Select all that apply. (n = 760)

Utah Governor Gary Herbert	13%
The Utah State Legislature	22
Your local city or town government	39
The Utah Housing Gap Coalition	8
Real estate or housing developers in Utah	21
Community groups such as a neighborhood council or a home owner's association	12
Other (SPECIFIED RESPONSES IN APPENDIX)	2

QFOLLOWUP_INFRA. And which of these individuals or organizations do you trust the most with... Ensuring that the necessary infrastructure is in place to accommodate new developments? (n = 760)

Utah Governor Gary Herbert	5%
The Utah State Legislature	11
Your local city or town government	62
The Utah Housing Gap Coalition	4
Real estate or housing developers in Utah	5
Community groups such as a neighborhood council or a home owner's association	11
Other (SPECIFIED RESPONSES IN APPENDIX)	2

QINTERESTS. Please indicate which of the individuals and organizations listed below you believe should be responsible for... Looking out for the best interests of community residents. Select all that apply. (n = 735)

Utah Governor Gary Herbert	13%
The Utah State Legislature	16
Your local city or town government	39
The Utah Housing Gap Coalition	9
Real estate or housing developers in Utah	11
Community groups such as a neighborhood council or a home owner's association	27
Other (SPECIFIED RESPONSES IN APPENDIX)	3

QFOLLOWUP_INTERESTS. And which of these individuals or organizations do you trust the most with... Looking out for the best interests of community residents? (n = 735)

Utah Governor Gary Herbert	3%
The Utah State Legislature	2
Your local city or town government	45
The Utah Housing Gap Coalition	3
Real estate or housing developers in Utah	1
Community groups such as a neighborhood council or a home owner's association	43
Other (SPECIFIED RESPONSES IN APPENDIX)	3

QSTIMGROW. Please indicate which of the individuals and organizations listed below you believe should be responsible for... Stimulating economic growth in the community by attracting businesses and creating jobs. Select all that apply. (n = 685)

Utah Governor Gary Herbert	20%
The Utah State Legislature	22
Your local city or town government	37
The Utah Housing Gap Coalition	5
Real estate or housing developers in Utah	9
Community groups such as a neighborhood council or a home owner's association	10
Other (SPECIFIED RESPONSES IN APPENDIX)	3

QFOLLOWUP_STIMGROW. And which of these individuals or organizations do you trust the most with... Stimulating economic growth in the community by attracting businesses and creating jobs? (n = 685)

Utah Governor Gary Herbert	16%
The Utah State Legislature	13
Your local city or town government	54
The Utah Housing Gap Coalition	2
Real estate or housing developers in Utah	3
Community groups such as a neighborhood council or a home owner's association	9
Other (SPECIFIED RESPONSES IN APPENDIX)	2

QBLAME. And which of the individuals and organizations, if any, listed below do you believe is responsible for the current housing market conditions. Select all that apply. (n = 2,208)

Utah Governor Gary Herbert	18%
The Utah State Legislature	28
The government in the city or town where you live	46
The Utah Housing Gap Coalition	15
Real estate or housing developers in Utah	62
Community groups such as a neighborhood council or a home owner's association	14
Other (SPECIFIED RESPONSES IN APPENDIX)	11

QPULSE1. Suppose a new townhome development has been proposed in your community. It will develop two community blocks (or about six acres) of land with fifteen townhomes per acre, adding ninety new townhomes to the community. These townhomes would be occupied by a mix of owners and renters once the development is finished. Would you support or oppose this development? (n = 2,203)

Strongly support	9%
Somewhat support	35
Somewhat oppose	28
Strongly oppose	28

Next you will read some statements that have been made about growth and housing developments in Utah. Still thinking about a development of 90 townhomes on six acres of land (15 townhomes on each acre) where some people will buy and live in the townhomes and other townhomes will be for people to rent, please indicate whether each of the following statements make you more likely to support or oppose this type of development.

QARGS1. The cost of housing will continue to skyrocket if more housing is not made available for residents. Does this information make you more likely to support or oppose the proposed townhome development? (n = 2,207)

Much more likely to support	12%
Somewhat more likely to support	34
No effect	35
Somewhat more likely to oppose	10
Much more likely to oppose	9

QARGS2. There is not enough land left in our community to continue to build the kind of homes that have traditionally been built here. Does this information make you more likely to support or oppose the proposed townhome development? (n = 2,208)

Much more likely to support	6%
Somewhat more likely to support	19
No effect	38
Somewhat more likely to oppose	18
Much more likely to oppose	19

QARGS3. For the first time in recent history, the housing industry in Utah cannot provide enough housing to meet demand, causing prices to soar. To facilitate economic growth, having sufficient housing options that are affordable must be a top priority for every community. Does this information make you more likely to support or oppose the proposed townhome development? (n = 2,203)

Much more likely to support	17%
Somewhat more likely to support	36
No effect	29
Somewhat more likely to oppose	9
Much more likely to oppose	10

QARGS4. Different types of housing are good because each community has people who are in different stages of their life. There is no one-size-fits-all approach to housing, and we should have a mix of developments for people's varying needs. Does this information make you more likely to support or oppose the proposed townhome development? (n = 2,203)

Much more likely to support	15%
Somewhat more likely to support	36
No effect	32
Somewhat more likely to oppose	7
Much more likely to oppose	9

QARGS5. Well-planned housing developments, even higher-density developments, add to the quality of life in our communities because they bring more conveniences, like parks, shops, and other community amenities, and increase diversity in our area. Does this information make you more likely to support or oppose the proposed townhome development? (n = 2,208)

Much more likely to support	11%
Somewhat more likely to support	32
No effect	34
Somewhat more likely to oppose	11
Much more likely to oppose	12

QARGS6. Higher-density housing options lead to higher crime rates, decreased property values for the surrounding homes in the neighborhood, and a decline in the overall quality of life for those in the community. Does this information make you more likely to support or oppose the proposed townhome development? (n = 2,207)

Much more likely to support	2%
Somewhat more likely to support	4
No effect	23
Somewhat more likely to oppose	34
Much more likely to oppose	38

QARGS7. We don’t truly need more townhomes or higher-density housing. People just say we need more housing as a way to make a quick profit on a little bit of land. Does this information make you more likely to support or oppose the proposed townhome development? (n = 2,207)

Much more likely to support	3%
Somewhat more likely to support	6
No effect	36
Somewhat more likely to oppose	25
Much more likely to oppose	29

QARGS8. Having a large number of renters in one area puts too much of a strain on local schools, parks and trails, and government services, including fire and police departments. Does this information make you more likely to support or oppose the proposed townhome development? (n = 2,208)

Much more likely to support	2%
Somewhat more likely to support	5
No effect	30
Somewhat more likely to oppose	33
Much more likely to oppose	29

QARGS9. Growth and new housing developments bring new infrastructure needs for which developers are not held responsible. This means that parking, traffic congestion, and water needs are afterthoughts when a housing project is proposed for a community. Does this information make you more likely to support or oppose the proposed townhome development? (n = 2,206)

Much more likely to support	2%
Somewhat more likely to support	4
No effect	16
Somewhat more likely to oppose	34
Much more likely to oppose	44

QARGS10. Developers and local government officials make a lot of promises when proposing and approving new housing developments, but then they do not follow through on the promises and the development ends up ruining the community. Does this information make you more likely to support or oppose the proposed townhome development? (n = 2,204)

Much more likely to support	1%
Somewhat more likely to support	3
No effect	21
Somewhat more likely to oppose	34
Much more likely to oppose	40

QARGS11. If we want our children and grandchildren to be able to afford a decent place to live in our communities, we have to provide more housing options. Does this information make you more likely to support or oppose the proposed townhome development? (n = 2,208)

Much more likely to support	13%
Somewhat more likely to support	37
No effect	35
Somewhat more likely to oppose	7
Much more likely to oppose	8

QPULSE2. After everything you've read about growth and housing developments in Utah, think again about the new townhome development that has been proposed in your community. As a reminder, this would develop two community blocks (or about six acres) of land with fifteen townhomes per acre, adding ninety new townhomes to the community. These townhomes would be occupied by a mix of owners and renters once the development is finished. Would you support or oppose this development? (n = 2,203)

Strongly support	10%
Somewhat support	33
Somewhat oppose	28
Strongly oppose	28

CONJOINT. Imagine for just a moment that a housing development is going to be built in your community. You need to decide which of the following two different housing developments you would prefer to be built in your community. Please read the descriptions of the two types of housing developments that could be built in your community. Then please indicate which of the two housing developments you would most prefer in your community. If you think that neither is preferable or that both are preferable, just pick the one that you think is the most preferable.

Scores below show the frequency with which each trait was selected, not controlling for other traits included in the options, and marginal effects of each trait in making a respondent more likely to select an option where it is present.

Baseline model included the following attributes: apartments, rental units, amenities within a 10-minute drive, only housing units, approved by the planning commission and city council, need to rely on a car for transportation, adds more than two thousand people to the community, built inside an existing neighborhood, and existing roads are expected to accommodate the development.

	Selected in a Combination	Marginal Effects (Compared to Baseline Model)
HOUSING TYPE		
Single-family homes	25%	0.23*
Townhomes	21	0.12*
Luxury apartments	19	0.06*
Apartments	16	--
Duplexes	20	0.09*
OCCUPANTS		
Owner-occupied	30	0.22*
Rental units	19	--
70% owner-occupied and 30% rental units	29	0.20*
30% owner-occupied and 70% rental units	22	0.06*
PROXIMITY		
Parks, schools, recreation, shopping, and restaurants are all within walking distance of the development.	51	0.02**
Parks, schools, recreation, shopping, and restaurants are all within a 10-minute drive of the development.	49	--
MIXED-USE		
Contains only units for housing.	23	--
Contains a mix between housing and businesses.	24	0.04*
Contains a mix between housing, businesses, and recreational features such as walking paths and parks.	26	0.09*
Contains a mix between housing and recreational features such as walking paths and parks.	27	0.09*

APPROVAL		
Has been approved by the planning commission and the city council.	19	--
Has been approved by the planning commission and the city council after a series of public meetings where the community members provided substantial input to the plans.	21	0.08*
Has been approved by the planning commission and the city council after consulting with the school district.	20	0.03**
Has been approved by voters through a ballot referendum.	20	0.05*
Has been approved by the planning commission and the city council after consulting with the school district and holding a series of public meetings where the community members provided substantial input to the plans.	21	0.07*
TRANSPORTATION		
Can walk to mass transit such as buses, Trax, and Frontrunner.	35	0.12*
Can bike or drive a short distance to connect to mass transit such as buses, Trax, and Frontrunner.	35	0.10*
Cannot connect easily to mass transit. Need to rely on a car for transportation.	29	--
DENSITY		
Adds up to a hundred total residences and a few hundred new people to the community.	36	0.09*
Adds a few hundred total residences and up to two thousand new people to the community.	33	0.04*
Adds several hundred to a thousand total residences and more than two thousand new people to the community.	31	--
LOCATION		
Built inside an existing neighborhood.	23	--
Built on the edge of an existing neighborhood.	25	0.03**
Built in an area that is mostly commercial.	26	0.05*
Built in an area that is currently undeveloped open space.	26	0.07*
INFRASTRUCTURE		
New or expanded roads will be completed and space will be allotted for parking in the development before it is built.	26	0.06*
New or expanded roads will be completed and space will be allotted for parking in the development as it is being built.	25	0.04*
New or expanded roads will be completed and space will be allotted for parking in the development after it is built.	26	0.06*
Existing roads are expected to accommodate the development.	23	--

** effects are statistically significant at the p <.01 level, ** effects are statistically significant at the p <.1 level*

Now I have just a few final questions to ensure we have a representative sample. Please remember that your answers are completely confidential.

QCHILDREN. How many children under the age of 18 live in your home, if any? (n = 2,207)

None	57%
1	12
2	13
3	8
4	6
5 or more	4

QSOCMEDIA. About how often do you use social media, such as Facebook, Instagram, or Twitter? (n = 2,207)

Several times a day	42%
Once a day	21
3-5 times a week	9
1-2 times a week	8
Every few weeks	4
Less than once a month	4
Never	12

QEDOFR. What is the last year of school you completed? (n = 2,207)

Some high school or less	1%
High school graduate	6
Some college	25
College graduate	41
Post graduate degree (e.g. MA, MBA, LLD, PhD)	24
Vocational school or technical school	3

QEMPLOY. What is your employment status? (n = 2,204)

Self-employed	12%
Employed by someone else	52
Unemployed	1
Homemaker	9
Retired	24
Student	2

QMARRIAGE. Are you currently... (n = 2,206)

Married	75%
Divorced	7
Widowed	3
Living with partner	3
Single	11

QIDEOLOGY. On most political matters do you consider yourself: (n = 2,199)

Strongly conservative	19%
Moderately conservative	35
Neither, middle of the road	24
Moderately liberal	15
Strongly liberal	8

QRACE. Are you: (n = 2,199)

American Indian / Native American	1%
Asian	2
Black / African American	<1
Hispanic / Latino	4
White / Caucasian	82
Pacific Islander	1
Other (Please specify)	2

QINCOME. What do you expect your 2018 household income to be? (n = 2,197)

Under $25,000	5%
$25,000 - 34,999	6
$35,000 - 49,999	10
$50,000 - 74,999	16
$75,000 - 99,999	18
$100,000 - 124,999	13
$125,000 - 149,999	8
Over $150,000	13
Prefer not to say	11

QFINAL. Thank you for your time spent taking this survey. If you have any additional comments you'd like to share, please do so in the space below. (OPEN-ENDED RESPONSES VERBATIM IN APPENDIX)

COUNTY NAME (FROM VOTER FILE)

Box Elder	2%
Cache	4
Davis	13
Salt Lake	42
Summit	2
Utah	23
Wasatch	1
Washington	6
Weber	7