



HIDEOUT, UTAH TOWN COUNCIL REGULAR MEETING

March 12, 2020

AMENDED Agenda

PUBLIC NOTICE IS HEREBY GIVEN that the Town Council of Hideout, Utah will hold its regularly scheduled meeting at 10860 N. Hideout Trail, Hideout, Utah for the purposes and at the times as described below on Thursday, March 12, 2020

All public meetings are available via ZOOM conference call and net meeting.

Interested parties may join by dialing in as follows:

Meeting URL: <https://zoom.us/j/4356594739> To join by telephone dial: US: +1 408 638 0986

Meeting ID: 435 659 4739

Closed Executive Session to begin at 6:00 p.m., followed by Regular Meeting at 6:30 p.m.

I. Call to Order and Pledge of Allegiance

II. Roll Call

III. Closed Executive Session - Discussion of pending or reasonably imminent litigation, personnel matters, and/or sale or acquisition of real property

IV. Approval of Council Minutes

[1.](#) February 12, 2020 Minutes

[2.](#) February 13, 2020 Minutes

V. Agenda Items

1. Presentation of audit results for fiscal year ending June 30, 2019

2. Continued Public Hearing - Continued discussion and possible adoption of an Ordinance regarding an Impact Fee Facilities Plan

3. Public Hearing - Utah Outdoor Recreation Grant (UORG)

[4.](#) Discussion and possible approval for the Mayor to sign the Statewide Utility License

5. Overview of Planning Commission revisions to Town Code Titles 3, 9, 10 and 11

[6.](#) Approval of Bills

VI. Public Input - Floor open for any attendee to speak on items not listed on the agenda

VII. Closed Executive Session - Discussion of pending or reasonably imminent litigation, personnel matters, and/or sale or acquisition of real property as needed

VIII. Meeting Adjournment

Pursuant to the Americans with Disabilities Act, individuals needing special accommodations during the meeting should notify the Mayor or Town Clerk at 435-659-4739 at least 24 hours prior to the meeting.

HIDEOUT TOWN COUNCIL

10860 N. Hideout Trail

Hideout, UT 84036

Phone: 435-659-4739

Posted 3/11/2020

Item Attachment Documents:

1. February 12, 2020 Minutes

HIDEOUT, UTAH
10860 N. Hideout Trail
Hideout, Utah 84036
TOWN COUNCIL MEETING
February 12, 2020
6:00 p.m.

TOWN COUNCIL SPECIAL MEETING (TELEPHONIC)

I. CALL TO ORDER

Mayor Rubin called to order the telephonic meeting of the Town Council of the Town of Hideout at approximately 6:00 p.m. on January 20, 2020.

II. ROLL CALL

Town Council Members Present:

Mayor Philip Rubin
Council Member Chris Baier
Council Member Kurt Shadle
Council Member Jerry Dwinell

Town Council Members Absent:

Council Member Vytas Rupinskas

Staff Present: Town Attorney Dan Dansie

III. MOVE TO ENTER INTO CLOSED EXECUTIVE SESSION

Council Member Shadle moved to enter a closed executive session for the purpose of discussing pending our reasonably imminent litigation, personnel matters, and/or the sale or acquisition of real property as needed. Council Member Dwinell made the second. Voting Aye: Council Members Baier, Shadle and Dwinell. Voting Nay: None. The motion carried.

Whereupon, the closed executive session convened.

At 7:00 p.m., the executive session adjourned to open meeting.

IV. MEETING ADJOURNMENT

Council Member Shadle moved to adjourn the meeting. Council Member Dwinell made the second. Voting Aye: Council Members Baier, Shadle and Dwinell. Voting Nay: None. The motion carried.

The meeting adjourned at 7:00 p.m.

Allison Lutes, Town Clerk

Item Attachment Documents:

2. February 13, 2020 Minutes

HIDEOUT, UTAH
10860 N. Hideout Trail
Hideout, UT 84036
TOWN COUNCIL MEETING
February 13, 2020
6:00 p.m.

TOWN COUNCIL REGULAR MEETING

I. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Rubin called the meeting to order at 6:37 p.m. on February 13, 2020 at 10860 N. Hideout Trail, Hideout, Utah, and led the Pledge of Allegiance. The Mayor explained the delayed start of this meeting was due to an executive session

II. ROLL CALL

Town Council Members Present:

Mayor Philip Rubin
Council Member Chris Baier
Council Member Kurt Shadle
Council Member Jerry Dwinell
Council Member Vytas Rupinskas (via telephone)

Staff Present: Town Treasurer Wesley Bingham
Town Administrator Jan McCosh
Town Attorney Dan Dansie
Public Works Kent Cuillard
Town Clerk Allison Lutes

Others Present: Paul Ziegler, John Sherwood, Jared Fields, Dan and Mary Mouthaan, Jean Applegate, Marilee Arrow, and others who did not sign in or whose names were illegible.

III. APPROVAL OF COUNCIL MINUTES

Council Member Baier moved to approve the minutes of the January 23, 2020 meeting. Council Member Dwinell made the second. Voting Aye: Council Members Baier, Shadle, Dwinell and Rupinskas. Voting Nay: None. The motion carried.

IV. AGENDA ITEMS

1. Continued Public Hearing - Continued discussion and possible adoption of an Ordinance regarding an Impact Fee Facilities Plan

Mayor Rubin announced that due to the Council's receipt of additional information today, the recommendation was to defer the decision on this issue once more to allow the Council time to study and process the information.

At 6:41 p.m., Mayor Rubin opened the floor for public comments.

1 Dan Mouthaan [Forevermore Court]: Mr. Mouthaan inquired whether the newly received
2 information could be publicly shared. Mayor Rubin responded that the Council hadn't yet had
3 the opportunity to review and process the information. Dan Dansie commented to the extent
4 any of the information received results in a modification to the impact fee plan, it will be made
5 publicly available. Mr. Mouthaan was also informed that once enacted, there would be a 90-
6 day wait for the impact fees to be assessed, excepting certain developers who had agreed to
7 waive the 90-day period.

8 With no further public comments, Mayor Rubin closed the public hearing at 6:43 p.m.

9 *Council Member Shadle moved to continue this agenda item to March 12. Council Member*
10 *Dwinell made the second. Voting Aye: Council Members Baier, Shadle, Dwinell and*
11 *Rupinskas. Voting Nay: None. The motion carried.*

12
13 **2. Consider approval of the HCPC, LLC application for the combination of two lots**
14 **located at 10494 and 10496 N. Forevermore Court**

15
16 Mayor Rubin stated the Planning Commission heard and recommended approval of the
17 application. He projected the plat depicting the two lots; Marilee Arrow was present on behalf
18 of the applicant to discuss the application. Ms. Arrow gave a brief statement regarding the
19 history of their ownership of the lots, and the issue they encountered regarding the lot frontage,
20 which necessitated the requested lot combination.

21 A brief discussion arose regarding Lot 10 on Forevermore Court, and the characteristics of
22 which rendered it unsuitable for building. Council Member Baier felt it would be best suited as
23 a potential Town park connection.

24 Mayor Rubin opened the floor at 6:49 p.m. for public comments.

25 Mary Mouthaan [Forevermore Court]: Ms. Mouthaan inquired whether the 10-foot setback
26 would still apply when combining the lots. Council Member Dwinell responded that the
27 existing setbacks would remain consistent with the lots. Further, because of the extreme slope
28 and contours on the property, the builder needs the flexibility within the setbacks for placement
29 of the structure.

30 Ms. Arrow asked whether they would need to redesign the envelope if the lots are combined.
31 Mayor Rubin felt that would be an HOA issue and Will Pratt would be able to advise.

32 With no further public comments, Mayor Rubin closed the public hearing at 6:58 p.m.

33 *Council Member Baier moved to approve the HCPC, LLC application for the combination of*
34 *two lots located at 10494 and 10496 N. Forevermore Court. Council Member Shadle made the*
35 *second. Voting Aye: Council Members Baier, Shadle, Dwinell and Rupinskas. Voting Nay:*
36 *None. The motion carried.*

37
38 **3. Review and possible approval for the Mayor to execute the UDOT Corridor**
39 **Agreement for SR248**

40
41 Mayor Rubin explained the corridor agreement was the result of a joint effort between UDOT,
42 Wasatch County and Hideout. In the ten years since SR-248 had been studied, much

development had ensued. The joint entities identified major intersections, as well as potential lighted intersections along the highway. The corridor agreement includes four of those intersections: 1. Brown's Canyon; 2. Deer Mountain; 3. Ross Creek; and 4. Tuhaye/Golden Eagle. In addition, the agreement identifies minor access roads and secondary entrances along the corridor. Mr. Rubin recounted some of the specifics of the negotiations concerning the creation of the agreement, e.g. acceleration and deceleration lanes.

Discussion followed regarding the entrance to KLAIM and negotiations with UDOT regarding transfer of a piece of land to Hideout from UDOT for one of the two entrances to KLAIM. Dan Dansie was currently working with UDOT and KLAIM to effect that transfer.

A short discussion then ensued regarding the Ross Creek entrance and some UDOT land there and future road realignment with growth and traffic demand.

Council Member Dwinell pointed out the Town boundaries depicted on the map attached to the agreement were out of date and needed to be updated. Mayor Rubin noted the map would be updated.

Council Member Baier read from page 3 (Part 3, Section 4) of the agreement regarding a crosswalk to accommodate pedestrian traffic. She requested the language be revised to state "shall include crosswalk" rather than "may include crosswalk." Mayor Rubin responded that UDOT will not install a crosswalk if there is no pedestrian walkway to connect it. Ms. Baier inquired how bicycles would cross. She was concerned with pedestrian and bicycle safety and did not see that it was adequately addressed in the agreement. Mr. Rubin noted there was a provision for a pedestrian/bike overpass at Ross Creek.

Ms. Baier asked for clarification concerning what kind of "single pedestrian crossing" was referred to in Part B Section 5B for Ross Creek. Council Member Dwinell reminded the Council of discussions regarding building into the agreement an upgrade to the wildlife fencing along the corridor. Mayor Rubin responded that it would be handled by another department, however the Town was now aware of those within UDOT to reach out to. Mayor Rubin stated he would go back to UDOT with the comments and questions this evening.

Paul Ziegler [Rustler]: seconded Council Member Baier's comments. He commented that if SR-248 was widened or bike lanes were removed to make way for acceleration/deceleration lanes, it would imperil bikers and pedestrians.

Mayor Rubin commented that the Town Administrator was currently engaged in regional discussions for a biking and walking corridor that would run parallel to SR-248.

Council Member Dwinell moved to approve that the Mayor finalize the negotiations, addressing the feedback from this evening, and to execute the UDOT Corridor Agreement for SR-248. Council Member Rupinkas made the second. Voting Aye: Council Members Baier, Shadle, Dwinell and Rupinkas. Voting Nay: None. The motion carried.

4. Wesley Bingham, discussion regarding 2nd quarter financials

Before presenting the financials, Wesley Bingham provided an update on the current audit, explaining that because the Town's revenues exceeded \$1 million, it now needed to undergo a full-blown audit. Despite a few mostly administrative audit findings, Mr. Bingham felt the

1 audit was a positive, and nothing caused great concern. The audit was expected to be
2 completed within the next three to four weeks, and he expected to be able to present the audit
3 results at the next Town Council meeting.

4 Moving to the financials, Mr. Bingham walked through the major categories.

5
6 Property taxes: This fund was close to meeting budget.

7 Sales tax: October and November came in strong and it was projected to meet budget by year
8 end.

9 Class C road funds: While these funds are reasonably stable, Mr. Bingham felt they wouldn't
10 quite achieve the forecast budget.

11 Building permit revenue: The budgeted building permit revenue may be a little too high.

12 Council Member Rupinkas requested that future financial reports consist of budget
13 comparisons. Mr. Bingham responded he is currently setting up that report which will replace
14 the report presented this evening.

15 Moving back to the financials, Mr. Bingham commented his bigger concern was with building
16 permits, because to a certain extent the Town was relying on building permit revenue. Council
17 Member Shadle suggested polling the developers to get a sense of their projected building
18 permits; Council Member Dwinell and Mayor Rubin concurred.

19 Discussion arose concerning Class C road funds and why they seem to be unusually low. It was
20 indicated staff would investigate to determine why the fund was low. Mr. Bingham also offered
21 to provide Council with the detail published by UDOT to have an idea of what to expect.

22 General Fund: About \$7400 loss in general fund. Mr. Bingham stated the administrative cost
23 concerned him; the Town spent \$128,000 of its \$216,000 budget. He added he was being paid
24 out of the administrative budget rather than professional services, so that would factor in.

25 Discussion followed concerning specific administrative expenses. IT was expected to level out,
26 since many of the expenditures were one time set up fees, e.g. City Inspect and Municode. The
27 large expenditure in Professional Services is attributed to engineering, which has since been
28 dialed back.

29 Mr. Bingham reviewed that in a prior Council meeting, a Class B and C road fund reserve was
30 mentioned. Mr. Bingham made inquiries to both the State Auditor and the current Town
31 auditor regarding whether other towns typically reserve those funds and would they be used for
32 road repair only, or could they be used in operational costs for street-specific time and labor
33 costs of city staff. The State Auditor said it is up to the individual municipality's interpretation.
34 The auditor stated it was very typical for a town to use some of those funds for that purpose,
35 which is not necessarily a good practice because at some point property taxes will need to be
36 raised to repair roads. The best practice would be to set those funds aside. A municipality can
37 set Class C road funds aside and every 4-5 years when a major project is needed, those funds
38 would be accrued and applied.

39 Mr. Bingham offered to create a budget comparison report within the next 2-3 weeks for the
40 Council. The bond funds will be on a balance sheet that he will also distribute.

1 Mayor Rubin stated he would put Mr. Bingham on the agenda for next month's meeting to
2 discuss the new reports he will be preparing and distributing to the Council.

3 A short discussion followed regarding:

- 4 • Standby Fees: Sharon Maiorano will be sending out billings in the following week
- 5 • Capitalized Infrastructure: Mr. Bingham noted he capitalized approximately \$12
6 million in infrastructure, e.g. roadway, water, sewer, storm drain
- 7 • Water Revenue Projections and Enterprise Fund: Mr. Bingham stated that he didn't
8 believe the Town would need to institute large rate increases, however it may be
9 necessary as proceeding through the budget process, to consider a 3% rate increase to
10 account for inflation
- 11 • Salaries and Wages: this fund was significantly under budget. Mr. Bingham believes
12 some of those may need to be reallocated, as many of those funds came out of the
13 General Fund

14 In conclusion, Mr. Bingham stated he would come up with some better projections and a
15 budget comparison report that will include current month, prior month, revised budget column,
16 prior year and projection column.

17 18 **5. Approval of Bills**

19
20 Mayor Rubin walked through the list of bills and provided clarification for some specific items.
21 It was indicated that in the future, when the Town commits to a certain contract in excess of
22 \$5,000 or \$10,000 (the amount to be determined by Mr. Bingham), a placeholder relative to
23 that should be entered into the budget. Further, with respect to the bills to JSSD, Council
24 Member Rupinkas commented there were discrepancies in the budgeted figures, and he felt
25 Mr. Bingham needed to revisit those calculations. Council Member Dwinell requested that
26 future Bills to be Approved schedules include line numbers for ease of reference.

27 *Council Member Shadle moved to approve payment of the bills as presented. Council Member*
28 *Dwinell made the second. Voting Aye: Council Members Baier, Shadle, Dwinell and*
29 *Rupinkas. Voting Nay: None. The motion carried.*
30

31 **6. Committee Appointments**

32
33 Mayor Rubin reviewed he created a list of seven suggested committees and proposed
34 committee members based on the discussion of Town priorities at the last Council meeting.

35 A short discussion followed, wherein Council Members Dwinell and Baier expressed interest
36 in serving on the Planning Committee. Further, it was indicated every council member would
37 have the ability to sit in on any committee he or she would want to. Council Member Shadle
38 suggested combining the revenue and budget committees together into one. Mayor Rubin
39 advised that if a particular committee meeting was attended by three or fewer council
40 members, then it would not be required to notice a public meeting; the purpose of these
41 committees is not to make decisions and vote, but rather to come up with ideas and report back
42 to the Council.

1 It was suggested the "Utility Committee" be renamed "Infrastructure Committee" and add
2 internet and roads.

3 Council Member Baier expressed interest in serving on the legal committee, and Council
4 Member Rupinkas noted he would be joining in on the budget committee.

5
6 **7. Discussion regarding filling the Council vacancy**
7

8 Mayor Rubin provided a status update regarding efforts to attract those with interest in serving
9 on the Town Council. A short discussion followed, with the Council expressing hope that there
10 may be more interest in the Spring following the ski season, and as residents satisfy the one-
11 year residency requirement to serve.
12

13 **VI. PUBLIC INPUT – FLOOR OPEN FOR ANY ATTENDEE TO SPEAK**
14 **ON ITEMS NOT LISTED ON THE AGENDA**

15 Jared Fields, counsel for Mustang made a statement regarding stories concerning Bob Martino
16 recounted during Council meetings. He encouraged the Council to keep in mind there are two
17 sides to every story, and to not be swayed by rumors, especially when the subject matter is not
18 directly relevant to what is before the Council for consideration. He was referring to the
19 discussion earlier in the meeting regarding the lot combination, and stories regarding the initial
20 lot purchase and more recent dealings with their attorney and he, as Mustang's counsel.

21 Council Member Shadle inquired regarding how the lots that were presented this evening were
22 sold as unbuildable. Mr. Fields responded that Mr. Martino was not an engineer and relied on
23 his engineers to create and layout a plat.

24 Mayor Rubin thanked Mr. Fields for his comments and stated it was important Mr. Fields
25 understand that the Town receives resident comments not unlike those heard this evening. Mr.
26 Rubin added he would love to work together and would welcome any cooperation and support
27 Mr. Fields could provide to help break down the barriers.

28 **VII. CLOSED EXECUTIVE SESSION**

29 *Council Member Baier moved to close the public portion of the meeting and enter into a closed*
30 *executive session. Council Member Dwinell made the second. Voting Aye: Council Members*
31 *Baier, Shadle, Dwinell and Rupinkas. Voting Nay: None. The motion carried.*
32

33 At 9:10 p.m., the public meeting adjourned and the Council entered into an executive session.

34 **VIII. MEETING ADJOURNMENT**

35 At 9:22 p.m., the executive session adjourned.
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41

Allison Lutes, Town Clerk

Item Attachment Documents:

4. Discussion and possible approval for the Mayor to sign the Statewide Utility License

STATEWIDE UTILITY LICENSE AGREEMENT

NON-INTERSTATE

This **AGREEMENT** is made by and between the **Utah Department of Transportation**, ("UDOT") and the Town of Hideout ("Township"), a political subdivision of the State of Utah. Each as party, ("Party") and together as parties, ("Parties").

RECITALS

WHEREAS, the Parties desire to assist in expediting the approval of UDOT permits for operating, constructing, and maintaining utility lines and related facilities ("Facilities") within state highway rights-of-way; and excluding longitudinal installations within the interstate highway rights-of-way; and

WHEREAS, the terms of this agreement shall apply to all issued encroachment permits; and

WHEREAS, this agreement shall apply to approved location and encroachment permits on state highway rights-of-way in the State of Utah which are within the responsibility and jurisdiction of UDOT; and

WHEREAS, the Parties desire that this agreement supersedes all previous utility license agreements executed between the Parties.

AGREEMENT

NOW THEREFORE, the Parties agree as follows:

- 1. LICENSE:** UDOT grants a non-exclusive license to the Township for Facilities that have been granted or will be granted an encroachment permit pursuant to Utah Administrative Code R930-7.
- 2. UDOT AGREEMENT TO REVIEW APPLICATIONS:** This agreement is not an encroachment permit or a guarantee of an encroachment permit. However, UDOT agrees to promptly review any application for an encroachment permit that the Township files pursuant to the procedures established in this agreement and Utah Administrative Code R930-7.
- 3. APPROVAL:** Unless otherwise stated herein, or in any particular encroachment permit or agreement, all permits executed pursuant hereto will be deemed to be governed by the provisions of this agreement. Encroachment permit applications shall be presented to the appropriate UDOT Region/District Permits Office. UDOT may apply special limitations for any work within the right-of-way. The issuance and approval of an encroachment permit enables the Township to proceed with the utility construction and permitted use in accordance with the terms of the encroachment permit.

4. **RESERVATION AND SPECIAL PROVISIONS:** UDOT has the right to require an agreement or specific encroachment permit for any particular location and construction. Special provisions, as particular circumstances may dictate and as required by UDOT may be incorporated into any encroachment permit issued after this agreement is executed.
5. **INSPECTION:** UDOT may perform routine inspection of utility construction to monitor compliance with this agreement, encroachment permit, and with state and federal laws and regulations. UDOT's inspection does not relieve the Township of its responsibilities in meeting the encroachment permit conditions and UDOT's specifications. The Township is responsible for UDOT's inspection costs.
6. **COSTS:** The Township shall pay the entire cost of the Facilities installation.
7. **BEGINNING CONSTRUCTION:** The Township shall not begin any utility construction on UDOT right-of-way until UDOT issues the encroachment permit. The Township shall complete the utility construction in accordance with UDOT requirements and within the allowable time period.
8. **TRAFFIC CONTROL:** The Township shall conduct its utility construction and maintenance operations in compliance with UDOT's current Utah MUTCD or UDOT TC Series Drawings, whichever is more restrictive. All utility construction and maintenance operations shall be planned to keep interference with traffic to an absolute minimum. On heavily traveled highways, utility operations interfering with traffic shall not be conducted during periods of peak traffic flow. This work shall be performed to minimize closures of intersecting streets, road approaches, or other access points. The Township shall submit in advance traffic control plans showing detours and signing operations to allow UDOT reasonable time to review the plans. The Township shall not perform full or partial lane closure without prior approval of the UDOT Region/District Director or authorized representative. The Township shall conform to UDOT approved traffic control plans and encroachment permit conditions.
9. **EXCAVATION, BACKFILL, COMPACTION, AND SITE RESTORATION:** The Township shall perform all utility construction on UDOT right-of-way in compliance with R930-7, UDOT's then current Standard Specifications for Highway and Bridge Construction, UDOT's Permit Excavation Handbook, and all applicable state and federal laws and regulations.
10. **EMERGENCY WORK:** Emergency work may be done without prior encroachment permit if imminent danger of loss of life or significant damage to property exists. In emergency work situations where traffic lanes will be partially or fully blocked, the Township or its representative will contact the UDOT Traffic Operations Center at (801) 887-3710 prior to establishing traffic control. In all emergency work situations, the Township or its representative shall immediately contact UDOT on the first business day after the emergency and complete a formal encroachment permit application. Failure to contact UDOT for an emergency work situation and obtain an encroachment permit within the stated time period is considered to be a violation of the terms and conditions of this agreement and R930-

7. At the discretion of the Township, emergency work may be performed by a bonded contractor, public agency, or a utility company. In all cases the Township shall comply with the state law requiring notification of all utility owners prior to excavation. None of the provisions of this agreement are waived for emergency work except for the requirement of a prior encroachment permit.

11. **RESTORATION OF TRAFFIC SIGNAL EQUIPMENT OR TRANSPORTATION FACILITIES:** Any traffic signal equipment or transportation facilities, which are disturbed or relocated as a result of the Township's work, must be restored in accordance with plans approved by UDOT. Restoration of traffic signal equipment or transportation facilities must be done at the Township's expense by a qualified electrical contractor experienced in signal installation or a qualified contractor experienced in restoring other transportation facilities, retained by the Township and approved in advance by UDOT. Work shall be scheduled to ensure that disruption of any traffic signal or transportation facilities operation is kept to a minimum.
12. **ACCESS:** Access for Facilities installation on the UDOT right-of-way shall be allowed only by a permit issued by UDOT to the Township. The Township will obtain the permit and abide by all conditions for policing and other controls in conformance with Utah Administrative Codes R930-6 as amended.
13. **MAINTENANCE:** The Township shall at all times maintain, repair, construct and operate its Facilities at its expense. The Facilities will be serviced without access from any interstate highway or ramp. If the Township fails to maintain its Facilities, UDOT may notify the Township of any required maintenance needs. If the Township fails to comply with UDOT's notification and complete the needed maintenance, then UDOT reserves the right, without relieving the Township of its obligations, to reconstruct or make repairs to the Facilities to protect the right-of-way, as it may consider necessary, and the Township shall reimburse UDOT for its cost.
14. **LIABILITY:** The Township is not required to post a continuous bond as long as the Township is a current member of the Utah Local Governments Trust. If the Township is not a current member, the Township shall maintain continuous commercial general liability (CGL) insurance with UDOT as an additional insured, in the minimum amount of \$1,000,000 per occurrence with a \$2,000,000 general aggregate and \$2,000,000 completed operations aggregate. The liability of the Township shall not be limited to the amount of the insurance policy. The policy shall protect the Township and UDOT from claims for damages for personal injury, including accidental death, and from claims for property damage that may arise from the Township's operations in the right-of-way. The Township shall notify UDOT immediately in writing at the address listed below if this insurance is planned to be terminated or is terminated.

Or the Township shall be self-insured to the limits stated in the Governmental Immunity Act, Utah Code Section 63G-7-604(1). Evidence of self-insurance must be provided by a letter from the Township's Attorney or Risk Department. The Township shall require CGL insurance with the same limits as described above of all its contractors and subcontractors naming the Township and UDOT as additional insureds. Such insurance shall protect the

Township and UDOT from claims for damages for personal injury, including accidental death, and from claims for property damage that may arise from work or operations performed in the right-of-way by itself, contractors, subcontractors or anyone directly or indirectly employed by any of them. Such insurance shall provide coverage for premises operations, acts of independent contractors, products, and completed operations. This insurance coverage shall be maintained for a continuous period until the Township's Facilities are removed from UDOT's right-of-way.

Statewide Railroad and Utilities Director
Utah Department of Transportation
4501 South 2700 West
Salt Lake City, Utah 84114-8460

UDOT may require a bond from the Township for encroachment permits issued under this agreement. Utah Administrative Code R930-7-6(6)(b). The amount of the bond will be set according to the permitted scope of work but not less than \$10,000. UDOT may proceed against the bond to recover all expenses incurred by UDOT, its employees or representatives to restore the sections of roadway not completed or damaged by the Township to UDOT standards. The liability of the Township shall not be limited to the amount of the bond.

The Township will indemnify, defend, and hold harmless UDOT, its employees, and the State of Utah from responsibility for any damage or liability arising from Township's construction, maintenance, repair, or any other related operation during the utility construction or as a result of the work pursuant to permits issued under this agreement.

15. **CANCELLATION OF ENCROACHMENT PERMITS AND LICENSE AGREEMENT:** UDOT may cancel the encroachment permit or this agreement for the following: a) any failure on the part of the Township to comply with the terms and conditions set forth in the license agreement or the encroachment permit; and b) the failure of the Township to pay any sum of money for costs incurred by UDOT in association with installation or construction review, inspection, reconstruction, repair, or maintenance of the Facilities. UDOT also may remove the Facilities and restore the highway and right-of-way at the sole expense of the Township. Prior to any cancellation, UDOT shall notify the Township in writing, setting forth the violations, and will provide the Township a reasonable time to correct the violations to the satisfaction of UDOT. This agreement does not limit UDOT's authority under Utah Administrative Code R930-7.
16. **ASSIGNMENT:** Permits shall not be assigned without the prior written consent of UDOT. All assignees shall be required to execute a license agreement.

17. **SUCCESSORS AND ASSIGNS:** All obligations and agreements herein contained shall be binding upon the parties, their successors and assigns.

18. **FACILITIES CLEARANCE REQUIREMENT:** Facilities must be installed both above ground and buried to the proper vertical and horizontal clearances and minimum depth of bury according to the encroachment permit and Utah Administrative Code R930-7 to avoid conflict with UDOT's normal and routine maintenance activities. The Township shall avoid such conflicts by placing its Facilities in compliance with the required horizontal and vertical clearances and minimum depth of bury. If a variance in horizontal or vertical clearances or minimum depth of bury occurs in the field during utility construction, the Township will seek a deviation approval from UDOT and amend the original encroachment permit to reflect the variance and deviation approval. UDOT's normal and routine maintenance operations are those not requiring excavations in excess of the minimum horizontal and vertical clearances and depth of bury.

In all cases the Township shall protect, indemnify and hold harmless UDOT, its employees, and the State of Utah for damages because of the failure of the Facilities to meet the required horizontal and vertical clearances and minimum depth of bury. Any noncompliance to the above requirements may result in cancellation of the Township's encroachment permit or this agreement. If the noncompliant Facilities need to be moved due to a UDOT project and there was no deviation granted by UDOT for the variance in horizontal or vertical clearances or minimum depth of bury less than minimum standards, the Township must pay 100% of the relocation costs for that portion of the Facilities that were installed in violation of UDOT's required clearances at the time the encroachment permit was issued. If the Township was granted a deviation, the Township must provide the permit describing the deviation.

19. **TERMINATION OF LICENSE AGREEMENT:** This agreement will terminate in five years unless both Parties agree in writing within the five years to renew the agreement for an additional five years. However, this agreement may be terminated at any time by either party upon 30 days advance written notice to the other. Active encroachment permits previously issued and approved under a terminated agreement are not affected and remain in effect on the same terms and conditions set forth in the agreement, permits and R930-7. The obligation to maintain the continuous commercial general liability (CGL) insurance as described in paragraph (14) above continues until Township's Facilities are removed from UDOT's right-of-way. The indemnification obligations in this agreement shall survive termination of the agreement.

20. **MISCELLANEOUS:**

- a. The permitted use and occupancy of right-of-way for non-highway purposes is subordinate to the primary and highest interest for transportation and safety of the traveling public.

- b. The failure of either Party to insist upon strict compliance of any of the terms and conditions, or failure or delay by either Party to exercise any rights or remedies provided in this agreement, or by law, will not release either Party from any obligations arising under this agreement.
- c. Each Party agrees to undertake and perform all further acts that are reasonably necessary to carry out the intent and purpose of the Agreement at the request of the other Party.
- d. This Agreement does not create any type of agency relationship, joint venture, or partnership between UDOT and the Township.
- e. This Agreement shall be deemed to be made under and shall be governed by the laws of the State of Utah in all respects. Each person signing this Agreement warrants that the person has full legal capacity, power and authority to execute this Agreement for and on behalf of the respective Party and to bind such Party.
- f. If any provision or part of a provision of this agreement is held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision. Each provision shall be deemed to be enforceable to the fullest extent under applicable law.
- g. This Agreement may be executed in one or more counterparts, each of which shall be an original, with the same effect as if the signatures were made upon the same instrument. This Agreement may be delivered by facsimile or electronic mail.
- h. This Agreement shall constitute the entire agreement and understanding of the Parties with respect to the subject matter hereof, and shall supersede all offers, negotiations and other agreements with respect thereto. Any amendment to this Agreement must be in writing and executed by authorized representatives of each Party.
- i. The date of this agreement is the date this agreement is signed by the last Party.



Town of Hideout
10860 North Hideout Trail
Hideout, UT 84036
Federal ID No. 26-3315272

IN WITNESS WHEREOF, the Parties hereto have caused these presents to be executed by their duly authorized officers as of the day and year first above written.

Approved by the Town of Hideout

By: _____
Signature _____ Date _____
Name: (printed) _____ Title _____

FOR THE UTAH DEPARTMENT OF TRANSPORTATION

By: _____
Corey D. Nelson, PE, PTOE _____ Date _____
Statewide Railroad and Utilities Director

UDOT COMPTROLLER'S OFFICE

By: _____
Contract Administrator _____ Date _____

APPROVED AS TO FORM: This Form Agreement has been previously approved as to form by the office of the Legal Counsel for the Utah Department of Transportation on March 5, 2019.

158799

TOWN OF HIDEOUT
10860 NORTH HIDEOUT TRAIL
HIDEOUT, UT 84036

Federal ID No. 26-3315272

- 22318

**STATEWIDE UTILITY LICENSE AGREEMENT
NONINTERSTATE**

THIS AGREEMENT made and entered into this 22 day of Jan, 2015, by and between the UTAH DEPARTMENT OF TRANSPORTATION, hereinafter referred to as "UDOT" and TOWN OF HIDEOUT a Political Subdivision in the State of Utah hereinafter referred to as the "TOWN".

RECITALS:

WHEREAS, the parties desire to assist in expediting the approval of UDOT permits for operating, constructing and maintaining utility lines and related facilities ("facilities") within state highway rights of way; and excluding longitudinal installations within the interstate highway rights of way; and

WHEREAS, the terms of this agreement shall apply to all permits issued to allow access onto state highway rights of way; and

WHEREAS, this agreement shall apply to approved location and construction permits on state highway rights of way in the State of Utah which are within the responsibility and jurisdiction of UDOT; and

WHEREAS, the parties desire that this agreement supersedes all previous utility license agreements executed between the two parties

NOW THEREFORE, In consideration of the promises and mutual covenants and agreements contained herein, said parties hereby covenant and agree as follows:

(1) UDOT AGREEMENT TO REVIEW APPLICATIONS: This agreement is not a permit or a guarantee of a permit. However, UDOT agrees to promptly review any application for a permit that TOWN files pursuant to the procedures established in this agreement and Utah Administrative Code R930-7. TOWN and UDOT agree to work together in good faith to reach a mutually beneficial decision on any permit application.

(2) APPROVAL: Unless otherwise stated herein, or in any particular permit or agreement, all permits executed pursuant hereto will be deemed to be governed by the provisions of this agreement. Permit applications shall be presented to the appropriate UDOT Region/District Permits Office which

shall have the authority to issue. All previous and future permits are subject to the requirements of R930-7. **UDOT** may apply special limitations for any work within the right of way. The issuance and approval of a permit enables the **TOWN** to proceed with the work and permitted use in accordance with the terms of the permit.

(3) **RESERVATION AND SPECIAL PROVISIONS:** **UDOT** reserves the right to require an agreement or specific permit for any particular location and construction. Special provisions, as particular circumstances may dictate and as required by **UDOT** may be incorporated into any permit issued after this agreement is executed.

(4) **INSPECTION:** **UDOT** may perform routine inspection of utility construction work to monitor compliance with the license agreement, encroachment permit and with state and federal regulations. **UDOT's** inspection does not relieve the **TOWN** of its responsibilities in meeting the permit conditions and **UDOT's** specifications. The **TOWN** is responsible for **UDOT's** inspection costs.

(5) **COSTS:** The **TOWN** shall pay the entire cost of the facilities installation.

(6) **BEGINNING CONSTRUCTION:** The **TOWN** shall not begin any work on **UDOT** right of way until **UDOT** issues the permit and provides notice to proceed to the **TOWN**. After notice to proceed is received, the **TOWN** shall complete construction in accordance with **UDOT** requirements and time period.

(7) **TRAFFIC CONTROL:** In addressing traffic control, the **TOWN** shall conduct its construction and maintenance operations in compliance with **UDOT's** current Utah MUTCD or **UDOT** Traffic Control Plans, whichever is more restrictive. All utility construction and maintenance operations shall be planned to keep interference with traffic to an absolute minimum. On heavily traveled highways, utility operations interfering with traffic shall not be conducted during periods of peak traffic flow. This work shall be performed to minimize closures of intersecting streets, road approaches, or other access points. The **TOWN** shall submit in advance traffic control plans showing detours and signing operations to allow **UDOT** reasonable time to review the plans. The **TOWN** shall not perform full or partial lane closure without prior approval of **UDOT** Region/District Director or authorized representative. The **TOWN** shall conform to **UDOT** approved traffic control plans and permit conditions.

(8) **EXCAVATION, BACKFILL, COMPACTION, AND SITE RESTORATION:** The **TOWN** shall perform all work on **UDOT** right-of-way in compliance with R930-7, current **UDOT** Standard Specifications for Highway and Bridge Construction, **UDOT** Permit Excavation Handbook, and all applicable state and federal environmental laws and regulations.

(9) EMERGENCY WORK: Emergency work may be done without prior permit if imminent danger of loss of life or significant damage to property exists. In all emergency work situations, the **TOWN** or its representative shall immediately contact **UDOT** on the first business day after the emergency and complete a formal permit application. Failure to contact **UDOT** for an emergency work situation and obtain an encroachment permit within the stated time period is considered to be a violation of the terms and conditions of this agreement and R930-7. At the discretion of the **TOWN**, emergency work may be performed by a bonded contractor, public agency, or a utility company. In all cases the **TOWN** shall comply with the State Law requiring notification of all utility owners prior to excavation. None of the provisions of this agreement are waived for emergency work except for the requirement of a prior permit.

(10) RESTORATION OF TRAFFIC SIGNAL EQUIPMENT: Any traffic signal equipment or facilities which are disturbed or relocated as a result of the **TOWN's** work must be restored in accordance with plans approved by **UDOT**. Restoration of traffic signal equipment must be done at the **TOWN's** expense by a qualified electrical contractor experienced in signal installation, retained by the **TOWN** and approved in advance by **UDOT**. Work shall be scheduled to ensure that disruption of any traffic signal operation is kept to a minimum.

(11) MAINTENANCE: The facilities shall at all times be maintained, repaired, constructed and operated by and at the expense of the **TOWN**. The facilities will be serviced without access from any interstate highway or ramp. If the **TOWN** fails to maintain the facilities, **UDOT** may notify the **TOWN** of any maintenance needs. If the **TOWN** fails to comply with **UDOT's** notification and complete the needed maintenance, then **UDOT** reserves the right, without relieving the **TOWN** of its obligations, to reconstruct or make repairs to the facilities, as it may consider necessary, and the **TOWN** shall reimburse **UDOT** for its cost.

(12) LIABILITY: Pursuant to R930-7-6(2)(c), the **TOWN** is not required to post a continuous bond. **TOWN** shall maintain continuous commercial general liability (CGL) insurance with the Utah Department of Transportation as an additional insured, in the minimum amount of \$1,000,000 per occurrence with a \$2,000,000 general aggregate and \$2,000,000 products and completed operations aggregate. The liability of the **TOWN** shall not be limited to the amount of the insurance policy. The policy shall protect **TOWN**, the Utah Department of Transportation, **TOWN's** contractors and subcontractors from claims for damages for personal injury, including accidental death, and from claims for property damage that may arise from the **TOWN's** operations under this Permit, whether performed by themselves, a contractor, subcontractor, or anyone directly or indirectly employed by any of them. Such insurance shall provide coverage for premises operations, acts of independent contractors, products and completed operations. This insurance coverage shall be maintained for a continuous period until the **TOWN's** facilities are removed from **UDOT's** right of way. The **TOWN** shall notify **UDOT** immediately in writing at the following address if this insurance is planned to be terminated or is terminated:

Statewide Utilities Engineer
Utah Department of Transportation
4501 South 2700 West
PO Box 148380
Salt Lake City, Utah 84114-8380

Failure to maintain the required insurance is cause for termination of this agreement and cancellation of any permits.

Pursuant to R930-7-6(6)(b) **UDOT** may require a bond from the **TOWN** for permits issued under this agreement. The amount of the bond, not less than \$10,000, will be set according to the permitted scope of work. If a bond is required, **UDOT** may proceed against the bond to recover all expenses incurred by **UDOT**, its employees or representatives to restore to **UDOT** standards the sections of roadway not completed or damaged by the **TOWN**. The liability of the **TOWN** shall not be limited to the amount of the bond.

The **TOWN** will indemnify and hold harmless **UDOT**, its employees, and the State of Utah from responsibility for any damage or liability arising from their construction, maintenance, repair, or any other related operation during the work or as a result of the work pursuant to permits issued under this agreement.

(13) FUTURE HIGHWAY CONSTRUCTION: As part of the consideration for this agreement **UDOT** has the right to cross said facilities line at any point necessary in future construction, expansion or improvement of the state highway system provided that **UDOT** uses due care in the protection of the facilities line in making the crossing.

(14) CANCELLATION OF PERMITS: Any failure on the part of **TOWN** to comply with the terms and conditions set forth in the license agreement or the encroachment permit may result in cancellation of the permit. Failure of the **TOWN** to pay any sum of money for costs incurred by **UDOT** in association with installation or construction review, inspection, reconstruction, repair, or maintenance of the utility facilities may also result in cancellation of the permit. **UDOT** also may remove the facilities and restore the highway and right of way at the sole expense of the **TOWN**. Prior to any cancellation, **UDOT** shall notify the **TOWN** in writing, setting forth the violations, and will provide the **TOWN** a reasonable time to correct the violations to the satisfaction of **UDOT**.

(15) ASSIGNMENT: Permits shall not be assigned without the prior written consent of **UDOT**. All assignees shall be required to file a new permit application.

(16) SUCCESSORS AND ASSIGNS: All covenants and agreements herein contained shall be binding upon the parties, their successors and assigns.

(17) UDOT MAINTENANCE OPERATIONS: Underground facilities must be buried to the proper depth to avoid conflict with **UDOT's** normal and routine maintenance activities. In entering into this agreement with **UDOT** and obtaining a permit for the work, the **TOWN** agrees to avoid such conflicts by placing its facilities in compliance with the required horizontal clearance, vertical clearance and minimum depth of bury. Normal maintenance operations are those not requiring excavations in excess of the minimum horizontal clearance and depth of bury.

In all cases the **TOWN** shall protect, indemnify and hold harmless **UDOT**, its employees, and the State of Utah for damages because of the failure of the facilities to meet the horizontal or vertical clearances. Any noncompliance to the above requirements may result in cancellation of the **TOWN's** permit. If the noncompliant facilities need to be moved due to a **UDOT** project, the **TOWN** must pay 100% of the relocation costs if the facilities were installed in violation of **UDOT's** required clearances.

If the **TOWN** is found to be in violation of its permit with respect to vertical or horizontal location, such violation may also result in cancellation of its permit.

(18) TERMINATION OF LICENSE AGREEMENT: This agreement may be terminated at any time by either party upon 30 days advance written notice to the other. Active permits previously issued and approved under a terminated agreement are not affected and remain in effect on the same terms and conditions set forth in the agreement, permits and R930-7. The obligation to maintain the continuous commercial general liability (CGL) insurance as described in paragraph (12) above continues until **TOWN's** facilities are removed from **UDOT's** right-of-way. The indemnification obligations in this agreement shall survive termination of the agreement.

(19) MISCELLANEOUS:

- A. Any changes to this agreement must be in writing and signed by both parties.
- B. The failure of either party to insist upon strict compliance of any of the terms and conditions, or failure or delay by either party to exercise any rights or remedies provided in this agreement, or by law, will not release either party from any obligations arising under this agreement.
- C. Each party represents that it has the authority to enter into this agreement.
- D. This agreement shall be governed by and construed in accordance with the laws of Utah. In the event of a dispute, the venue shall be the Third District Court, Salt Lake County, Utah.
- E. If any provision or part of a provision of this agreement is held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision. Each provision shall be deemed to be enforceable to the fullest extent under applicable law.

udot.utah.gov

Approved by **TOWN OF HIDEOUT**

Notary: SUBSCRIBED AND SWORN TO BEFORE ME THIS 15 DAY OF January, 2015.



BY Lynette Hallam
Suzanne M. Gillett
NOTARY PUBLIC

By: Lynette Hallam
Signature
Lynette Hallam
Name (printed)

1/15/15
Date
Town Clerk
Title

FOR THE UTAH DEPARTMENT OF TRANSPORTATION

By: Richard Manser
Richard Manser, P.E.
UDOT Statewide Utilities Engineer

22 Jan 2015
Date

COMPTROLLER'S OFFICE

By: Cherise Young
Cherise Young
UDOT Contract Administrator

3-5-15
Date

APPROVED AS TO FORM: This Form Agreement has been previously approved as to form by the office of the Legal Counsel for the Utah Department of Transportation.

Item Attachment Documents:

6. Approval of Bills

	3/12/2020		
	<u>General Town Expenses</u>		
1	All West	Monthly service	207.71
2	Ally	Equipment	1,048.85
3	Alpine Business Products	Supplies	126.27
4	Associated Business Tech	Office printer supplies	116.00
5	Associated Business Tech	Office printer lease	136.87
6	Dominion	Utilities	157.30
7	Durham Jones & Pinegar	Legal services/mediation	367.50
8	Francis City	Salt	535.62
9	Fuelman	Fuel roads	1,862.56
10	Hideout	Utilities	107.60
11	Home Depot	Road maintenance materials	39.93
12	Integrated Planning & Design	Planning services	1,400.00
13	Martin, Connie	Contract services--audit/year end	121.50
14	Park Record	Public noticing	82.25
15	Professional Alarm, Inc.	Alarm monitoring	80.00
16	PEHP	Health Insurance	1,857.40
17	Rocky Mountain Power	Utilities	381.25
18	Solano, Laura	Cleaning services	150.00
19	Tech Logic	Fix Computer Issues	150.00
20	Tech Logic	Monthly service	585.00
21	Thyssenkrupp Elevator	Maintenance	471.33
22	Utah League of Cities & Town	Council training	90.00
23	Verizon Wireless	Equipment and monthly service	371.18
24	York Howell & Guymon	Legal representation - town charges, February	3,622.15
25		Total General Town Expenses	14,068.27
26			
27		<u>Expenses Passed Through</u>	
28	Epic Engineering	Inspections	-
29	Integrated Planning & Design	Plan review	625.00
30	Park Record	Public noticing	
31	Rick Gines	Inspections	760.00
32	T-O Engineers	Inspections	7,792.95
33	T-O Engineers	Pass through expenses billed	8,425.10
34	York Howell & Guymon	Legal representation - pass through charges billed	924.00
35		Total Expenses Passed Through	18,527.05
36			
37		TOTAL GENERAL FUND EXPENSES FOR APPROVAL	32,595.32
38			
39		<u>Expenses from Enterprise Funds</u>	
40	Clyde Snow	Water matters	1,357.50
41	Dakody Gines	Sewer/water maintenance & repair	1,520.00
42	Rick Gines	Water maintenance & repair	760.00
43	Jordanelle SSD	Sewer	2,668.79
44	Jordanelle SSD	Sewer Repairs	807.76
45	Jordanelle SSD	Water	20,812.50
46	Summit Co Health Dept	Water testing	60.00
47	T-O engineers	Engineering	1,285.00
48		TOTAL ENTERPRISE EXPENSES FOR APPROVAL	29,271.55

**HIDEOUT TOWN
BASIC FINANCIAL STATEMENTS AND
REQUIRED SUPPLEMENTARY INFORMATION
WITH INDEPENDENT AUDITOR'S REPORTS
YEAR ENDED JUNE 30, 2019**

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INDEPENDENT AUDITOR'S REPORT

To the Mayor and Town Council of
Hideout Town

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of Hideout Town, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Hideout Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Hideout Town, as of June 30, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison information on pages 3-7 and 33-34 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 3, 2020, on our consideration of Hideout Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Hideout Town's 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 Hideout Town's internal control over financial reporting and compliance.

Child, Richards CPAs & Advisors

Ogden, Utah
March 3, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

HIDEOUT TOWN MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDING JUNE 30, 2019

INTRODUCTION

The following is a discussion and analysis of Hideout Town's financial performance and activities for the fiscal year ending June 30, 2019.

HIGHLIGHTS

Net position of the Town decreased by \$427,012. Of this amount, business-type activities increased by \$53,763 and governmental activities decreased by \$408,775.

The assets of Hideout Town exceeded its liabilities and deferred inflows of resources at the end of the current fiscal year by \$12,256,016 (net position). Of this amount, \$851,484 (unrestricted net position) is available to meet ongoing obligations to citizens and creditors.

The Town's governmental funds reported a combined ending fund balance of \$462,371, an increase of \$85,666 compared to the prior years' ending amount. Of the combined total fund balance, \$434,248 is available for spending at the discretion of the Town (unrestricted and unassigned fund balance).

The unrestricted and unassigned fund balance of the General Fund at June 30, 2019, totaling \$434,248, is 76% of the General Fund total revenues for the year. The General Fund has \$28,123 of fund balance restricted for specific purposes that will be carried over into the following fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is an introduction to the Town's Basic Financial Statements. The Basic Financial Statements includes three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

The government-wide financial statements are comprised of the Statement of Net Position and the Statement of Activities. These two statements provide a broad overview of the Town's finances. The Statement of Net Position shows the overall net position of the Town. Increases and decreases in net position are one indicator of the Town's overall financial condition. The Statement of Activities helps to identify functions of the Town that are principally supported by taxes and other general revenues (governmental activities) along with other functions that are intended to recover all or most of their costs through user fees and charges (business-type activities). Hideout Town's business type activities are water.

The fund financial statements provide detailed information about individual major funds and not the Town as a whole. A fund is a group of related accounts that the Town uses to keep track of specific resources that are segregated for a specific purpose. Some funds are required by law to exist, while others are established internally to maintain control over a particular activity. All of the Town's funds are divided into two types. The two types are Governmental Funds and Proprietary Funds.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

**HIDEOUT TOWN
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDING JUNE 30, 2019**

Hideout Town maintains one individual governmental fund. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund.

Hideout Town adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

Hideout Town has one Proprietary Fund. The Enterprise Funds may be used to report any activity for which a fee is charged to external users for goods or services. The Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements.

There are several differences between Government-Wide and Fund Statements. Capital assets and long-term debt are included on the government-wide statements, but are not reported on the governmental fund statements. Capital outlays result in capital assets on the government-wide statements, but are expenditures on the governmental fund statements.

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HIDEOUT TOWN MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDING JUNE 30, 2019

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position

GOVERNMENT-WIDE FINANCIAL ANALYSIS

	Governmental Activities		Business-type Activities		Total	
	June 30	June 30	June 30	June 30	June 30	June 30
	2019	2018	2019	2018	2019	2018
Cash	\$ 671,690	\$ 325,575	\$ 443,445	\$ 454,057	\$ 1,115,135	\$ 779,632
Other assets	979,167	232,047	297,806	-	1,276,973	232,047
Capital assets	7,678,090	8,044,723	4,159,319	4,149,578	11,837,409	12,194,301
Deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows	<u>9,328,947</u>	<u>8,602,345</u>	<u>4,900,570</u>	<u>4,603,635</u>	<u>14,229,517</u>	<u>13,205,980</u>
Noncurrent liabilities	482,203	492,061	-	-	482,203	492,061
Other liabilities	588,648	131,724	302,812	233,236	891,460	364,960
Total liabilities	<u>1,070,851</u>	<u>623,785</u>	<u>302,812</u>	<u>233,236</u>	<u>1,373,663</u>	<u>857,021</u>
Deferred inflows of resources	599,838	49,193	-	-	599,838	49,193
Total liabilities and deferred inflows	<u>1,670,689</u>	<u>672,978</u>	<u>302,812</u>	<u>233,236</u>	<u>1,973,501</u>	<u>906,214</u>
Net position:						
Net investment in capital assets	7,217,090	8,044,723	4,159,319	4,149,578	11,376,409	12,194,301
Restricted	28,123	16,425	-	-	28,123	16,425
Unrestricted	413,045	77,885	438,439	394,417	851,484	472,302
Total net position	<u>\$ 7,658,258</u>	<u>\$ 8,139,033</u>	<u>\$ 4,597,758</u>	<u>\$ 4,543,995</u>	<u>\$ 12,256,016</u>	<u>\$ 12,683,028</u>

The largest component of the Town's net position, 92.82%, reflects investments in capital assets (land, buildings, equipment, and infrastructure) less all outstanding debt that was issued to buy or build those assets. As capital assets, these resources are not available for future spending, nor can they all be readily liquidated to pay off the related liabilities.

Restricted net position comprises less than 1% of the total net position and is subject to external restrictions on how they may be used. The remaining 6.95% of net position is unrestricted and may be used at the Town's discretion to meet its ongoing obligations to citizens and creditors.

HIDEOUT TOWN MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDING JUNE 30, 2019

Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	June 30	June 30	June 30	June 30	June 30	June 30
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$ 300,298	\$ 178,224	\$ 515,386	\$ 419,827	\$ 815,684	\$ 598,051
Operating grants and contributions	56,657	48,500	-	-	56,657	48,500
Capital grants and contributions	-	-	-	-	-	-
General revenues:						
Property taxes	64,745	52,728	-	-	64,745	52,728
Sales taxes	100,174	100,994	-	-	100,174	100,994
Other taxes	34,734	30,706	-	-	34,734	30,706
Interest	5,464	2,652	-	-	5,464	2,652
Other	6,877	1,068	-	-	6,877	1,068
Total revenues	568,949	414,872	515,386	419,827	1,084,335	834,699
Transfers In (Out)	-	-	-	-	-	-
Total revenues and transfers	568,949	414,872	515,386	419,827	1,084,335	834,699
Expenses:						
General government	565,145	227,819	-	-	565,145	227,819
Public safety	1,604	4,998	-	-	1,604	4,998
Highways and public improvements	457,478	420,488	-	-	457,478	420,488
Parks and recreation	4,943	-	-	-	4,943	-
Interest	20,554	12,225	-	-	20,554	12,225
Water	-	-	461,623	321,274	461,623	321,274
Total expenses	1,049,724	665,530	461,623	321,274	1,511,347	986,804
Change in net position	(480,775)	(250,658)	53,763	98,553	(427,012)	(152,105)
Net position-beginning	8,139,033	8,389,691	4,543,995	4,445,442	12,683,028	12,835,133
Net position-ending	<u>\$ 7,658,258</u>	<u>\$ 8,139,033</u>	<u>\$ 4,597,758</u>	<u>\$ 4,543,995</u>	<u>\$ 12,256,016</u>	<u>\$ 12,683,028</u>

Governmental Activities

The activities in the governmental funds resulted in a decrease in net position of \$480,775 for the year.

Business-Type Activities

The business-type activities increased net position by \$53,763. The Enterprise Fund is generating sufficient operating revenue to cover operating costs with a small surplus.

HIDEOUT TOWN MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDING JUNE 30, 2019

Capital Assets

Hideout Town added \$10,627 in new capital assets in business-type activities during the fiscal year. This consisted of new machinery & equipment purchases.

Fund Balances

The fund balance in the General Fund decreased by \$126,331. The Net Position in the Enterprise Funds increased by \$53,763.

General Fund Budgets

Hideout Town prepares its budget according to state statutes. The General Fund Budget was adjusted during the year.

Actual General Fund revenues were \$189,649 above the original budget and \$77,849 above the final adjusted budget. Actual General Fund expenditures before transfers were \$207,155 below the original budget and \$96,705 below the final adjusted budget.

ADDITIONAL INFORMATION

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of Hideout Town's finances and to demonstrate the Town's accountability for the money it receives. Questions concerning any of the information provided in this report or any other matters related to the Town's finances should be addressed to Hideout Town, 10860 No. Hideout Trail, Hideout, Utah 84036.

BASIC FINANCIAL STATEMENTS

HIDEOUT TOWN
STATEMENT OF NET POSITION
JUNE 30, 2019

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 643,567	\$ 443,445	\$ 1,087,012
Restricted cash	28,123	-	28,123
Accounts receivable	135,767	256,703	392,470
Due from other governmental units	843,400	-	843,400
Prepaid expenses	-	41,103	41,103
Capital assets (net of accumulated depreciation):			
Land	50,000	-	50,000
Construction in progress	-	-	-
Buildings	451,555	-	451,555
Water system	-	1,651,147	1,651,147
Sewer system	-	1,457,185	1,457,185
Storm drain system	-	1,041,246	1,041,246
Roadway improvements	7,105,930	-	7,105,930
Machinery & equipment	70,605	9,741	80,346
TOTAL ASSETS	9,328,947	4,900,570	14,229,517
Deferred outflows of resources - pensions	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS	9,328,947	4,900,570	14,229,517
LIABILITIES			
Accounts payable	130,518	294,165	424,683
Accrued liabilities	20,867	1,147	22,014
Deposits	437,263	7,500	444,763
Non-current liabilities:			
Due within one year	15,049	-	15,049
Due in more than one year	467,154	-	467,154
TOTAL LIABILITIES	1,070,851	302,812	1,373,663
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	599,838	-	599,838
Deferred inflows of resources related to pensions	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	599,838	-	599,838
NET POSITION			
Net investment in capital assets	7,217,090	4,159,319	11,376,409
Restricted for:			
Bond reserves	28,123	-	28,123
Unrestricted	413,045	438,439	851,484
TOTAL NET POSITION	\$ 7,658,258	\$ 4,597,758	\$ 12,256,016

The accompanying notes are an integral part of these statements.

HIDEOUT TOWN
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

					Net (Expense) Revenue and Changes in Net Position Primary Government		
		Program Revenues					
		Charges for	Operating	Capital			
FUNCTIONS/PROGRAMS	Expenses	Services	Grants and Contributions	Grants and Contributions	Governmental Activities	Business-type Activities	Total
PRIMARY GOVERNMENT:							
Governmental activities:							
General government	\$ 565,145	\$ 300,298	\$ -	\$ -	\$ (264,847)	\$ -	\$ (264,847)
Public safety	1,604	-	-	-	(1,604)	-	(1,604)
Highways and improvements	457,478	-	56,657	-	(400,821)	-	(400,821)
Parks and recreation	4,943	-	-	-	(4,943)	-	(4,943)
Interest	20,554	-	-	-	(20,554)	-	(20,554)
Total governmental activities	1,049,724	300,298	56,657	-	(692,769)	-	(692,769)
Business-type activities:							
Water	461,623	515,386	-	-	-	53,763	53,763
Total business-type activities	461,623	515,386	-	-	-	53,763	53,763
Total primary government	\$ 1,511,347	\$ 815,684	\$ 56,657	\$ -	(692,769)	53,763	(639,006)
General revenues:							
Property taxes					64,745	-	64,745
Sales taxes					100,174	-	100,174
Fees-in-lieu of taxes					1,676	-	1,676
Franchise taxes					33,058	-	33,058
Miscellaneous					6,877	-	6,877
Gain (loss) on sale of asset					-	-	-
Interest earnings					5,464	-	5,464
Total general revenues and transfers					211,994	-	211,994
Change in net position					(480,775)	53,763	(427,012)
Net position - beginning					8,139,033	4,543,995	12,683,028
Net position - ending					\$ 7,658,258	\$ 4,597,758	\$ 12,256,016

The accompanying notes are an integral part of these statements.

**HIDEOUT TOWN
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019**

	General Fund
ASSETS	
Cash and cash equivalents	\$ 643,567
Restricted cash	28,123
Accounts Receivable	135,767
Due from other governmental units	843,400
Total assets	<u>\$ 1,650,857</u>
LIABILITIES	
Accounts payable	\$ 130,518
Accrued liabilities	20,867
Customer deposits	437,263
Total liabilities	<u>588,648</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue - property taxes	<u>599,838</u>
Total deferred inflows of resources	<u>599,838</u>
FUND BALANCES	
Nonspendable:	
Prepays	-
Restricted for:	
Class C roads	-
Bond reserves	28,123
Unassigned	434,248
Total fund balances	<u>462,371</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,650,857</u>

The accompanying notes are an integral part of these statements.

HIDEOUT TOWN
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2019

Total fund balances - governmental funds:		\$ 462,371
Amounts reported for governmental activities in the Statement of		
Net Position is different because:		
Capital assets used in governmental activities are not		
financial resources and, therefore, are not reported in the		
funds.		
Land	\$ 50,000	
Construction in progress	-	
Infrastructure	10,004,312	
Buildings	483,809	
Machinery and equipment	206,316	
Accumulated depreciation	<u>(3,066,347)</u>	
		7,678,090
Net pension assets used in governmental activities are not financial resources		
and , therefore, are not reported in the funds.		-
Deferred outflows of resources, a consumption of net position that applies to future		
periods, is not shown in the fund statements.		-
Deferred inflows of resources, a use of net position that applies to future periods,		
is not shown in the fund statements.		-
Long-term liabilities, including compensated absences are not		
due and payable in the current period and therefore are not		
reported in the governmental funds, but they are reported in		
the Statement of Net Position.		
Net pension liability	-	
Building bond	(461,000)	
Lease financing	(16,012)	
Compensated absences	<u>(5,191)</u>	
		<u>(482,203)</u>
Net position of governmental activities		<u><u>\$ 7,658,258</u></u>

The accompanying notes are an integral part of these statements.

HIDEOUT TOWN
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	General Fund
<hr/>	
REVENUES	
Taxes	
Property taxes	\$ 64,745
Sales taxes	100,174
Fees-in-lieu of taxes	1,676
Franchise taxes	33,058
Licenses and permits	300,762
Charges for services	-
Intergovernmental	56,657
Fines and forfeitures	5,000
Miscellaneous revenue	6,877
	<hr/>
Total revenues	568,949
	<hr/>
EXPENDITURES	
Current	
General government	555,271
Public safety	1,604
Highways and public improvements	98,908
Parks and recreation	4,943
Capital outlay	
General government	-
Public safety	-
Highways and public improvements	-
Parks and recreation	-
Debt service	
General government	
Principal	14,000
Interest	20,554
	<hr/>
Total expenditures	695,280
	<hr/>
Excess (deficiency) of revenues over expenditures	(126,331)
	<hr/>
Other financing sources (uses)	
Transfers in	-
Transfers out	-
	<hr/>
Total other financing sources and uses	-
	<hr/>
Net change in fund balances	(126,331)
Fund balances - beginning of year	588,702
	<hr/>
Fund balances - end of year	\$ 462,371
	<hr/> <hr/>

The accompanying notes are an integral part of these statements.

HIDEOUT TOWN

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019**

Amounts reported for governmental activities in the Statement of

Activities are different because:

Net changes in fund balances - total governmental funds	\$	(126,331)
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Governmental funds report capital outlays as expenditures.

However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital additions exceeded depreciation in the current period.

Capital outlays	\$	-
Depreciation expense		
		(366,633)
		(366,633)

Donations of capital assets increase net position in the Statement of Activities, but do not appear in the governmental funds because they are not financial resources.

Infrastructure		-
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The Statement of Activities includes the net pension benefit (expense) from the adoption of GASB 68, which is not included in the fund financial statements.

-

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction however, has any effect on net position. This amount is the net effect of these differences in the treatment of long term debt.

Issuance of debt		-
Repayment of debt		15,049

The governmental funds report the proceeds from the sale of assets as revenues, while the government-wide financial statements report the difference between the sale proceeds and the net book value of the assets sold as a gain or loss.

Net book value of assets sold		-
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Some expenses reported in the Statement of Activities do not require use of current financial resources and therefore, are not reported as expenditures in governmental funds.

(2,860)

Change in net position of governmental activities	\$	(480,775)
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The accompanying notes are an integral part of these statements.

**HIDEOUT TOWN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2019**

	Business-Type Activities - Enterprise Funds
	Water
ASSETS AND DEFERRED OUTFLOWS	
Current assets:	
Cash and cash equivalents	\$ 443,445
Accounts receivable	256,703
Prepaid expense	41,103
Total current assets	741,251
Noncurrent assets:	
Restricted cash and cash equivalents	-
Water system	2,239,051
Sewer system	1,954,515
Storm drain system	1,522,398
Machinery & equipment	10,627
Less: accumulated depreciation	(1,567,272)
Total noncurrent assets	4,159,319
Total assets	4,900,570
Deferred outflows of resources - pension	-
Total assets and deferred outflows of resources	4,900,570
LIABILITIES AND DEFERRED INFLOWS	
Current liabilities:	
Accounts payable	294,165
Accrued liabilities	1,147
Customer deposits	7,500
Total current liabilities	302,812
Noncurrent liabilities:	
Net pension liability	-
Total noncurrent liabilities	-
Deferred inflows of resources - pension	-
Total liabilities and deferred inflows of resources	302,812
NET POSITION	
Net investment in capital assets	4,159,319
Unrestricted	438,439
Total net position	\$ 4,597,758

The accompanying notes are an integral part of these statements.

HIDEOUT TOWN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	Business-Type Activities - Enterprise Funds
	Water
OPERATING REVENUE	
Charges for service	\$ 511,888
Other	3,498
Total operating revenue	515,386
OPERATING EXPENSES	
Software and technology	2,730
Water expense	116,562
Sewer fees	44,946
Water reservation fees	27,666
Professional fees	1,094
Repairs and maintenance	34,892
Meters	11,792
Salaries and wages	22,792
Depreciation	191,417
Other expenses	7,732
Total operating expenses	461,623
Operating income (loss)	53,763
NONOPERATING REVENUE (EXPENSES)	
Transfers In	-
Interest revenue	-
Total nonoperating revenue	-
Income (loss) before contributions	53,763
Capital contributions	-
Change in net position	53,763
Net position - beginning	4,543,995
Net position - ending	\$ 4,597,758

The accompanying notes are an integral part of these statements.

**HIDEOUT TOWN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019**

	Business-Type Activities - Enterprise Funds
	Water
Cash Flows From Operating Activities	
Receipts from customers	\$ 456,044
Payments to employees	(21,645)
Payments to suppliers	(178,456)
Net cash from operating activities	255,943
Cash Flows From Noncapital Financing Activities	
Transfers In/Out	-
Interfund loan activities	(45,000)
Net cash from noncapital financing activities	(45,000)
Cash Flows From Capital and Related Financing Activities	
Purchases of capital assets	(10,627)
Proceeds from sale of assets	-
Net cash from capital and related financing	(10,627)
Cash Flows From Investing Activities	
Interest and dividends received	-
Net cash from investing activities	-
Net increase (decrease in cash and cash equivalents)	200,316
Cash and cash equivalents, July 1	243,129
Cash and cash equivalents, June 30	\$ 443,445
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:	
Operating income (loss)	\$ 53,763
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	191,417
(Increase) decrease in accounts receivable	(62,342)
(Increase) decrease in prepaid expense	(41,103)
Increase (decrease) in accounts payable	110,061
Increase (decrease) in accrued liabilities	1,147
Increase (decrease) in customer deposits	3,000
Total adjustments	202,180
Net cash provided (used) by operating activities	\$ 255,943
Noncash Investing, Capital and Financing Activities:	
Contributed capital assets from developers	\$ -

The accompanying notes are an integral part of these statements.

HIDEOUT TOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Hideout Town, Utah conform in all material respects to generally accepted accounting principles (GAAP) as applicable to governments. The Town has adopted the provisions of the Governmental Accounting Standards Board (GASB). Preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements.

The following is a summary of the more significant policies and is presented to assist the reader in interpreting the financial statements and other data in this report. These policies, as presented, should be viewed as an integral part of the accompanying financial statements.

A. Reporting Entity

The Town of Hideout (the Town) was incorporated in 2008 under the laws of the state of Utah. The Town operates by ordinance under the Mayor-Council form of government and provides the following services as authorized by its charter: public safety (police), highway and streets, sanitation, recreation, public improvements, planning and zoning, and general administration. In addition, the Town owns and operates water utilities.

The criteria set forth by generally accepted accounting principles (GAAP) was used to determine which entities to include in this report. GASB Concepts Statement-1 (Objectives of Financial Reporting) concludes that the basic foundation for governmental financial reporting is accountability. The Concepts Statement asserts that accountability requires governments to answer to the citizenry - to justify the raising of public resources and the purposes for which they are used. In turn, the concept of accountability becomes the basis for defining the financial reporting entity.

In defining the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth by the Governmental Accounting Standards board (GASB). Under GASB Statement No. 61, The Financial Reporting Entity, the financial reporting entity consists of the primary government and no component units.

B. Government-wide and Fund Financial Statements

The Town's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The Town has adopted GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance*. Accordingly, the Town has elected to apply all applicable GASB pronouncements and codified accounting standards issued by GASB. The more significant accounting policies established in GAAP and used by the Town are discussed below.

The Town's basic financial statements consist of both government-wide statements and fund statements. The government-wide statements focus on the Town as a whole, while the fund statements focus on individual funds.

Government-wide Financial Statements

The government-wide statements present information on all non-fiduciary activities of the primary government. Primary government activities are distinguished between *governmental* and *business-type* activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The *Statement of Net Position* presents the Town's non-fiduciary assets and liabilities, with the difference reported as net position. Net position are restricted when constraints placed upon them are either externally imposed or are

HIDEOUT TOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements (Continued)

imposed by constitutional provisions or enabling legislation. The *Statement of Activities* demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. The Town does not allocate general government (indirect) expenses to other functions. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other revenues not meeting the definition of program revenues are reported as general revenues.

Fund Financial Statements

The financial transactions of the Town are recorded in individual funds. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is used to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. Statements are provided for *governmental funds* and for *proprietary funds*. For governmental and proprietary funds, the emphasis is on *major funds*, with each displayed in a separate column.

The Town reports the following major governmental funds:

General Fund - This fund is the principal operating fund of the Town. It is used to account for all financial resources not required to be accounted for in another fund.

The Town reports the following major proprietary funds:

Water Fund - The water fund is used to account for operations of the water system, (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

C. Measurement Focus and Basis of Accounting

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the related liability is incurred, regardless of the timing of the cash flows. Taxes and fees are recognized in the year in which the related sales or other activity has occurred. Grants and similar items are recognized as revenue when all eligibility requirements have been met.

The governmental fund financial statements are prepared and reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Expenditures are generally recorded when the related liability is incurred.

Proprietary funds separate operating and non-operating revenues and expenses. Operating revenues and expenses normally arise from providing goods and services in connection with the fund's normal ongoing operations. The

HIDEOUT TOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting, continued

principal sources of operating revenues for the proprietary funds are charges to customers for goods and services. Operating expenses include the cost of sales and services, administrative overhead expenses and depreciation on capital assets. All other revenues or expenses are recorded as non-operating.

D. Assets, Liabilities, and Fund Balances/Net Position

The following are the Town's significant policies regarding recognition and reporting of certain assets, liabilities, and equity.

Pooled Cash and Temporary Investments

Unrestricted and restricted cash balances of both funds are combined to form a pool of cash which is managed by the Town Treasurer. Utah State Statutes allow for investments in the Utah Public Treasurer's Investment Fund and Utah Money Management Act (UMMA) approved financial institutions. The UMMA provides for a committee to evaluate financial institutions and provide a list of those qualified as depositories for public funds, including the amount they are authorized to maintain over and above insured amounts. The Town Treasurer invests unrestricted and restricted cash with the Utah Public Treasurer's Investment Fund and with local financial institutions. Investments in the pooled cash fund consist primarily of certificates of deposit, repurchase agreements, and time deposits and are carried at cost which approximates market value. Interest income earned as a result of pooling is distributed to the appropriate funds based on month end balances of cash. The Town considers all highly liquid investments to be cash equivalents if they have a maturity of three months or less when purchased.

Inventories

No significant inventories are maintained by the Town, therefore none are reflected in these statements.

Restricted Assets

Certain resources set aside as reserves in accordance with council resolutions and State statutes are classified as restricted assets on the balance sheet because their use is limited.

Capital Assets

General capital assets are not capitalized in the governmental funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures.

Capital assets are reported in the governmental column in the government-wide financial statements. All purchased fixed assets are valued at cost or estimated historical cost. Donated fixed assets are valued at their estimated fair market value on the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. Capital assets are defined as assets with an initial, individual cost of more than \$5,000.

Infrastructure capital assets which are newly constructed are capitalized. The Town currently has infrastructure assets recorded.

HIDEOUT TOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Depreciation of all exhaustible capital assets is charged as an expense in the related program. Accumulated depreciation is reported on the Statement of Net Position. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Buildings & Improvements	60 years
Water System & Equipment	30 years
Machinery & Equipment	7-10 years
Infrastructure	30 years

Deferred Outflows of Resources

In addition to assets, the statement of financial position 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 or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The Town does not have an item that qualifies for reporting in this category.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports 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 future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has only one type of item reported under this category. Unavailable revenue-property taxes are reported as deferred inflows of resources since they are recognized as receivables before the period for which the taxes are levied. These amounts are reported in both the government-wide statements and the governmental fund statements.

Long-term Obligations

In the government-wide statements, long-term debt obligations are reported as liabilities.

The face amount of debt issued is reported as other financing sources in the governmental fund financial statements.

Equity

Fund financial statements

In February 2009, GASB issued Statement No. 54 on Fund Balance Reporting and Governmental Fund Type Definitions. The statement is effective for years beginning after June 15, 2010. The statement applies only to governmental fund financial statements and not to government-wide statements or proprietary fund statements. Proprietary fund equity is classified the same as in the government-wide statements. The governmental fund balances may be classified as follows:

- a. Non-spendable - Fund balances that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

HIDEOUT TOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Fund Balances/Net Position (Continued)

Equity

- b. Restricted fund balance - Fund balances are reported as restricted when they are constrained by externally imposed legal restrictions, by law through constitutional provision or enabling legislation, or restrictions set by creditors, grantors, or contributors.
- c. Committed fund balance - Fund balances are reported as committed when the Council formally designates the use of resources by ordinance or resolution for a specific purpose and cannot be used for any other purpose unless the Town Council likewise formally changes the use.
- d. Assigned fund balance - Fund balances are reported as assigned when the Town Council or Management intends to use funds for a specific purpose. Normally funds are assigned by the appropriation process of setting the budget. Additionally, funds in special revenue, debt service, and capital project funds are by their nature assigned to the purpose of those respective funds.
- e. Unassigned fund balance - Fund balances in the general fund are reported as unassigned when they are neither restricted, committed, nor assigned. They may be used for any governmental purpose.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed unless Town Council has provided otherwise in its commitment or assignment actions.

Government-wide statements:

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

It is Town's policy to first apply restricted resources when the expense is incurred for purposes for which both restricted and unrestricted net position are available.

HIDEOUT TOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Revenues and Expenditures

The following are the Town's significant policies related to recognition and reporting of certain revenues, expenditures, and interfund activity.

Revenue Availability

Under the modified accrual basis of accounting, revenues are considered to be "available" when they are collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The Town considers property tax revenues to be available if they are collected within 60 days after the end of the current year. Grants and similar items are recognized as revenue when all eligibility requirements have been met. All other revenues are considered to be available if they are collected within 60 days after year-end.

Statement of Governmental Accounting Standards (SGAS) No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*, defines a non-exchange transaction as one in which "a government either gives value to another party without directly receiving equal value in exchange or receives value from another party without directly giving equal value in exchange." For property taxes, at January 1 of each year (the assessment date), the Town has the legal right to collect the taxes, and in accordance with the provisions of the new statement, has now recorded a receivable and a corresponding deferred inflows or resources for the assessed amount of those property taxes as of January 1 of the current year.

Expenditure Recognition

In governmental funds, expenditures are generally recorded when the related liability is incurred. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due. Capital asset acquisitions are reported as expenditures, and proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

F. Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for all governmental funds. All annual appropriations lapse at the fiscal year end. Encumbrance accounting is not used by the Town. Summary of Town Budget Procedures and Calendar:

1. The Town Council can amend the budget to any extent, provided the budgeted expenditures do not exceed budgeted revenues and appropriated fund balance.
2. Budgets are required by the State of Utah for both the General and Special Revenue Funds.
3. Each year the Town publishes a separate budget document prepared according to this legal level of control.
4. The Town's budget is a Financial Plan of all estimated revenues and all appropriations for expenditures. Revenues and Expenditures must balance for the funds required by the State Code as indicated in item 2 above.
5. A tentative budget is presented by the Mayor to the Town Council by the first regularly scheduled council meeting in May. The tentative budget is reviewed and tentatively adopted by the Council no later than June 22.
6. The tentative budget is a public record and is available for inspection at the Town offices for at least ten days prior to adoption of the final budget.
7. Notice of public hearing on adoption of the final budget is published seven days prior to the public hearing.
8. The public hearing on the tentatively adopted budget is held no later than June 22. Final adjustments are made to the tentative budget by the Council after the public hearing.
9. Occasionally the Town Council will exercise their option to open the budget to indicate additional financing sources that become available.
10. The final budget is adopted by ordinance before June 22 and a copy of the budget certified by the Budget Officer is filed with the State Auditor within thirty days of adoption.
11. In connection with budget adoption:

HIDEOUT TOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

12. NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Budgets and Budgetary Accounting, continued

- a. An annual tax ordinance establishing the property tax rate is adopted before June 22.
 - b. The Town Treasurer is to certify the property tax rate to the County Auditor before June 22.
12. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

Summary of Action Required for Budget Changes:

The Council may, by resolution, transfer unexpended appropriations from one department to another department within the same fund. The budget appropriation for any department may be reduced by resolution.

Fund budgets may be increased by resolution after a public hearing.

G. Contributions

Certain proprietary fund types receive contributions for aid in construction from various sources. With the adoption of GASB No. 33, these contributions that were formerly credited directly to contributed capital accounts are now reflected as non-operating revenue.

H. Compensated Absences

Town policy provides for vested or accumulated vacation leave. All compensated absences are accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

I. Use of Estimates

The preparation of the accompanying financial statements in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

J. Restricted Resources

The Town's policy is to use restricted resources first to fund appropriations when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

NOTE 2 - DEPOSITS AND INVESTMENTS

A. Deposits & Investments

The Town maintains a cash and investment pool that is available for use by all funds. Cash includes amounts in demand deposits as well as time deposits. Investments are stated at cost or amortized cost, which approximates fair value. Each fund's portion of this pool is displayed as "Cash and Cash Equivalents" which also includes cash accounts that are separately held by some of the Town's funds. Deposits are not collateralized nor are they required to be by State statute.

HIDEOUT TOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

The Town follows the requirements of the Utah Money Management Act (*Utah Code*, Section 51, Chapter 7) in handling its depository and investment transactions. This Act requires the depositing of Town 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 State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

Deposits

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Town deposits may not be returned to it. The Town does not have a formal deposit policy for custodial credit risk. As of June 30, 2019, \$340,046 of the Town’s bank balances of \$1,126,662 was uninsured and uncollateralized.

Investments

The State of Utah Money Management Council has the responsibility to advise the State Treasurer about investment policies, promote measures and rules that will assist in strengthening the banking and credit structure of the state, and review the rules adopted under the authority of the State of Utah Money Management Act that relate to the deposit and investment of public funds.

The Town follows the requirements of the Utah Money Management Act (*Utah Code*, Title 51, Chapter 7) in handling its depository and investment transactions. The Act requires the depositing of Town 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 State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

The Money Management Act defines the types of securities authorized as appropriate investments for the Town’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.

Statutes authorize the Town to invest in negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as “first tier” by two nationally recognized statistical rating organizations; bankers’ acceptances; obligations of the United States Treasury including bills, notes, and bonds; 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); bonds, notes, and other evidence of indebtedness of political subdivisions of the State; 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; shares or certificates in a money market mutual fund as defined in the Money Management Act; and the Utah State Public Treasurers’ Investment Fund.

The Utah State Treasurer’s Office operates the Public Treasurers’ Investment Fund (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

HIDEOUT TOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

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.

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 Town 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, 2019, the Town had the following recurring fair value measurements:

	Fair Value Measurements Using			
	Total	Level 1	Level 2	Level 3
Investments by fair value level				
Debt securities:				
Utah Public Treasurer's Investment Fund	\$ 219,451	\$ -	\$ 219,451	\$ -
Total debt securities	\$ 219,451	\$ -	\$ 219,451	\$ -

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 are valued using the following approaches:

- U.S. Treasuries, U.S. Agencies, and Commercial Paper: quoted prices for identical securities in markets that are not active;
- Corporate and Municipal Bonds: quoted prices for similar securities in active markets;
- Money Market, Bond, and Equity Mutual Funds: published fair value per share (unit) for each fund;
- Utah Public Treasurers' Investment Fund: application of the June 30, 2018 fair value factor, as calculated by the Utah State Treasurer, to the Town's average daily balance in the Fund; and,

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town's policy for managing its exposure to fair value loss arising from increasing interest rates is to comply with the State's Money Management Act. 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

HIDEOUT TOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

issued by U.S. government sponsored enterprises; and bonds, notes, and other evidence of indebtedness of political subdivisions of the State to 5 years. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding 3 years.

As of June 30, 2019, the Town's investments had the following maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	More than 10
PTIF					
Investments	219,451	219,451	-	-	-
	219,451	219,451	-	-	-

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Town's policy for reducing its exposure to credit risk is to comply with the State's Money Management Act, as previously discussed.

At June 30, 2019, the Town's investments had the following quality ratings:

Investment Type	Fair Value	Quality Ratings			
		AAA	AA	A	Unrated
PTIF					
Investments	219,451	-	-	-	219,451
	219,451	-	-	-	219,451

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

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

The Town's investment in the Utah Public Treasurer's Investment Fund has no custodial credit risk.

Cash on hand and on deposit:	
Cash on deposit	\$ 895,584
Petty cash	100
PTIF investment	219,451
Total cash and investments	<u>\$ 1,115,135</u>

HIDEOUT TOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Cash and investments are included in the accompanying combined statement of net position as follows:

Unrestricted Cash	\$ 1,087,012
Restricted Cash for:	
Bond reserves	28,123
Total cash and investments	<u>\$ 1,115,135</u>

NOTE 3 – DISAGGREGATED RECEIVABLES AND PAYABLES

The table below disaggregates the balances due from other government units and amounts reported as accounts receivable on the statement of net position under governmental activities. The receivables in the business-type activities are all due from customers for utility services provided.

Governmental Activities:	Due from government units	Accounts Receivable	Total
Receivables:			
Utah State Tax Commission	\$ 9,247	\$ -	\$ 9,247
Utah Department of Transportation	12,632	-	12,632
County - Current Property Taxes	9,866	-	9,866
Taxpayers - Unavailable Taxes	811,655	-	811,655
Business - Franchise Tax	-	2,255	2,255
Customers	-	273,269	273,269
Other Receivables	-	136,351	136,351
Gross receivables	843,400	411,875	1,255,275
Less: Allowance for uncollectibles	-	(19,405)	(19,405)
Net total receivables	<u>\$ 843,400</u>	<u>\$ 392,470</u>	<u>\$1,235,870</u>

	Accounts Payable Due To:		
	Other Governments	Vendors	Total
General Fund	\$ 1,541	\$ 128,977	\$ 130,518
Water Fund	286,900	7,265	294,165
Total	<u>\$ 288,441</u>	<u>\$ 136,242</u>	<u>\$ 424,683</u>

HIDEOUT TOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 4 - CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2019, was as follows:

	Balance June 30, 2018	Additions	(Deletions)	Balance June 30, 2019
GOVERNMENTAL ACTIVITIES				
Nondepreciated Assets				
Land	\$ 50,000	\$ -	\$ -	\$ 50,000
Construction in progress	-	-	-	-
Total nondepreciated assets	50,000	-	-	50,000
Depreciated Assets				
Infrastructure	10,004,312	-	-	10,004,312
Improvements	-	-	-	-
Buildings	483,809	-	-	483,809
Machinery and equipment	206,316	-	-	206,316
Total depreciated assets	10,694,437	-	-	10,694,437
Less accumulated depreciation				
Infrastructure	(2,564,906)	(333,477)	-	(2,898,383)
Improvements	-	-	-	-
Buildings	(24,190)	(8,063)	-	(32,253)
Machinery and equipment	(110,618)	(25,093)	-	(135,711)
Total accumulated depreciation	(2,699,714)	(366,633)	-	(3,066,347)
Net assets depreciated	7,994,723	(366,633)	-	7,628,090
Governmental activities capital assets, net	\$ 8,044,723	\$ (366,633)	\$ -	\$ 7,678,090

HIDEOUT TOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 4 - CAPITAL ASSETS (CONTINUED)

	Balance June 30, 2018	Additions	(Deletions)	Balance June 30, 2019
BUSINESS-TYPE ACTIVITIES				
Nondepreciated Assets				
Construction in progress	\$ -	\$ -	\$ -	\$ -
	-	-	-	-
Depreciated Assets				
Water system	2,239,051	-	-	2,239,051
Sewer system	1,954,515	-	-	1,954,515
Storm drain system	1,522,398	-	-	1,522,398
Machinery & equipment	-	10,627	-	10,627
Total depreciated assets	2,669,204	10,627	-	5,726,591
Less accumulated depreciation				
Water system	(513,269)	(74,635)	-	(587,904)
Sewer system	(432,180)	(65,150)	-	(497,330)
Storm drain system	(430,406)	(50,746)	-	(481,152)
Machinery & equipment	-	(886)	-	(886)
Total	(1,413,802)	(191,417)	-	(1,567,272)
Net assets depreciated	1,255,402	(180,790)	-	4,159,319
Business-type activities capital assets, net	\$ 1,305,528	\$ (180,790)	\$ -	\$ 4,159,319

DEPRECIATION EXPENSE

	Governmental Types	Business Types	Totals
General Government	\$ 8,063	\$ -	\$ 8,063
Public Safety	-	-	-
Highways & Improvements	358,570	-	358,570
Parks & Recreation	-	-	-
Water System	-	75,521	75,521
Sewer System	-	65,150	65,150
Storm Drain System	-	50,746	50,746
Total	\$ 366,633	\$ 191,417	\$ 558,050

HIDEOUT TOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 5 - LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2019, was as follows:

Description	Interest Rate	Outstanding 6/30/2018	Additions	Payments	Outstanding 6/30/2019	Current Portion
GOVERNMENTAL ACTIVITIES						
Building bond	2.5%	\$ 475,000	\$ -	\$ (14,000)	\$ 461,000	\$ 14,000
Capital Lease	6.69%	17,061	-	(1,049)	16,012	1,049
Compensated Absences	N/A	2,331	2,860	-	5,191	-
TOTAL GOVERNMENTAL		<u>\$ 109,480</u>	<u>\$ 2,860</u>	<u>\$ (15,049)</u>	<u>\$ 482,203</u>	<u>\$ 15,049</u>

Lease Revenue Bonds, Series 2011 - On November 15, 2011, the Town Council authorized the issuance of interest-bearing revenue bonds in the amount of \$540,000. The purpose of the bond issue was to defray a portion of the cost of the town hall project. As of June 30, 2019, \$540,000 had been issued and \$461,000 is outstanding. The bonds have an interest rate which is set at 2.50%. The annual requirement to amortize this debt is as follows:

Year	Principal	Interest	Total
2020	\$ 14,000	\$ 11,525	\$ 25,525
2021	15,000	11,175	26,175
2022	15,000	10,800	25,800
2023	15,000	10,425	25,425
2024	16,000	10,050	26,050
2025-2029	85,000	44,100	129,100
2030-2034	96,000	32,950	128,950
2035-2039	109,000	20,300	129,300
2040-2043	96,000	6,050	102,050
	<u>\$ 461,000</u>	<u>\$ 157,375</u>	<u>\$ 618,375</u>

Capital Lease - The Town entered a lease-to-own agreement on October 12, 2015 for a 2015 Chevrolet Silverado. The Town paid \$0 up front. The following is a summary of the future minimum payments for the year ended June 30:

Year	Principal	Interest	Total
2020	\$ 11,875	\$ 712	\$ 12,587
2021	4,137	58	4,195
	<u>\$ 16,012</u>	<u>\$ 770</u>	<u>\$ 16,782</u>

HIDEOUT TOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 6 – BOND RESOLUTION COMPLIANCE

Series 2011 Lease Revenue Bonds

The Series 2000 Sewer Revenue Bonds issuance provides for the establishment of the following funds:

1. Beginning October 1, 2012, and on the first day of each subsequent month, the Town is required to reserve \$365 until such time as the aggregate reserve equals \$26,250. This Reserve Account shall be used to fund the lease revenue bond redemption fund in the event it is in a deficit position. The balance in this account at June 30, 2019 was \$28,123.

NOTE 7 - RISK MANAGEMENT

Hideout Town 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 Town carries commercial insurance. The Town maintains comprehensive insurance coverage in aggregate amounts sufficient to protect against all reasonably foreseeable liability risks. Specific liability policies purchased include automobile, general liability, property, bond (employee dishonesty), treasurer, public officials and officers, excess liability, and workman's compensation. As of June 30, 2019, there is no anticipation of unpaid claims. Therefore, a liability is not accrued.

NOTE 8 - AMOUNT TO BE PROVIDED FOR COMPENSATED ABSENCES

The accumulated unpaid vacation time which would be paid if employees terminated employment June 30, 2019 was \$5,191.

NOTE 9 - PROPERTY TAX CALENDAR

Lien date	Jan. 1
Taxing entity notifies the county of date, time, and place of public hearing	Mar. 1
Budget officer of the entity prepares and files with the Town Council a tentative budget for the next fiscal year	1 st scheduled council meeting in May
County auditor sends valuation certified tax rate and levy worksheets to each taxing entity	Jun. 8
Taxing entity must adopt a proposed tax rate, certify the rate and levy, and submit to the county auditor	Before Jun. 22
Taxing entity adopts a final tax rate if there is no increase in certified tax rate	Jun.22
Taxing entity adopts final budget if there is no increase in certified tax rate	Jun. 22
Copy of the budget is submitted to state auditor within 30 days of adoption Payment and delinquency date	Nov. 30

HIDEOUT TOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 10 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The Town is required to keep actual expenditures below budget appropriations by fund. For the year ended June 30, 2019 expenditures in the General Fund exceed appropriations by \$96,705. Expenses in the Water fund also exceed budgeted amounts by \$99,623.

The Town is also required to maintain positive fund balances in each fund and has complied with this requirement.

NOTE 11 - SUBSEQUENT EVENTS

No significant subsequent events have occurred since the date of the financial statements through March 3, 2020, which is the financial statement issuance date.

REQUIRED SUPPLEMENTARY INFORMATION

HIDEOUT TOWN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES TO FUND BALANCES -
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
REVENUES				
Taxes:				
Property taxes	\$ 55,000	\$ 58,500	\$ 64,745	\$ 6,245
Sales taxes	90,000	90,000	100,174	10,174
Fees-in-lieu of taxes	1,500	1,500	1,676	176
Franchise Taxes	30,000	30,500	33,058	2,558
Licenses and permits	160,300	240,300	300,762	60,462
Fines and forfeitures	1,000	5,000	5,000	-
Intergovernmental revenue	40,000	60,000	56,657	(3,343)
Miscellaneous revenue	1,500	5,300	6,877	1,577
TOTAL REVENUES	379,300	491,100	568,949	77,849
EXPENDITURES				
General government:				
Administrative	106,000	145,400	152,161	(6,761)
Other Professional Services	202,750	309,500	402,035	(92,535)
Total general government	308,750	454,900	554,196	(99,296)
Public safety:				
Police Department	6,500	6,500	1,604	4,896
Total public safety	6,500	6,500	1,604	4,896
Streets:				
Equipment Lease	26,000	18,000	17,425	575
Insurance	1,000	1,000	1,044	(44)
Repair and Maintenance	87,000	45,700	42,600	3,100
Wages	25,000	38,000	37,839	161
Total highways and streets	139,000	102,700	98,908	3,792

HIDEOUT TOWN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES TO FUND BALANCES -
BUDGET AND ACTUAL (CONTINUED)
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>			<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Favorable</u> <u>(Unfavorable)</u>
EXPENDITURES (Continued)				
Parks and recreation:				
Parks and recreation	\$ 7,500	\$ 7,500	\$ 4,943	\$ 2,557
Total parks and recreation	<u>7,500</u>	<u>7,500</u>	<u>4,943</u>	<u>2,557</u>
Debt service:				
General Government				
Principal	14,000	14,000	14,000	-
Interest	11,875	11,875	20,554	(8,679)
Total debt service	<u>25,875</u>	<u>25,875</u>	<u>34,554</u>	<u>(8,679)</u>
Miscellaneous	<u>500</u>	<u>1,100</u>	<u>1,075</u>	<u>25</u>
TOTAL EXPENDITURES	<u>488,125</u>	<u>598,575</u>	<u>695,280</u>	<u>(96,705)</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	<u>(108,825)</u>	<u>(107,475)</u>	<u>(126,331)</u>	<u>(18,856)</u>
OTHER FINANCING SOURCES (USES)				
Appropriations from fund balance	108,825	107,475	-	(107,475)
Operating transfers in	-	-	-	-
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>108,825</u>	<u>107,475</u>	<u>-</u>	<u>(107,475)</u>
EXCESS (DEFICIENCY) OF REVENUE AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>-</u>	<u>-</u>	<u>(126,331)</u>	<u>(126,331)</u>
Fund balance - July 1	<u>588,702</u>	<u>588,702</u>	<u>588,702</u>	<u>588,702</u>
Fund balance - June 30	<u>\$ 588,702</u>	<u>\$ 588,702</u>	<u>\$ 462,371</u>	<u>\$ 462,371</u>

AUDITORS' REPORTS & FINDINGS

**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***

To the Mayor and Council of
Hideout Town

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of Hideout Town, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Hideout Town's basic financial statements, and have issued our report thereon dated March 3, 2020.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings that we consider to be material weaknesses. Those findings are listed as findings 2019-1.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Hideout Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings as items 2019-2, 2019-3, and 2019-4.

Management's Response to Findings

Hideout Town's response to the findings identified in our audit is described in the accompanying schedule of findings. Hideout Town's response was 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 or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Child, Richards CPAs & Advisors

March 3, 2020

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

To the Mayor and Council of
Hideout Town

Report On Compliance

We have audited Hideout Town’s compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the State Auditor, that could have a direct and material effect on Hideout Town for the year ended June 30, 2019.

State compliance requirements were tested for the year ended June 30, 2019 in the following areas:

Budgetary Compliance	Open and Public Meetings Act
Fund Balance	Public Treasurer’s Bond
Cash Management	Restricted Taxes and Related Revenues
Transfers from Utility Enterprise Funds	

Management’s Responsibility

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

Auditor’s Responsibility

Our responsibility is to express an opinion on Hideout 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 Hideout 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 Hideout Town’s compliance with those requirements.

Opinion on Compliance

In our opinion, Hideout Town complied, in all material respects, with the state compliance requirements referred to above for the year ended June 30, 2019.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the *State Compliance Audit Guide* and which are described in the accompanying schedule of findings as items 2019-2, 2019-3, and 2019-4. Our opinion on compliance is not modified with respect to these matters.

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

Report On Internal Control Over Compliance

Management of Hideout Town is responsible for establishing and maintaining effective internal control over compliance with the state compliance requirements referred to above. In planning and performing our audit of compliance, we considered Hideout Town's internal control over compliance with the state compliance requirements referred to above to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with those state compliance requirements and to test and report on internal control over compliance in accordance with the *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 Hideout Town's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or to 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.

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.

Child, Richards CPAs & Advisors

Ogden, Utah
March 3, 2020

**HIDEOUT TOWN
SCHEDULE OF FINDINGS
JUNE 30, 2019**

2019-01: Material Misstatements (*material weakness*)

Criteria: Management is responsible to maintain accurate financial reporting for the usefulness of management and the governing board.

Condition: The auditors identified several factors including various year-end adjustments, reclassifying entries, and reconciliations had not been performed in a timely manner resulting in the need for several adjustments required to be made by management and proposed by the auditors during the audit process.

Cause: As of June 30, 2019, the Town's internal controls were not properly designed and implemented to maintain financial statements free of material misstatements.

Effect: The lack of timely adjustments and reconciliations has resulted in misstatements in the general ledger and interim reports. The Town's revenues and expenditures were misstated prior to adjustments made by the auditor.

Recommendation: We recommend the Town ensure the financial reports maintained by the Town are accurate to reflect the assets, liabilities, revenues, and expenses for an accurate depiction of the Town's financial position and results of operations.

Management's Response: Management has worked hard to address the various issues with the financial statements. This has included posting infrastructure, depreciation and multiple other entries. Management will address this by properly segregating duties and preparing financial information in a timely and complete manner.

2019-02: State Compliance – Budgetary Compliance (*noncompliance*)

Criteria: Per Utah Code Ann. §10-5-115, towns may not make or incur expenditures in excess of total appropriations for any department in the budget as adopted or as subsequently amended. Per Utah Code Ann. §10-5-129, quarterly financial reports should be prepared and reviewed by the governing body.

Condition: For the year ended June 30, 2019, General Fund expenditures were in excess of appropriations by \$96,705. Water Fund expenses also exceeded budgeted amounts by \$99,623. In addition, quarterly reports were not presented to the governing body for the third and fourth quarters. We also noted that reports were not retained for the first and second quarters.

Cause: Budget to actual reports were not retained or presented to the Town Council in a timely manner.

Effect: When budgets are not reviewed regularly, noncompliance with state law can occur.

Recommendation: We recommend the Town Council review and retain budget to actual reports each quarter, and ensure expenditures do not exceed appropriations.

Management's Response: Management will prepare budget comparison reports and provide this to council on a quarterly basis at a minimum.

**HIDEOUT TOWN
SCHEDULE OF FINDINGS
JUNE 30, 2019**

2019-03: State Compliance – Open and Public Meetings Act (noncompliance)

Criteria: Per Utah Code Ann. §52-4-1, members of a governing body should be provided with annual training on the requirements of open and public meetings. Per Utah Code Ann. §52-4-203(4)(f), within three days of council meeting minutes being approved, minutes should be posted to the Public Notice Website.

Condition: We noted that two council members did not complete the required training on open and public meetings. Additionally, we selected two council meetings for testwork and noted that minutes for both meetings were not posted to the Utah Public Notice website.

Cause: State requirements were not monitored.

Effect: Noncompliance with state law can occur when requirements are not met

Recommendation: We recommend the Town ensure all board members receive state required training and that meeting minutes be posted to the Utah Public Notice Website in accordance with state law.

Management's Response: Management will ensure that training for open and public meetings is conducted on an annual basis either through the auditor's website training or via a class at a conference. Council is aware of the need to ensure this training is completed and many have already addressed this in the current year.

2019-04: State Compliance – Fund Balance Limitation (noncompliance)

Criteria: Per Utah Code Ann. §10-5-113(2), the town's unrestricted general fund balance should not exceed 75% of total revenue of the general fund for the fiscal year under audit.

Condition: For the year ended June 30, 2019, the town's unrestricted general fund balance exceeded 75% of total revenue by 1%, or \$7,536

Cause: State requirements were not monitored.

Effect: Noncompliance with state law can occur when requirements are not met

Recommendation: We recommend the Town monitor fund balance to ensure state limitations are not exceeded.

Management's Response: With the management team addressing the financial information in a timelier manner this will address the need to appropriate additional funds toward future capital projects. Much of this relates to not having complete financial information prepared in a timely manner. Management will address this by providing current and accurate quarterly financial reports.



HIDEOUT
UTAH

TOWN CODE UPDATES

Summary and Overview

TITLE 3

Formation and Powers of
Land Use Authority
defined.

- ▶ **Section 3.02** – Planning Commission
 - ▶ Unchanged from prior version
- ▶ **Section 3.04** – Board of Adjustment
 - ▶ “Lift and Shift” from Title 10



- ▶ **Section 9.01** – Building and Construction Regulations
 - ▶ Unchanged from prior version
- ▶ **Section 9.02** – Building Codes Adopted
 - ▶ Unchanged from prior version
- ▶ **Section 9.04** – Development Standards
 - ▶ Added/Compiled from Titles 10 & 11; enhanced by engineering

TITLE 9

Building and Land Use
Standards and Definitions

(1 of 3)



- ▶ **Section 9.05 – Design Standards**

- ▶ Added/Suggested by Engineering
 - ▶ Lots, Roads, Sidewalks, Storm Water, Sewer, Water, Utilities
- ▶ Adapted from Deer Springs and Mustang MDAs
 - ▶ Building/Architectural Design & Landscaping
- ▶ Added/Suggested by Planning Commission
 - ▶ Public Space, Open Space, Trails

TITLE 9

Building and Land Use Standards and Definitions

(2 of 3)



- ▶ **Section 9.06** – Construction and Improvements Required
 - ▶ Added/Suggested by Engineering; what infrastructure is required of developers (now includes internet)
- ▶ **Section 9.07** – General Terms and Definitions
 - ▶ Centralized Repository consolidated from across all Land Use Titles

TITLE 9

Building and Land Use
Standards and Definitions

(3 of 3)



TITLE 10

Subdivision Regulations

(1 of 2)

- ▶ **Section 10.01** – General Provisions
 - ▶ Largely Unchanged from prior version
- ▶ **Section 10.04** – Development Agreements
 - ▶ Largely Unchanged from prior version



► **Section 10.03** – Subdivision Application and Review Procedures

- Strong, clear process defined for each subdivision type and stage
- Unambiguous listing of what's required at each stage (including new snow management plan requirements)
- Clear statement about required Bonds (when required and how released)
- Clear statement about approval expirations and revocations

TITLE 10

Subdivision Regulations

(2 of 2)



TITLE 11

Zoning Regulations

(1 of 3)

- ▶ **Section 11.01** – General Provisions
 - ▶ Largely Unchanged from prior version
 - ▶ Listing of Deprecated and New Zones
 - ▶ Annexed Land to be zoned upon annexation
- ▶ **Section 11.04** – Cluster Development
 - ▶ Largely Unchanged from prior version



- ▶ **Sections 11.06 to 11.22 – Zone Definitions**
 - ▶ No Hierarchical Zones
 - ▶ Each zone defines:
 - ▶ Purpose
 - ▶ Land Uses Permitted / Excluded
 - ▶ Dimensional Standards
 - ▶ ERUs, Height, Setbacks, etc.
 - ▶ Landscape, Trails, Public and Open Space Requirements

TITLE 11

Zoning Regulations

(2 of 3)



► **Section 11.24** – Conditional Uses

- Application process defined
- Strong definition of when and why allowed
- Expiration of Conditional Use Permit defined
- Strong listing of Standards for Conditions, based upon
 - Compliance, Safety, Health and Sanitation, & Environment

TITLE 11

Zoning Regulations

(3 of 3)

