

The Regular Meeting of the
Brian Head Town Council
Brian Head Town Hall - 56 North Highway 143
Brian Head, UT 84719
MONDAY, DECEMBER 09, 2019 @ 1:00 PM

AGENDA

- A. CALL TO ORDER**
- B. PLEDGE OF ALLEGIANCE**
- C. PRESENTATION TO COUNCIL MEMBER HUNTER FOR YEARS OF SERVICE**
- D. DISCLOSURES**
- E. APPROVAL OF THE MINUTES:**
 - 1. November 12, 2019 Town Council Meeting
 - 2. November 14, 2019 Town Council Special Meeting
- F. REPORTS / PUBLIC INPUT (Limited to three (3) minutes) Non-Agenda Items**
- G. AGENDA ITEMS:**
 - 1. FISCAL YEAR 2019 AUDIT PRESENTATION.** Wayne Everett, Town Auditor. Mr. Everett will present the FY2019 Audit ending June 30, 2019.
 - 2. PLANNING COMMISSION APPOINTMENTS.** Bret Howser, Town Manager. The Council will appoint Jeff Morgan as Planning Commission Member and appoint Arnold Needham as the Alternate Planning Commission Member. Both seats are for a five-year term.
 - 3. PUBLIC HEARINGS:**
 - 1. PRELIMINARY PLAT APPROVAL FOR CROOKED RIVER.**
 - 2. ZONE DISTRICT MAP AMENDMENT**

Bret Howser will give a brief explanation of the public hearings for the public's benefit. The Council will hold a public hearing to receive public comment on the above two topics. Comments are limited to three (3) minutes and written comments may be submitted to the Town Clerk no later than noon on December 9, 2019.
 - 4. ZONE DISTRICT MAP AMENDMENT ORDINANCE.** Wendy Downland, Public Works Assistant. The Council will consider an ordinance amending the Zone District Map.
 - 5. TOWN COUNCIL MEETING SCHEDULE ORDINANCE AND APPROVAL OF THE MEETING SCHEDULE FOR 2020.** Nancy Leigh, Town Clerk. The Council will consider an ordinance approving the Town Council's meeting schedule and approval of the 2020 meeting schedule.
 - 6. POTENTIAL FUTURE AGENDA ITEMS.** The Council will discuss potential items for future agenda items.
- H. ADJOURNMENT**

Date: December 5, 2019

Available to Board Members as per Resolution No. 347 authorizes public bodies, including the Town, to establish written procedures governing the calling and holding of electronic meetings at which one or more members of the Council may participate by means of a telephonic or telecommunications conference. In compliance with the Americans with Disabilities Act, persons needing auxiliary communications aids and services for this meeting should call Brian Head Town Hall @ (435) 677-2029 at least three days in advance of the meeting.

CERTIFICATE OF POSTING

I hereby certify that I have posted copies of this agenda in three public and conspicuous places within the Town Limits of Brian Head; to wit, Town Hall, Post Office and The Mall on this 5th day of December 2019 and have posted such copy on the Utah Meeting Notice Website and have caused a copy of this notice to be delivered to the Daily Spectrum, a newspaper of general circulation.

Nancy Leigh, Town Clerk





Brian Head Town Council Update

December 1, 2019

BRIAN HEAD MARSHALS OFFICE:

Winter is here and it looks like it's here to stay. We had an amazingly warm fall with very little precipitation. But now we are completely off to the races. Deputy Morgan commented that he had the busiest day he has ever experienced the Saturday following Thanksgiving. We are already geared up and ready for a long but good winter. Visitors are constantly in need of assistance and with treacherous road conditions just before Thanksgiving we tested our readiness. We found that things went pretty well. We had quite a parking lot of cars on the grade a few evenings during closing of the resort. But we were able to get through all of those issues and we are happy to report that we did not take a single accident report. We are dealing with a lot of public getting stuck and not sure why it doesn't snow only on the slopes. But we are getting issues handle in a timely and safe manner.

Deputy Danny Abbott with some assistance from the Iron County Sheriff's Office was able to break up a large party of about 80 college age individuals at one of our nightly rental properties. He was able to get a handful of arrests including illegal possession of alcohol, illegal possession of marijuana, and possession of drug paraphernalia. He did a great job of locating this party and keeping it as safe as possible and keeping the college crowd aware that we are out and about and that we will be knocking on your door if you party in Brian Head. He was able to obtain a search warrant on the home based on good traffic stops of individuals going and coming from the home. Great work Danny!

Snow removal questions are always coming at us and we are trying to keep people happy. Aldo has been a great help with dealing with some of our local citizens on the private storage of snow and the process of removing snow from private property. We really have a great team up here and the work relationship between public works and public safety is near seamless. I can't say enough of how much I enjoy working with all of our staff. I must mention too that working with UDOT is fantastic. We have a great line of communication open between Deputies and UDOT staff. It just makes our work so much better.

I have been working with David Burton (UDOT) on trying to get the chain up sign automated. He has had some folks from the Salt Lake office down and are coming up with ideas and solutions to be able to control the chain up lights remotely. The last report was they were going to check with South Central Communications of

getting an internet connection established. I have not heard any further information on that, but will pass it on as I receive it.

We handled a road closure from the East entrance of Town to the Mammoth Road. We had about 4 vehicles who were snowed in with occupants in them. A coordinated effort with UDOT extracted those people. At the same time, we had 4 other vehicles that were just abandoned in that same area. The next morning, we worked again with UDOT and some wrecker services to extract those abandoned vehicles. The road was then closed for a few days due to high (80 MPH) winds and drifting snow. UDOT has been able to get that road reopened for the time.

SHIFTS AND NUMBER OF INCIDENTS FOR NOVEMBER

- Day Shift = 36
- Swing Shift = 44
- Grave Shift = 19
 - Total Incidents for November = 99

TYPES OF INCIDENTS

- Citizen/Motorist Assist –39
- 911/Alarms – 6
- Animal Problem – 1
- Vehicle Accident – 4
- Fire – 4
- Medical – 8
- Fire Inspection – 17
- Suspicious – 1
- PI & E – 4
- Theft – 2
- Parking – 2
- Abandoned Vehicles – 10
- Welfare Check – 2
- Warrant - 1
- Burglary – 1 (Wind Blew Door Open)
- Traffic Hazard – 5
-

BRIAN HEAD FIRE DEPARTMENT:

We've been in a no burn status for all of the Utah Open Burn season as well as an extension of fires season up to November 23rd. I was able to appeal our open burn season with Air Quality due to this issue and we have had an extension on burning to then end of December. With that open window we have now been able to burn piles at the Resort's Chair #4/#1, and Public Works Shop, and some other piles around the archery range and the Steam Engine area. We are hoping to get more burned before the window closes, but deep snow is making it difficult to get to some piles.

The Volunteer Fire Association had a great turnout and a great time at the 4th? Annual Thanksgiving Dinner. We saw a lot of local people and seasonal workers from many of the businesses in the town that have to work on Thanksgiving. It is a great service and I appreciate Bob Goldhirsch for his hard work at getting it done.

The Marshals have been very busy with nightly rental fire inspections. We have completed about 125 of 600. So we have a long way to go, but are dedicated to getting them done. Nancy has done a fantastic job of coordinating these inspections with the Marshal's Office and with whomever is on duty to handle them. For the most part the rental agencies are ready and we are able to pass them on the first inspection. This is huge. We don't like to have to come back for re-inspections due to the time it is taking to get the initial inspections completed.

The fire department with assistance from the Marshals have been doing some great public relations efforts. We were invited to the Parowan Elementary for a "Red Ribbon" event which is a drug resistance program. We had a lot of volunteers show up and did a fantastic job with teaching kids to not be afraid of police officers and firefighters. They were able to show off some of our equipment and the kids loved it. We have also been busy at the Public Safety Building giving numerous tours. Mostly to families who are traveling through, but also to some of our part time residence. This is always fun to educate our public on what we have and what we are doing to keep Brian Head safe. The guys really enjoy doing these tours and it's a great time for us to brag a little on how much we accomplish with what we have.







FIRE DEPT.

BH

TOWN OF BRIAN HEAD







**Brian Head Town
Public Works Department Update
December 09, 2019**

The snow has arrived, and with-it Public Works is working hard at keeping it cleared off the Streets. The snow really stacked up during the Thanksgiving Holiday week due to the high winds and heavy snow fall. Crews ran split shifts and worked together to attempt to give everyone sometime with their families over the Holiday. THEY ARE A GREAT CREW. We have already had to hook up the blower on the loader to get the road edges opened in anticipation of continued heavy snow fall (This is the earliest PW has had to hook a blower on according to Tom Gurr). The new grader with the snow wing did a great job and Public Works operators are getting used to operating it with most of the crew getting time in the seat.

Streets

- Road base and drainage work completed on Mountain View
- Road Blading complete for this year
- 2020 Streets project design continues, we have received plans for review.
- Christmas wreaths have been hung at Town Hall and on the Wayfinding signs around Town. Hopefully they will bring a little cheer to the visitors this season.

Culinary

- Public Works continues to take investigative samples on the springs and distribution systems.

- Chlorination design has been submitted to the State and revisions from their comments are being made.
- Mountain View Project and Salt Pile projects are both at stopping points for the winter and both projects are nearly complete.
- Work continues converting the two new lines from transmission to distribution.
- Meter Maintenance and installations of new meters continues as needed.
- Flushing of hydrants and repair work on four hydrants was completed before the snow fell.

Trail / Park

- Construction is progressing on the Chair One Restroom project. Insulation and dry wall are the next steps at this point and both of those are scheduled in the next week.
- GPS points have been taken before the snow fell allowing for design to begin on the second phase of the Town Trail.
- Public Works is working with UDOT on getting submitted for funding for the next phase of the Town Trail.
- Public Works in cooperation with Thunder Mountain was able to get the ramps built for the snowmobile trail.

In-house Projects

Public works will continue to work on in-house projects and maintaining equipment as needed. If you have any questions or concerns, please do not hesitate to call.



PW Crew Asphalt Conference



Holiday Wreaths



PW Crews Installing Christmas Wreaths



PW crews repairing break away and also extending the hydrant



STAFF REPORT TO THE TOWN COUNCIL

SUBJECT: Audit Report – FY 2019 Budget
AUTHOR: Cecilia Johnson, Town Treasurer
DEPARTMENT: Administration Department
DATE: December 9, 2019
TYPE OF ITEM: Informational

SUMMARY:

Wayne Everett, Brian Head Town Auditor, will present his annual audit report for FY ending June 30, 2019.

BACKGROUND:

This is an annual event and our Auditor will update the Town Council on the financial status of the Town.

ANALYSIS:

Not applicable.

DEPARTMENT REVIEW:

The staff has reviewed the audit and we look forward to the audit presentation.

FINANCIAL IMPLICATIONS:

It is not anticipated that the Town will have any significant financial implications from the FY 2019 audit.

BOARD/COMMISSION RECOMMENDATION:

Not applicable.

STAFF RECOMMENDATION:

This is an informational item only and requires no action from the Council. Please feel free to ask Mr. Everett any questions you may have.

PROPOSED MOTION:

Not applicable, since this is an informational item only.

Brian Head Town
ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2019

Brian Head Town
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June 30, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Town Council
Brian Head Town
Brian Head, UT

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Town's 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, each major fund, and the aggregate remaining

fund information of the Brian Head Town, as of June 30, 2017, 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 budgetary comparison information, and pension schedules listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the supplementary information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Brian Head Town's basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December November 27, 2019, on our consideration of the Brian Head 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Brian Head Town's internal control over financial reporting and compliance.

Hafen Buckner, Everett & Graff, PC

Hafen, Buckner, Everett, & Graff, PC

November 27, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

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Brian Head Town
Management's Discussion and Analysis
June 30, 2019

As management of Brian Head Town (the Town), we offer readers of the Town's financial statements this narrative overview and analysis of financial activities of the Town for the fiscal year ended June 30, 2019.

FINANCIAL HIGHLIGHTS

- *Total net position for the Town as a whole increased by \$1,341,332
- *Total unrestricted net position for the Town as a whole decreased by \$417,576
- *Total net position for governmental activities increased by \$1,042,625
- *Total net position for business-type activities increased by \$298,707

BASIC FINANCIAL STATEMENTS

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

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

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

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

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The statement of activities is presented on two pages. The first page reports the extent to which each function or program is self-supporting through fees and intergovernmental aid. The second page identifies the general revenues of the Town available to cover any remaining costs of the functions or programs.

Brian Head Town
Management's Discussion and Analysis
June 30, 2019

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

Governmental funds . These funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

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

The Town maintains two major governmental funds, the general fund and the capital projects fund.

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

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

Proprietary funds . The Town maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses four enterprise funds to account for the operations of the water, sewer, solid waste, and snowmaking lease activities.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The enterprise funds are considered major funds of the Town.

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

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

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

Brian Head Town
Management's Discussion and Analysis
June 30, 2019

FINANCIAL ANALYSIS

Brian Head Town's Net Position

	Governmental Activities		Business-type Activities		Total Current Year	Total Previous Year
	Current Year	Previous Year	Current Year	Previous Year		
Current and other assets	\$ 3,321,121	3,525,336	3,581,412	3,821,667	6,902,533	7,347,003
Net capital assets	28,746,815	27,788,424	19,788,652	19,837,104	48,535,467	47,625,528
Deferred outflows of resources	268,123	307,698	162,918	183,741	431,041	491,439
Total assets and deferred outflows	\$ 32,336,059	31,621,458	23,532,982	23,842,512	55,869,041	55,463,971
Long-term debt outstanding	\$ 3,161,139	3,486,000	6,938,513	7,576,891	10,099,652	11,062,891
Other liabilities	2,337,064	2,172,509	710,940	581,699	3,048,004	2,754,208
Deferred inflows of resources	755,598	923,316	18,086	117,187	773,684	1,040,503
Total liabilities and deferred inflows	6,253,801	6,581,825	7,667,540	8,275,777	13,921,340	14,857,602
Net position:						
Net investment in capital assets	25,585,676	24,302,424	12,850,139	12,260,214	38,435,815	36,562,638
Restricted	269,796	467,609	835,339	751,796	1,105,135	1,219,405
Unrestricted	226,785	269,600	2,179,965	2,554,726	2,406,750	2,824,326
Total net position	\$ 26,082,258	25,039,633	15,865,443	15,566,736	41,947,701	40,606,369

As noted earlier, net position may serve over time as a useful indicator of financial position. Total assets and deferred outflows of resources exceeded total liabilities and deferred inflow of resources at the close of the year by \$41,947,701, an increase of \$1,341,332 from the previous year. This change is equivalent to the net income for the year, in private sector terms.

Total unrestricted net position at the end of the year is \$2,406,750 which represents a decrease of -\$417,576 from the previous year. Unrestricted net position are those resources available to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements.

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

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

Brian Head Town
Management's Discussion and Analysis
June 30, 2019

FINANCIAL ANALYSIS (continued)

Brian Head Town's Change in Net Position

	Governmental Activities		Business-type Activities		Total Current Year	Total Previous Year
	Current Year	Previous Year	Current Year	Previous Year		
Program revenues:						
Charges for services	\$ 802,413	833,616	2,168,900	2,358,401	2,971,314	3,192,017
Operating grants and contributions	139,719	274,881	-	-	139,719	274,881
Capital grants and contributions	535,681	1,071	2,194	70,537	537,875	71,608
General revenues:						
Property taxes	1,194,521	1,275,049	-	-	1,194,521	1,275,049
Sales tax	180,953	148,790	-	-	180,953	148,790
Other taxes	739,208	590,655	-	-	739,208	590,655
Other revenues	273,407	217,375	49,860	30,570	323,267	247,945
Total revenues	3,865,902	3,341,437	2,220,954	2,459,508	6,086,857	5,800,944
Expenses:						
General government	822,755	805,620	-	-	822,755	805,620
Public safety	1,104,532	1,110,219	-	-	1,104,532	1,110,219
Highways and improvements	588,081	451,277	-	-	588,081	451,277
Parks and recreation	61,837	59,649	-	-	61,837	59,649
Interest on long-term debt	104,678	121,542	-	-	104,678	121,542
Operating expenses	-	-	2,063,640	1,936,664	2,063,640	1,936,664
Total expenses	2,681,884	2,548,307	2,063,640	1,936,664	4,745,525	4,484,970
Excess before transfers	1,184,018	546,332	157,314	522,845	1,341,332	1,315,974
Transfers in (out)	(141,393)	-	141,393	-	-	-
Change in net position	\$ 1,042,625	546,332	298,707	522,845	1,341,332	1,315,974

For the Town as a whole, total revenues increased by \$285,913 compared to the previous year, while total expenses increased by \$260,555. The total net change of \$1,341,332 is, in private sector terms, the net income for the year which is \$25,358 more than the previous year.

Governmental activities revenues of \$3,865,902 is an increase of \$524,465 from the previous year. This increase is primarily due to an increase in capital grants and contributions. Governmental activities expenses of \$2,681,884 is an increase of \$133,577 from the previous year. While public safety expenses decreased, all other expenses increased.

Business-type activities revenue of \$2,220,954 is a decrease of \$238,554 from the previous year. Service revenues decreased by \$189,501, capital contributions decreased by \$68,343, and other revenues increased by \$19,290. Business-type activities expenses of \$2,063,640 is an increase of \$126,976 from the previous year.

Brian Head Town
Management's Discussion and Analysis
June 30, 2019

BALANCES AND TRANSACTIONS OF INDIVIDUAL FUNDS

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

General Fund

The fund balance of \$1,403,484 reflects an increase of \$115,551 from the previous year. Total revenues increased by \$178,634. Tax revenues had a net increase of \$106,115. Charges for services decreased by \$64,747. Licenses and permits increased by \$85,784. All other revenues had a net increase of \$51,482.

Total expenditures, excluding transfers out, increased by \$52,823. General government expenditures decreased by \$1,866, public safety expenditures increased by \$9,319, highways and public improvements expenditures increased by \$48,010, and parks and recreation expenditures decreased by \$2,640.

Fund balance restricted for debt service amounts to \$156,540. Fund balance committed for wildlands fire was \$2,640. The unassigned fund balance was \$1,034,806.

Water Fund

The change in net position (net income) was \$336,705. The amount restricted for debt service is \$265,492. The amount restricted for capital projects is \$259,507. Unrestricted net position amounts to \$1,787,688.

Sewer Fund

The change in net position (net income) was \$111,022. The amounts restricted for debt service was \$12,700. Unrestricted net position amounts to \$612,570.

Solid Waste Fund

The change in net position (net loss) was \$41,261. There were no restrictions on net position. Unrestricted net position amounts to \$225,250.

Snowmaking Lease Fund

The change in net position (net income) was \$107,759. The amount restricted for debt service was \$297,640. Unrestricted net position amounts to -\$445,543.

GENERAL FUND BUDGETARY HIGHLIGHTS

Revenues for the current year, exclusive of transfers, were originally budgeted in the amount of \$2,421,241. This amount was amended in the final budget to \$2,528,541. Actual revenues, excluding transfers, amounted to \$2,642,097.

Expenditures for the current year, excluding transfers and budgeted increases in fund balance, were originally budgeted in the amount of \$2,098,006. This amount was amended in the final budget to \$2,234,718. Actual expenditures amounted to \$2,030,102.

Net transfers out for the year were originally budgeted in the amount of \$391,333. This was amended in the final budget to \$611,333, which was equal to the actual net transfers out.

Brian Head Town
Management's Discussion and Analysis
June 30, 2019

CAPITAL ASSETS AND DEBT ADMINISTRATION

Brian Head Town's Capital Assets (net of depreciation)

	Governmental Activities		Business-type Activities		Total Current Year	Total Previous Year
	Current Year	Previous Year	Current Year	Previous Year		
Net Capital Assets:						
Land and rights	\$ 20,781,265	20,781,265	3,203,176	3,203,176	23,984,441	23,984,441
Buildings	4,829,745	4,829,745	293,896	293,896	5,123,641	5,123,641
Improvements	4,785,297	4,377,950	-	-	4,785,297	4,377,950
Machinery and equipment	2,122,573	1,529,083	956,376	956,376	3,078,949	2,485,459
Water system	-	-	16,967,150	16,967,150	16,967,150	16,967,150
Sewer system	-	-	2,364,692	2,364,692	2,364,692	2,364,692
Snowmaking lease	-	-	4,064,374	4,064,374	4,064,374	4,064,374
Construction in progress	2,368,384	2,045,358	497,072	30,510	2,865,456	2,075,868
Total capital assets	34,887,263	33,563,401	28,346,736	27,880,174	63,233,999	61,443,575
Less accumulated depreciation	(6,140,448)	(5,774,977)	(8,558,084)	(8,043,070)	(14,698,532)	(13,818,047)
Net Capital Assets	\$ 28,746,815	27,788,424	19,788,652	19,837,104	48,535,467	47,625,528

The total amount of capital assets, net of depreciation, of \$48,535,467 is an increase of \$909,939 from the previous year.

Governmental activities capital assets, net of depreciation, of \$28,746,815 is an increase of \$958,391 from the previous year.

Business-type activities capital assets, net of depreciation, of \$19,788,652 is a decrease of \$48,452 from the previous year.

Additional information regarding capital assets may be found in the notes to financial statements.

Brian Head Town
Management's Discussion and Analysis
June 30, 2019

Brian Head Town's Outstanding Debt

	Current Year	Previous Year
Governmental activities:		
2007 GO Interconnect Bridge	\$ 120,000	190,000
2005B GO Refunding	925,000	1,090,000
2018 UDAF Petroleum Storage Tank	48,332	25,000
2011 Lease Revenue Bond	2,067,807	2,181,000
Total governmental	\$ 3,161,139	3,486,000
Business-type activities:		
1980 GO Water	\$ -	708
2016 GO Refunding	181,000	357,000
2005A GO Snowmaking	295,000	575,000
2013 G.O Reservoir Bond	1,647,000	1,737,000
2009 USDA Water Revenue	4,807,729	4,907,183
Total business-type	\$ 6,930,729	7,576,891
Total outstanding debt	\$ 10,091,867	11,062,891

Additional information regarding the long-term liabilities may be found in the notes to financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

No significant economic changes that would affect the Town are expected for the next year. Budgets have been set on essentially the same factors as the current year being reported.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Brian Head Town's finances for all those with an interest in the Town's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to the Town Treasurer, Brian Head Town, P.O. Box 190068, 56 North Highway 143, Brian Head, UT 84719.

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BASIC FINANCIAL STATEMENTS

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Brian Head Town
STATEMENT OF NET POSITION
June 30, 2019

	Governmental Activities	Business-type Activities	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:			
Assets:			
Current assets:			
Cash and cash equivalents	\$ 1,910,588	1,478,042	3,388,631
Accounts receivable, net	1,151,416	185,220	1,336,636
Total current assets	<u>3,062,005</u>	<u>1,663,262</u>	<u>4,725,266</u>
Non-current assets:			
Restricted cash and cash equivalents	259,116	701,311	960,427
Capital assets:			
Not being depreciated	23,149,649	3,700,248	26,849,897
Net of accumulated depreciation	5,597,166	16,088,404	21,685,571
Prepaid long-term water lease	-	1,216,839	1,216,839
Total non-current assets	<u>29,005,931</u>	<u>21,706,803</u>	<u>50,712,734</u>
Total assets	<u>32,067,936</u>	<u>23,370,064</u>	<u>55,438,000</u>
Deferred outflows of resources - pensions	268,123	162,918	431,041
Total assets and deferred outflows of resources	<u>\$ 32,336,059</u>	<u>23,532,982</u>	<u>55,869,041</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:			
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 131,706	30,681	162,387
Customer/contractor deposits	104,903	12,552	117,456
Accrued interest payable	26,315	39,337	65,652
Unearned revenue	1,504,026	297,640	1,801,666
Revenue bonds due within one year	318,587	655,146	973,733
Total current liabilities	<u>2,085,538</u>	<u>1,035,356</u>	<u>3,120,894</u>
Non-current liabilities:			
Compensated absences	60,772	-	60,772
Revenue bonds due after one year	2,842,552	6,283,368	9,125,920
Net pension liability	509,341	330,730	840,071
Total non-current liabilities	<u>3,412,665</u>	<u>6,614,098</u>	<u>10,026,763</u>
Total liabilities	<u>5,498,203</u>	<u>7,649,454</u>	<u>13,147,656</u>
Deferred inflows of resources - property taxes	741,826	-	741,826
Deferred inflows of resources - pensions	13,772	18,086	31,858
Total liabilities and deferred inflows of resources	<u>6,253,801</u>	<u>7,667,540</u>	<u>13,921,340</u>
NET POSITION:			
Net investment in capital assets	25,585,676	12,850,139	38,435,815
Restricted for:			
Debt service	268,448	563,132	831,580
Capital projects	1,348	272,207	273,555
Unrestricted	226,785	2,179,965	2,406,750
Total net position	<u>26,082,258</u>	<u>15,865,443</u>	<u>41,947,701</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 32,336,059</u>	<u>23,532,982</u>	<u>55,869,041</u>

The notes to the financial statements are an integral part of this statement.

Brian Head Town
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2019

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue (To Next Page)
<u>FUNCTIONS/PROGRAMS:</u>					
Primary government:					
Governmental activities:					
General government	\$ 822,755	549,636	19,100	-	(254,019)
Public safety	1,104,532	108,749	56,009	227,159	(712,615)
Highways and public improvements	588,081	144,028	64,610	308,522	(70,921)
Parks, recreation and public property	61,837	-	-	-	(61,837)
Interest on long-term debt	104,678	-	-	-	(104,678)
Total governmental activities	2,681,884	802,413	139,719	535,681	(1,204,071)
Business-type activities:					
Water	1,198,498	1,369,228	-	-	170,729
Sewer	495,500	609,021	-	2,194	115,714
Solid waste	239,770	190,652	-	-	(49,118)
Snowmaking Lease	129,872	-	-	-	(129,872)
Total business-type activities	2,063,640	2,168,900	-	2,194	107,454
Total primary government	\$ 4,745,525	2,971,314	139,719	537,875	(1,096,617)

(continued on next page)

The notes to the financial statements are an integral part of this statement.

Brian Head Town
STATEMENT OF ACTIVITIES (continued)
For the Year Ended June 30, 2019

	Governmental Activities	Business-type Activities	Total
CHANGES IN NET POSITION:			
Net (expense) revenue (from previous page)	\$ (1,204,071)	107,454	(1,096,617)
General revenues:			
Property taxes	1,194,521	-	1,194,521
Sales tax	180,953	-	180,953
Other taxes	739,208	-	739,208
Unrestricted investment earnings	66,025	49,860	115,885
Sales of fixed assets	138,739	-	138,739
Miscellaneous	68,643	-	68,643
Total general revenues	<u>2,388,089</u>	<u>49,860</u>	<u>2,437,949</u>
Transfers in (out)	<u>(141,393)</u>	<u>141,393</u>	<u>-</u>
Change in net position	1,042,625	298,707	1,341,332
Net position - beginning	<u>25,039,633</u>	<u>15,566,736</u>	<u>40,606,369</u>
Net position - ending	<u>\$ 26,082,258</u>	<u>15,865,443</u>	<u>41,947,701</u>

The notes to the financial statements are an integral part of this statement.

Brian Head Town
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2019

	General Fund	Special Service District	Debt Service Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 1,368,342	-	-	542,247	1,910,588
Accounts receivable, net	98,335	-	-	-	98,335
Due from other governments	755,213	-	297,867	-	1,053,081
Restricted cash and cash equivalents	156,540	-	101,228	1,348	259,116
TOTAL ASSETS	\$ 2,378,431	-	399,095	543,595	3,321,121
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES					
Liabilities:					
Accounts payable	\$ 56,302	-	-	3,489	59,792
Accrued liabilities	71,915	-	-	-	71,915
Customer/contractor deposits	104,903	-	-	-	104,903
Unearned revenues	-	1,216,839	287,187	-	1,504,026
Total liabilities	233,120	1,216,839	287,187	3,489	1,740,636
Deferred inflows of resources:					
Property tax	741,826	-	-	-	741,826
Total deferred inflows of resources	741,826	-	-	-	741,826
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	974,946	1,216,839	287,187	3,489	2,482,462
FUND BALANCES:					
Restricted for:					
Debt service	156,540	-	111,908	-	268,448
Capital projects	-	-	-	1,348	1,348
Committed for:					
Wildlands fire	212,139	-	-	-	212,139
Redevelopment agency	-	-	-	102,204	102,204
Assigned for:					
Capital projects	-	-	-	436,553	436,553
Unassigned	1,034,806	(1,216,839)	-	-	(182,034)
TOTAL FUND BALANCES	1,403,484	(1,216,839)	111,908	540,105	838,659
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 2,378,431	-	399,095	543,595	3,321,121

The notes to the financial statements are an integral part of this statement.

Brian Head Town
**STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**
 For the Year Ended June 30, 2019

	General Fund	Special Service District	Debt Service Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES:					
Taxes:					
Property	\$ 814,743	-	325,732	54,046	1,194,521
Sales	180,953	-	-	-	180,953
Other taxes	739,208	-	-	-	739,208
License and permits	364,845	-	-	-	364,845
Intergovernmental revenues	139,719	-	-	535,222	674,941
Charges for services	315,414	-	-	121,525	436,939
Fines and forfeitures	629	-	-	-	629
Impact fees	459	-	-	-	459
Interest	47,904	-	6,663	11,458	66,025
Miscellaneous revenue	38,222	30,421	-	-	68,643
Total revenues	2,642,097	30,421	332,394	722,251	3,727,163
EXPENDITURES:					
General government	638,078	-	-	225,285	863,363
Public safety	930,661	-	-	339,653	1,270,314
Highways and public improvements	417,096	-	-	717,204	1,134,301
Parks, recreation and public property	44,267	-	-	146,318	190,585
Debt service:					
Principal	-	-	235,000	114,861	349,861
Interest	-	-	54,631	54,236	108,867
Total expenditures	2,030,102	-	289,631	1,597,558	3,917,291
Excess (deficiency) of revenues over (under) expenditures	611,995	30,421	42,763	(875,307)	(190,128)
Other financing sources and (uses):					
Sale of fixed assets	114,889	-	-	23,850	138,739
Proceeds from borrowing	-	-	-	25,000	25,000
Transfers in	8,667	-	-	1,061,971	1,070,638
Transfers out	(620,000)	-	(181,393)	(410,638)	(1,212,031)
Total other financing sources and (uses)	(496,444)	-	(181,393)	700,183	22,346
Net change in fund balances	115,551	30,421	(138,630)	(175,124)	(167,782)
Fund balances - beginning of year	1,287,933	(1,247,260)	250,538	715,230	1,006,441
Fund balance - end of year	\$ 1,403,484	(1,216,839)	111,908	540,105	838,659

The notes to the financial statements are an integral part of this statement.

Brian Head Town
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF NET POSITION**
 June 30, 2019

Total Fund Balance for Governmental Funds	<u>\$ 838,659</u>
Total net position reported for governmental activities in the statement is different because:	
Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds:	
Capital assets, at cost	34,887,263
Less accumulated depreciation	<u>(6,140,448)</u>
Net capital assets	<u>28,746,815</u>
Deferred outflows of resources - pensions, a consumption of net position that applies to future periods, is not shown in the funds statements.	
	<u>268,123</u>
Long-term liabilities, for funds other than enterprise funds, are recorded in the government-wide statements, but not in the fund statements.	
General long-term debt	<u>(3,161,139)</u>
Interest accrued but not yet paid on long-term debt	<u>(26,315)</u>
Compensated absence liability	<u>(60,772)</u>
Net pension liability	<u>(509,341)</u>
Certain revenue is deferred in governmental funds, but not in the statement of net position because it qualifies for recognition under the economic resources measurement focus.	
Deferred inflows of resources - pensions	<u>(13,772)</u>
Total Net Position of Governmental Activities	<u><u>\$ 26,082,258</u></u>

The notes to the financial statements are an integral part of this statement.

Brian Head 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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ (167,782)</u>
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>	
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with a material cost are capitalized and the cost so allocated over their estimated useful lives and reported as depreciation expenses.</p>	
Capital outlays	1,323,862
Depreciation expense	<u>(365,471)</u>
Net	<u>958,391</u>
<p>The Statement of Activities show pension benefits and pension expenses from the adoption of GASB 68 that are not shown in the fund statements.</p>	
	<u>(77,035)</u>
<p>Long-term debt proceeds are reported as financing sources in governmental funds. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities.</p>	
Long-term debt proceeds	<u>(25,000)</u>
<p>Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>	
Long-term debt principal repayments	<u>349,861</u>
<p>Accrued interest and compensated absences are not reported as expenditures for the current period, while they are recorded in the statement of activities.</p>	
Change in accrued interest on long-term debt	<u>4,189</u>
Change in compensated absence liability	<u>-</u>
Change in Net Position of Governmental Activities	<u><u>\$ 1,042,625</u></u>

The notes to the financial statements are an integral part of this statement.

Brian Head Town
STATEMENT OF NET POSITION - PROPRIETARY FUND
June 30, 2019

	Water Fund	Sewer Fund	Solid Waste Fund	Snow- making Lease	Total Proprietary Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:					
Assets:					
Current assets:					
Cash and cash equivalents	\$ 645,918	598,403	233,721	-	1,478,042
Accounts receivable, net	91,617	67,844	25,758	-	185,220
Total current assets	<u>737,536</u>	<u>666,247</u>	<u>259,479</u>	<u>-</u>	<u>1,663,262</u>
Non-current assets:					
Restricted cash and cash equivalents	524,999	12,700	-	163,612	701,311
Capital assets:					
Not being depreciated	3,057,440	417,809	-	225,000	3,700,248
Net of accumulated depreciation	13,395,555	1,295,732	20,784	1,376,333	16,088,404
Prepaid long-term water lease	1,216,839	-	-	-	1,216,839
Net pension assets	-	-	-	-	-
Total non-current assets	<u>18,194,832</u>	<u>1,726,241</u>	<u>20,784</u>	<u>1,764,945</u>	<u>21,706,803</u>
Total assets	<u>18,932,368</u>	<u>2,392,488</u>	<u>280,263</u>	<u>1,764,945</u>	<u>23,370,064</u>
Deferred outflows of resources - pensions	90,888	45,191	26,839	-	162,918
Total assets and deferred outflows of resources	<u>\$ 19,023,256</u>	<u>2,437,679</u>	<u>307,102</u>	<u>1,764,945</u>	<u>23,532,982</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:					
Liabilities:					
Current liabilities:					
Accounts payable	\$ 15,573	2,233	4,015	8,860	30,681
Accrued interest payable	34,322	-	-	5,015	39,337
Customer security deposits	12,552	-	-	-	12,552
Unearned revenue	-	-	-	297,640	297,640
Revenue bonds, current portion	360,146	-	-	295,000	655,146
Total current liabilities	<u>422,593</u>	<u>2,233</u>	<u>4,015</u>	<u>606,515</u>	<u>1,035,356</u>
Non-current liabilities:					
Revenue bonds, long-term	6,283,368	-	-	-	6,283,368
Net pension liability	184,801	91,891	54,038	-	330,730
Total non-current liabilities	<u>6,468,169</u>	<u>91,891</u>	<u>54,038</u>	<u>-</u>	<u>6,614,098</u>
Total liabilities	<u>6,890,762</u>	<u>94,124</u>	<u>58,053</u>	<u>606,515</u>	<u>7,649,454</u>
Deferred inflows of resources - pensions	10,326	4,745	3,015	-	18,086
Total liabilities and deferred inflows of resources	<u>6,901,088</u>	<u>98,869</u>	<u>61,068</u>	<u>606,515</u>	<u>7,667,540</u>
NET POSITION:					
Net investment in capital assets	9,809,481	1,713,541	20,784	1,306,333	12,850,139
Restricted for:					
Debt service	265,492	-	-	297,640	563,132
Capital projects	259,507	12,700	-	-	272,207
Unrestricted	1,787,688	612,570	225,250	(445,543)	2,179,965
Total net position	<u>12,122,168</u>	<u>2,338,810</u>	<u>246,034</u>	<u>1,158,430</u>	<u>15,865,443</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 19,023,256</u>	<u>2,437,679</u>	<u>307,102</u>	<u>1,764,945</u>	<u>23,532,982</u>

The notes to the financial statements are an integral part of this statement.

Brian Head Town
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - PROPRIETARY FUND
For the Year Ended June 30, 2019

	Water Fund	Sewer Fund	Solid Waste Fund	Snow- making Lease	Total Proprietary Funds
Operating income:					
Charges for sales and service	\$ 1,363,978	608,321	190,652	-	2,162,950
Connection fees	5,250	700	-	-	5,950
Total operating income	1,369,228	609,021	190,652	-	2,168,900
Operating expenses:					
Personnel services	377,905	194,536	119,984	-	692,424
Utilities	121,417	1,293	-	-	122,710
Repair and maintenance	79,269	35,947	37,398	-	152,614
Other supplies and expenses	18,551	23,462	27,615	-	69,628
Water leases	60,866	-	-	-	60,866
Payments to Parowan City	-	165,206	-	-	165,206
Administrative charges	32,356	21,508	8,773	-	62,637
Bad debt expense	(3,288)	(1,230)	652	-	(3,866)
Depreciation expense	313,278	54,778	45,348	101,609	515,013
Total operating expense	1,000,353	495,500	239,770	101,609	1,837,232
Net operating income (loss)	368,875	113,520	(49,118)	(101,609)	331,668
Non-operating income (expense):					
Impact fees	-	2,194	-	-	2,194
Interest income	21,501	15,307	7,857	5,195	49,860
Interest on long-term debt	(198,145)	-	-	(28,262)	(226,408)
Total non-operating income (expense)	(176,645)	17,501	7,857	(23,067)	(174,354)
Income (loss) before transfers	192,230	131,022	(41,261)	(124,677)	157,314
Transfers in	181,393	-	-	16,918	198,311
Transfers out	(36,918)	(20,000)	-	-	(56,918)
Change in net position	336,705	111,022	(41,261)	(107,759)	298,707
Net position - beginning	11,785,463	2,227,789	287,295	1,266,189	15,566,736
Net position - ending	\$ 12,122,168	2,338,810	246,034	1,158,430	15,865,443

The notes to the financial statements are an integral part of this statement.

Brian Head Town
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2019

	Water Fund	Sewer Fund	Solid Waste Fund	Snow- making Lease	Total Proprietary Funds
Cash flows from operating activities:					
Cash received from customers - service	\$ 1,379,010	608,346	183,044	-	2,170,399
Cash paid to suppliers	(273,758)	(246,631)	(71,918)	8,860	(583,447)
Cash paid to employees	(355,452)	(183,012)	(113,420)	-	(651,883)
Net cash provided (used) in operating activities	749,800	178,703	(2,294)	8,860	935,069
Cash flows from noncapital financing activities:					
Customer deposit increase (decrease)	1,501	-	-	-	1,501
Net transfers in (out)	144,475	(20,000)	-	16,918	141,393
Net cash provided (used) in noncapital financing activities	145,976	(20,000)	-	16,918	142,894
Cash flows from capital and related financing activities:					
Cash from impact fees	-	2,194	-	-	2,194
Cash payments for capital assets	(67,830)	(398,732)	-	-	(466,562)
Cash payments for long-term debt principal	(358,377)	-	-	(280,000)	(638,377)
Cash payments for long-term debt interest	(202,381)	-	(1,773)	(32,975)	(237,129)
Net cash provided (used) in capital and related financing activities	(628,588)	(396,538)	(1,773)	(312,975)	(1,339,875)
Cash flows from investing activities:					
Cash received from interest earned	21,501	15,307	7,857	5,195	49,860
Net cash provided (used) in investing activities	21,501	15,307	7,857	5,195	49,860
Net increase (decrease) in cash	288,689	(222,528)	3,790	(282,002)	(212,051)
Cash balance, beginning	882,228	833,631	229,930	445,614	2,391,404
Cash balance, ending	\$ 1,170,917	611,103	233,721	163,612	2,179,353
Cash reported on the statement of net position:					
Cash and cash equivalents	\$ 645,918	598,403	233,721	-	1,478,042
Non-current restricted cash	524,999	12,700	-	163,612	701,311
Total cash and cash equivalents	\$ 1,170,917	611,103	233,721	163,612	2,179,353

The notes to the financial statements are an integral part of this statement.

Brian Head Town
STATEMENT OF CASH FLOWS (continued)
For the Year Ended June 30, 2019

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

	Water Fund	Sewer Fund	Solid Waste Fund	Snow- making Lease	Total Proprietary Funds
Net operating income (expense)	\$ 368,875	113,520	(49,118)	(101,609)	331,668
Adjustments to reconcile operating income or (loss) to net cash provided (used) in operating activities:					
Depreciation and amortization	313,278	54,778	45,348	101,609	413,404
Changes in assets and liabilities:					
(Increase) decrease in receivables	6,494	(1,905)	(6,956)	-	(2,367)
(Increase) decrease in prepaid items	30,421	-	-	-	30,421
(Increase) decrease in net pension assets	84	43	23	-	150
(Increase) decrease in deferred outflows	11,532	5,919	3,372	-	20,823
Increase (decrease) in payables	8,279	785	1,868	8,860	10,932
Increase (decrease) in accrued liabilities	-	-	-	-	-
Increase (decrease) in net pension liability	65,720	33,730	19,219	-	118,669
Increase (decrease) in deferred inflows	(54,883)	(28,168)	(16,050)	-	(99,101)
Net cash provided (used) in operating activities	\$ 749,800	178,703	(2,294)	8,860	935,069

The notes to the financial statements are an integral part of this statement.

Brian Head Town
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1-A. Reporting entity

Primary Government: Brian Head Town (the Town), a municipal corporation located in Iron County, Utah, operates under a Council-Manager form of government and provides the following services: General and Administrative, Public Safety-Police and Fire, Highways and Streets, Sanitation, Culture and Recreation, Public Improvements, Planning and Zoning, Water and Sewer Services. The accompanying financial statements present the Town and its component units.

Blended Component Units: The financial activity for the following entities is blended in this report. These are entities for which the Town is considered to be financially accountable because of the significance of their operational or financial relationships with the Town and the governing body being the same as that of the Town. The Municipal Building Authority of Brian Head Town was formed to further the purposes of the Town by acquiring and improving properties and financing the cost of such activities. The Brian Head Special Service District was formed to acquire water rights. No separate financial report is issued by the these entities.

1-B. Government-wide and fund financial statements

Government-wide Financial Statements

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

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

Fund Financial Statements

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

Brian Head Town
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

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

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

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

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

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

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

Policy regarding use of restricted resources

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as needed. Restricted assets and liabilities payable from restricted assets current in nature are reported with current assets and current liabilities. *Restricted assets, non-current* reports assets restricted for acquisition or construction of non-current assets, or are restricted for liquidation of long-term debt.

Brian Head Town
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

1-D. Fund types and major funds

Governmental funds

The Town reports the following major governmental funds:

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

The *special service district fund* accounts for resources accumulated and payments made for the acquisition of water rights which have been leased to the Town.

The *debt service fund* accounts for resources accumulated and payments made for principal and interest on general obligation bonds.

Proprietary funds

The Town reports the following major proprietary funds:

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

The *sewer fund* accounts for the activities of the Town's sewer collection operations.

The *solid waste fund* accounts for the activities of the Town's sanitation and solid waste collection operations.

The *snowmaking lease fund* accounts for the activities of the Town's leasing of snowmaking equipment to the ski resort operations.

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

1-E-1. Deposit and Investments

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

1-E-2. Cash and Cash Equivalents

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

1-E-3. Receivables and Payables

Accounts receivable other than property taxes and intergovernmental receivables are from customers primarily for utility services. Property tax and intergovernmental receivables are considered collectible. Special assessments receivable are reported at the remaining amount of the initial assessment. An uncollectible allowance is provided that is based upon an analysis of the aging of the accounts.

Brian Head Town
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

1-E-3. *Receivables and Payables (continued)*

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

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

1-E-4. *Restricted Assets*

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

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

1-E-5. *Inventories and Prepaid items*

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

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

1-E-6. *Deferred Outflows/Inflows of Resources*

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

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

Brian Head Town
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

1-E-7. Pensions

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

1-E-8. Capital Assets

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings	40-50
Improvements, roads	15
Water distribution system	50
Sewer distribution system	50
Snowmaking system	40
Machinery and equipment	3-20

1-E-9. Long-term Obligations

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

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

Brian Head Town
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

1-E-10. Compensated Absences

The Town has a policy allowing compensated absence benefits to permanent employees for both sick and vacation leave. Provision is made in the financial statements for unused leave liability.

1-E-11. Fund Equity

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed. When committed, assigned, or unassigned resources are available for use, it is the Town's policy to use committed resources first, followed by assigned resources and then unassigned resources as they are needed.

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

Net investment in capital assets - Represents capital assets, net of accumulated depreciation and reduced by the outstanding balances of any long-term debt attributable to the acquisition, construction, or improvement of those assets.

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

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

Equity is classified in governmental fund financial statements as fund balance and is further classified as follows:

Nonspendable - Cannot be spent because it is either (a) not in spendable form, or (b) legally or contractually required to be maintained intact.

Restricted - Fund balance 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.

Committed - Can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority, the Town Council. A resolution, ordinance or vote by the Town Council is required to establish, modify or rescind a fund balance commitment.

Assigned - Constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. The Town Manager is authorized to assign amounts to a specific purpose in accordance with the Town's budget policy.

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

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

Brian Head Town
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

1-F. *Estimates*

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

2-A. Budgetary data

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

Utah State law prohibits the Town from creating a deficit fund balance by making expenditures in excess of amounts budgeted. Any deficit so created must be made up in the following fiscal year. Deficits arising from emergencies, however, may be retired over five years. The maximum amount held in the general fund may not exceed 75% of the total estimated revenues of the fund for the succeeding year.

Once adopted, budget amendments which increase total expenditures must be approved by the Town Council following a public hearing. With the consent of the Mayor, department heads may reallocate unexpended appropriated balances from one expenditure account to another within that department during the budget year. Budgets for the General Fund are prepared on the modified accrual basis of accounting. Encumbrances are not used.

2-B. Deficit fund balance

The Brian Head Special Service District reported a deficit fund balance. The purpose of the District is to acquire water rights. The rights acquired have been leased to the Town for a fifty year period. The deficit occurs because the Town prepaid the lease to enable purchase of the rights and the District reports no fixed assets as it is a governmental fund. The prepaid lease will be amortized to income over the period of the lease which will eliminate the deficit over the fifty years.

Brian Head Town
NOTES TO FINANCIAL STATEMENTS
 June 30, 2019

NOTE 3 - DETAILED NOTES

3-A. Deposits and investments

Cash and investments as of June 30, 2019 consist of the following:

	Fair Value
Deposits:	
Cash on hand	\$ 450
Demand deposits - checking	89,127
Investments:	
Deposits - PTIF	4,259,481
Total deposits and investments	\$ 4,349,058

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

Cash and cash equivalents (current)	\$ 3,388,631
Restricted cash and cash equivalents (non-current)	960,427
Total cash and cash equivalents	\$ 4,349,058

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, Section 51, chapter 7*) in handling its depositor 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.

Deposits

Custodial Credit Risk

For deposits, this is the risk that in the event of bank failure, the Town's deposits may not be returned to the Town. The Town's policy for managing custodial credit risk is to adhere to the Money Management Act. The Act requires all deposits of the Town to be in a qualified depository, as defined in the paragraph above. As of June 30, 2019, none of the Town's demand deposits were exposed to custodial risk.

Investments

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

Brian Head Town
NOTES TO FINANCIAL STATEMENTS
 June 30, 2019

3-A. Deposits and investments (continued)

Investments (continued)

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, one of which must be Moody’s Investor Services or Standard & Poor’s, bankers’ acceptances; obligations of the United States Treasury including bills, notes, and bonds; 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 Act; and the Utah State Public Treasurer’s Investment Fund.

The Utah State Treasurer’s Office operates the Public Treasurer’s Investment Fund (PTIF). The PTIF is available for investment of funds administered by any Utah public treasurer.

The PTIF is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Money Management Act, Section 51-7, Utah Code Annotated, 1953, as amended. The Act established the Money Management Council which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gain or losses on investments. Financial statements for the PTIF funds can be obtained by contacting the Utah State Treasurer’s office.

The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses - net of administration fees, of the PTIF 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 \$4,259,481 invested in the PTIF, which uses a Level 2 fair value measurement.

As of June 30, 2019 the government had the following investment and maturities:

Fair Value	Investment Maturities (in Years)			
	Less than 1	1-5	6-10	More than 10
State of Utah Public Treasurer's Investment Fund	\$ 4,259,481	4,259,481	-	-
Total Fair Value	\$ 4,259,481	4,259,481	-	-

Brian Head Town
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

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 Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested.

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 exposure to credit risk is to comply with the State's Money Management Act.

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

	Fair Value	Quality Ratings			
		AAA	AA	A	Unrated
State of Utah Public Treasurer's Investment Fund	\$4,259,481	-	-	-	4,259,481
Total Fair Value	\$4,259,481	-	-	-	4,259,481

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. PTIF falls under the constraints of UMMA in limiting concentrations of investments.

3-B. Receivables

The allowance policy is described in Note 1-E-3. Receivables as of year-end for the Town's funds are shown below:

	Governmental Activities	Business-type Activities	Total
Shuttle fees, licenses	\$ 103,760	-	103,760
Water	-	105,941	105,941
Sewer	-	78,452	78,452
Solid waste	-	29,786	29,786
Taxes and other	1,053,081	-	1,053,081
Total accounts receivable	1,156,841	214,178	1,371,019
Less allowance for uncollectibles	(5,425)	(28,959)	(34,383)
Net accounts receivable	\$ 1,151,416	185,220	1,336,636

Brian Head Town
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

3-C. Capital Assets

Capital asset activity for the governmental activities was as follows:

Governmental activities	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets, not being depreciated:				
Land and rights	\$ 19,260,216	-	-	19,260,216
Water rights	1,521,049	-	-	1,521,049
Construction in progress	2,045,358	811,568	488,542	2,368,384
Total capital assets, not being depreciated	22,826,623	811,568	488,542	23,149,649
Capital assets, being depreciated:				
Buildings	4,829,745	-	-	4,829,745
Improvements other than buildings	4,377,950	407,346	-	4,785,297
Machinery and equipment	1,529,083	593,490	-	2,122,573
Total capital assets, being depreciated	10,736,778	1,000,836	-	11,737,615
Less accumulated depreciation for:				
Buildings	1,306,078	120,744	-	1,426,821
Improvements other than buildings	3,312,891	134,617	-	3,447,508
Machinery and equipment	1,156,008	110,111	-	1,266,119
Total accumulated depreciation	5,774,977	365,471	-	6,140,448
Total capital assets being depreciated, net	4,961,801	635,365	-	5,597,166
Governmental activities capital assets, net	\$ 27,788,424	1,446,934	488,542	28,746,815

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

Governmental activities:	
General government	\$ 84,350
Public safety	144,314
Highways and public improvements	122,854
Parks, recreation and public property	13,954
Total	\$ 365,471

Brian Head Town
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

3-C. Capital Assets (continued)

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

Business-type activities	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets, not being depreciated:				
Land and rights	\$ 3,203,176	-	-	3,203,176
Construction in progress	30,510	466,562	-	497,072
Total capital assets, not being depreciated	3,233,687	466,562	-	3,700,248
Capital assets, being depreciated:				
Water system	16,967,150	-	-	16,967,150
Sewer system	2,364,692	-	-	2,364,692
Snowmaking system	4,064,374	-	-	4,064,374
Buildings	293,896	-	-	293,896
Machinery and equipment	956,376	-	-	956,376
Total capital assets, being depreciated	24,646,488	-	-	24,646,488
Less accumulated depreciation for:				
Water system	3,376,137	299,650	-	3,675,787
Sewer system	1,110,692	45,956	-	1,156,649
Snowmaking system	2,586,432	101,609	-	2,688,041
Buildings	136,661	5,878	-	142,539
Machinery and equipment	833,149	61,920	-	895,068
Total accumulated depreciation	8,043,070	515,013	-	8,558,084
Total capital assets being depreciated, net	16,603,418	(515,013)	-	16,088,404
Business-type activities capital assets, net	\$ 19,837,104	(48,452)	-	19,788,652

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

Business-type activities:	
Water system	\$ 313,278
Sewer system	54,778
Solid waste	45,348
Snowmaking lease	101,609
Total	\$ 515,013

Brian Head Town
NOTES TO FINANCIAL STATEMENTS
 June 30, 2019

3-D. Long-term debt

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

	Original Principal	% Rate	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
2007 GO Interconnect Bridge							
Matures 9/1/2022	\$1,291,000	6.29	\$ 190,000	-	70,000	120,000	75,000
2005B GO Refunding							
Matures 3/15/2024	2,280,000	3.95	1,090,000	-	165,000	925,000	170,000
2018 UDAF Petroleum Storage Tank							
Matures 8/1/2028	25,000	-	25,000	25,000	1,668	48,332	4,587
2011 Lease Revenue Bond							
Matures 4/1/2042	2,553,000	2.50	2,181,000	-	113,193	2,067,807	69,000
Total governmental activity long-term liabilities			\$ 3,486,000	25,000	349,861	3,161,139	318,587

The Town leases facilities from the Municipal Building Authority (MBA). The annual lease payment is approximately the amount of the debt service requirements. See Note 4-C for additional information regarding the MBA leases.

Bond debt service requirements to maturity for governmental activities are as follows:

	Principal	Interest	Total
2020	\$ 318,587	93,882	412,469
2021	301,004	81,338	382,342
2022	263,004	70,908	333,912
2023	269,004	61,775	330,779
2024	281,004	52,420	333,424
2025-2029	433,729	193,101	626,830
2030-2034	465,000	139,201	604,201
2035-2039	526,000	78,051	604,051
2040-2042	303,807	14,236	318,042
Total	\$ 3,161,139	784,911	3,946,050

Brian Head Town
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

3-D. Long-term debt

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

	Original Principal	% Rate	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
1980 GO Water							
Matured 1/30/2019	\$ 99,216	5.00	\$ 708	-	708	-	-
2016 GO Refunding							
Matures 8/1/2019	706,000	1.874	357,000	-	176,000	181,000	181,000
2005A GO Snowmaking							
Matures 9/1/2019	3,230,000	4.50	575,000	-	280,000	295,000	295,000
2013 G.O Reservoir Bond							
Matures 9/1/2034	2,000,000	1.50	1,737,000	-	90,000	1,647,000	92,000
2009 USDA Water Revenue							
Matures 10/10/2049	5,569,000	3.50	4,907,183	-	99,455	4,807,729	87,146
Total governmental activity							
 long-term liabilities			\$ 7,576,891	-	646,162	6,930,729	655,146

The general obligation bonds are backed by the full faith and credit of the Town, including its taxing capability.

Revenue bonds are issued where the Town pledges income derived from the acquired or constructed assets to pay the debt service.

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

	Principal	Interest	Total
2020	\$ 655,146	187,094	842,240
2021	191,307	186,978	378,285
2022	196,803	182,087	378,890
2023	201,424	177,041	378,465
2024	206,174	171,851	378,025
2025-2029	1,115,949	775,856	1,891,805
2030-2034	1,271,842	620,588	1,892,430
2035-2039	976,863	450,677	1,427,540
2040-2044	1,025,239	284,561	1,309,800
2045-2049	1,089,983	89,745	1,179,728
Total	\$ 6,930,729	3,126,479	10,057,208

Other long-term liabilities:

	Beginning	Increase (Decrease)	Ending
Compensated absences:			
Governmental	\$ 60,772	-	60,772
Total	\$ 60,772	-	60,772
Net pension liability:			
Governmental	\$ 283,813	225,528	509,341
Business-type	212,061	118,669	330,730
Total	\$ 495,874	344,197	840,071

Brian Head Town
NOTES TO FINANCIAL STATEMENTS
 June 30, 2019

3-E. Operating Leases

The Town entered into three agreements with Wheeler Machinery Co. to lease certain items of equipment. Equipment operating leases have been negotiated for an additional period on a backhoe, two loaders, and a grader. For the year 2019, the total minimum lease payment is \$128,296. In addition to the regular lease payments, the Town is responsible for maintenance costs of the equipment.

3-F. Interfund transfers

From time to time, transfers are made between funds where required by statute or budget. The following is a reconciliation of the operating transfers made between funds:

	Transfers In	Transfers Out
General Fund	\$ 8,667	620,000
Debt Service Fund	-	181,393
Redevelopment Agency Fund	-	285,667
Capital Projects Fund	602,000	99,971
Asset Replacement Fund	459,971	25,000
Water Fund	181,393	36,918
Sewer Fund	-	20,000
Snowmaking Lease Fund	16,918	-
Total	\$ 1,268,949	1,268,949

NOTE 4 - OTHER INFORMATION

4-A. Risk management

The 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. The Town participates in the Utah Local Government Trust, a public agency insurance mutual, which provides coverage for property damage and general liability. The Town is subject to a minimal deductible for claims. There have been no significant reductions in insurance coverage from coverage in the prior year. Amounts of settlements have not exceeded insurance coverage in any of the past three fiscal years.

4-B. Municipal Building Authority Leases

Town Hall Lease Arrangement

On October 1, 1997, the Municipal Building Authority of The Town of Brian Head, Utah (the Authority) entered into a lease arrangement with Brian Head Town for the acquisition and remodel of a new town hall. In order to acquire and construct a new town hall, the Authority issued a lease revenue bond issue in the amount of \$560,000. The remaining liability on this bond is disclosed in Note 3-E Long-term debt.

Public Safety Building Lease Arrangement

On June 30, 2011, the Municipal Building Authority of The Town of Brian Head, Utah (the Authority) entered into a lease arrangement with Brian Head Town for a public safety building. Pursuant to the lease arrangement, the Authority constructed the facility. In order to construct the facility, the Authority issued a lease revenue bond in the amount of \$2,553,000. The remaining liability on this bond is disclosed in Note 3-E Long-term debt.

Brian Head Town
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

4-B. Municipal Building Authority Leases (continued)

General Terms of Leases

The initial term of the leases commence as of the date of delivery of the Lease Revenue Bonds and terminates on the bond anniversary date thereafter. The lease term may be continued, solely at the option of Brian Head Town, beyond the termination of the original term for an additional year, and for 12 consecutive additional renewal terms thereafter each of one year in duration except that the final renewal term will coincide with the final payment on the bonds. The Town makes an election to continue the lease for the next renewal term by budgeting sufficient Town funds to pay the base and reasonably estimated additional rentals due during the next renewal term.

The Town and the Authority acknowledge and agree that the obligation of the Town to pay base rentals and additional rentals constitutes a current expense of the Town payable exclusively from Town funds and shall not in any way be construed to be an obligation or indebtedness of the Town. The lease is to be deemed a net lease. The terms of the lease require Brian Head Town to pay certain base rentals which approximate the principal and interest due on the lease revenue bonds issued by the Authority. Those amounts are included in the disclosure relating to long-term debt in Note 3-E.

4-C. Special Service District Lease

In 2009, the Town prepaid a lease for the use of water rights to the Brian Head Special Service District in the amount of \$523,428 that will be amortized over the next fifty years which is the term of the lease. In 2010, additional water rights were leased on the same basis in the amount of \$997,561. As of June 30, 2019, the balance of these leases is \$1,16,839.

4-D. Litigation

The Town is involved in various litigation as of June 30, 2019, none of which, in the opinion of the Town's legal counsel, is material to the financial statements. Therefore, no amounts have been recorded in the Town's financial statements.

4-E. Rounding convention

A rounding convention to the nearest whole dollar has been applied throughout this report, therefore the precision displayed in any monetary amount is plus or minus \$1. These financial statements are computer generated and the rounding convention is applied to each amount displayed in a column, whether detail item or total. As a result, without the overhead cost of manually balancing each column, the sum of displayed amounts in a column may not equal the total displayed. The maximum difference between any displayed number or total and its actual value will not be more than \$1.

4-F. Subsequent events

Subsequent events have been evaluated through November 26, 2019. There have been no subsequent events that provide additional evidence about conditions that existed at the balance sheet date.

Brian Head Town
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

4-G. Pension Plans

General Information about the Pension Plan

Plan description:

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

Public Employees Noncontributory Retirement System (Noncontributory System) is a multiple employer, cost sharing, public employee retirement system;

Public Safety Retirement System (Public Safety System) is a mixed agent and cost sharing, multiple employer public employee retirement system;

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

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

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

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

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

Brian Head Town
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

4-G. Pension Plans (continued)

Benefits provided:

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

System	Final Average Salary	Years of service required and/or age eligible for benefit	Benefit percentage per year of service	Cola **
Noncontributory System	Highest 3 Years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Public Safety System	Highest 3 Years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% or 4% depending on employer
Tier 2 Public Employees System	Highest 5 Years	35 years any age 20 years any age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 Years	25 years any age 20 years any age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

* with actuarial reductions

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

Contributions:

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

<u>Utah Retirement Systems</u>	<u>Employee</u>	<u>Employer</u>	<u>Employer 401(k) Plan</u>
Contributory System			
11 - Local Government Div - Tier 1	6.00	14.46	N/A
111 - Local Government Div - Tier 2	N/A	15.54	1.15
Noncontributory System			
15 - Local Government Div - Tier 1	N/A	18.47	N/A
Public Safety System			
Contributory			
122 - Tier 2 DB Hybrid Public Safety	N/A	23.09	0.74
Noncontributory			
43 - Other Div A with 2.5% COLA	N/A	34.04	N/A
Tier 2 DC Only			
211 - Local Government	N/A	6.69	10.00
222 - Public Safety	N/A	11.83	12.00

Brian Head Town
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

4-G. Pension Plans (continued)

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

For the fiscal year ended June 30, 2019, the employer and employee contributions to the Systems were as follows:

<u>System</u>	<u>Employer Contributions</u>	<u>Employee Contributions</u>
Noncontributory System	\$ 86,896	N/A
Public Safety System	94,459	-
Tier 2 Public Employees System	11,287	-
Tier 2 Public Safety and Firefighter	9,525	-
Total Contributions	\$ 202,166	-

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

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

At June 30, 2019, we reported a net pension asset of \$0 and a net pension liability of \$840,071.

	<u>(Measurement Date): December 31, 2018</u>			Proportionate Share 12/31/2017	Change (Decrease)
	Net Pension Asset	Net Pension Liability	Proportionate Share		
Noncontributory System	\$ -	\$ 367,878	0.0499581%	0.0497653%	0.0001928%
Public Safety System	-	468,799	0.1822286%	0.1767580%	0.0054706%
Tier 2 Public Employees System	-	2,640	0.0061638%	0.0064074%	-0.0002436%
Tier 2 Public Safety and Firefighter	-	754	0.0300984%	0.0363517%	-0.0062533%
Total	\$ -	\$ 840,071			

The net pension asset and liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2018 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2019, we recognize pension expense of \$319,758.

Brian Head Town
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

4-G. Pension Plans (continued)

At June 30, 2019, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 5,097	\$ 29,718
Changes in assumptions	104,547	75
Net difference between projected and actual earnings on pension plan investments	158,840	-
Changes in proportion and differences between contributions and proportionate share of contributions	60,875	2,066
Contributions subsequent to the measurement date	101,682	-
Total	\$ 431,041	\$ 31,859

\$101,682 was reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2018.

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

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2019	\$ 159,564
2020	41,483
2021	19,929
2022	75,347
2023	125
Thereafter	1,053

Actuarial assumptions:

The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 Percent
Salary increases	3.25 - 9.75 percent, average, including inflation
Investment rate of return	6.95 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the January 1, 2018, valuation were based on the results of an actuarial experience study for the five year period ending December, 31, 2016.

Brian Head Town
NOTES TO FINANCIAL STATEMENTS
 June 30, 2019

4-G. Pension Plans (continued)

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

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Assets class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long Term expected portfolio real rate of return
Equity securities	40%	6.15%	2.46%
Debt securities	20%	0.40%	0.08%
Real assets	15%	5.75%	0.86%
Private equity	9%	9.95%	0.89%
Absolute return	16%	2.85%	0.46%
Cash and cash equivalents	0%	0.00%	0.00%
Totals	100.00%		4.75%
	Inflation		2.50%
	Expected arithmetic nominal return		7.25%

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

Discount rate:

The discount rate used to measure the total pension liability was 6.95 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced to 6.95 percent from 7.20 percent from the prior measurement period.

Brian Head Town
NOTES TO FINANCIAL STATEMENTS
 June 30, 2019

4-G. Pension Plans (continued)

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate:

The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.95 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.95 percent) or 1-percentage-point higher (7.95 percent) than the current rate:

System	1% Decrease (5.95%)	Discount Rate (6.95%)	1% Increase (7.95%)
Noncontributory System	\$ 753,951	\$ 367,878	\$ 46,381
Public Safety System	918,928	468,799	103,392
Tier 2 Public Employees System	10,576	2,640	(3,485)
Tier 2 Public Safety and Firefighter	5,688	754	(3,022)
Total	\$ 1,689,143	\$ 840,071	\$ 143,266

Pension plan fiduciary net position:

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

Defined Contribution Savings Plan:

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

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

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

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

	2019	2018	2017
401(k) Plan			
Employer Contributions	\$ 11,443	\$ 10,307	\$ 10,034
Employee Contributions	21,810	16,731	17,817
457(b) Plan			
Employer Contributions	-	-	-
Employee Contributions	20,211	12,826	12,761
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	9,061	6,400	4,900

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REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

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Brian Head Town
Notes to Required Supplementary Information
June 30, 2019

Budgetary Comparison Schedules

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

Budgeting and Budgetary Control

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

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

Current Year Excess of Expenditures over Appropriations

For the year ended June 30, 2019, all departmental expenditures were within budgeted amounts.

Changes in Assumptions Related to Pensions

The assumptions and methods used to calculate the total pension liability remain unchanged from the prior year.

Brian Head Town
**SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND**
 For the Year Ended June 30, 2019

	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget
Revenues				
Taxes	\$ 1,627,500	\$ 1,672,700	\$ 1,734,904	\$ 62,204
Licenses and permits	314,200	344,200	364,845	20,645
Intergovernmental revenues	137,600	149,700	139,719	(9,981)
Charges for services	309,941	309,941	315,414	5,473
Fines and forfeitures	1,450	1,450	629	(821)
Impact fees	-	-	459	459
Interest	10,150	10,150	47,904	37,754
Miscellaneous revenue	20,400	40,400	38,222	(2,178)
Total revenues	2,421,241	2,528,541	2,642,097	113,556
Expenditures				
General government	641,120	708,120	638,078	70,042
Public safety	1,007,497	1,020,157	930,661	89,496
Highways and public improvements	370,877	442,929	417,096	25,833
Parks, recreation and public property	78,512	63,512	44,267	19,245
Total expenditures	2,098,006	2,234,718	2,030,102	204,616
Excess (Deficiency) of Revenues Over (Under) Expenditures				
	323,235	293,823	611,995	318,172
Other financing sources and (uses)				
Sale of fixed assets	-	-	114,889	114,889
Transfers in	8,667	8,667	8,667	-
Transfer out	(400,000)	(620,000)	(620,000)	-
Total other financing sources and (uses)	(391,333)	(611,333)	(496,444)	(114,889)
Net change in fund balances	(68,098)	(317,510)	115,551	433,061
Fund balances - beginning of year	1,287,933	1,287,933	1,287,933	-
Fund balances - end of year	\$ 1,219,835	\$ 970,423	\$ 1,403,484	\$ 433,061

Brian Head Town
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 June 30, 2019
 Last 10 Fiscal Years*

	As of December 31,				
	2018	2017	2016	2015	2014
Noncontributory Retirement System					
Proportion of the net pension liability (asset)	0.0499581%	0.0497653%	0.0501275%	0.0266886%	0.0000000%
Proportionate share of the net pension liability (asset)	\$ 367,878	\$ 218,037	\$ 321,880	\$ 151,017	\$ -
Covered employee payroll	\$ 447,658	\$ 439,484	\$ 447,715	\$ 233,236	\$ -
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	82.18%	49.61%	71.89%	64.75%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	87.00%	91.90%	87.30%	87.80%	0.00%
Contributory System					
Proportion of the net pension liability (asset)	0.0000000%	0.0000000%	0.1755339%	0.5884290%	1.0097066%
Proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ 356,207	\$ 413,580	\$ 291,243
Covered employee payroll	\$ 3,544	\$ -	\$ 263,523	\$ 237,836	\$ 520,929
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	135.17%	173.89%	55.90%
Plan fiduciary net position as a percentage of the total pension liability	0.00%	0.00%	86.50%	85.70%	94.00%
Public Safety System					
Proportion of the net pension liability (asset)	0.1822860%	0.1767580%	0.0053147%	0.1608895%	0.1579360%
Proportionate share of the net pension liability (asset)	\$ 468,799	\$ 277,273	\$ 593	\$ 288,194	\$ 198,187
Covered employee payroll	\$ 272,022	\$ 262,815	\$ 43,585	\$ 243,214	\$ 234,447
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	172.34%	105.50%	1.36%	118.49%	84.50%
Plan fiduciary net position as a percentage of the total pension liability	84.70%	80.20%	95.10%	87.10%	90.50%
Tier 2 Public Employees Retirement System					
Proportion of the net pension liability (asset)	0.0061638%	0.0064074%	0.0202390%	0.0053886%	0.0068300%
Proportionate share of the net pension liability (asset)	\$ 2,640	\$ 586	\$ (176)	\$ (12)	\$ (207)
Covered employee payroll	\$ 72,021	\$ 62,687	\$ 16,722	\$ 3,480	\$ 35,534
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	3.67%	0.90%	-1.05%	-0.03%	-0.60%
Plan fiduciary net position as a percentage of the total pension liability	90.80%	97.40%	103.60%	100.20%	103.50%
Tier 2 Public Safety and Firefighters Retirement System					
Proportion of the net pension liability (asset)	0.0300984%	0.3635170%	0.0000000%	0.0000000%	0.0000000%
Proportionate share of the net pension liability (asset)	\$ 754	\$ (421)	\$ -	\$ -	\$ -
Covered employee payroll	\$ 40,300	\$ 3,876	\$ -	\$ -	\$ -
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	1.87%	-1.10%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	95.60%	103.00%	0.00%	0.00%	0.00%

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

Brian Head Town
SCHEDULE OF CONTRIBUTIONS
 June 30, 2019
 Last 10 Fiscal Years*

	As of fiscal year ended June 30,	Actuarial Determined Contributions	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered employee payroll	Contributions as a percentage of covered employee payroll
Noncontributory Retirement System	2014	\$ -	\$ -	\$ -	\$ -	0.00%
	2015	-	-	-	-	0.00%
	2016	84,374	84,374	-	456,818	18.47%
	2017	84,080	84,080	-	455,226	18.47%
	2018	80,787	80,787	-	437,394	18.47%
	2019	86,896	86,896	-	470,469	18.47%
Contributory System	2014	68,356	68,356	-	515,347	13.26%
	2015	72,612	72,612	-	502,156	14.46%
	2016	-	-	-	-	0.00%
	2017	-	-	-	-	0.00%
	2018	-	-	-	-	0.00%
	2019	-	-	-	-	0.00%
Public Safety System	2014	73,837	73,837	-	229,736	32.14%
	2015	81,410	81,410	-	239,158	34.04%
	2016	84,210	84,210	-	247,385	34.04%
	2017	91,647	91,647	-	269,233	34.04%
	2018	90,762	90,762	-	266,632	34.04%
	2019	94,459	94,459	-	277,493	34.04%
Tier 2 Public Employees Retirement System**	2014	5,024	5,024	-	31,898	15.75%
	2015	5,760	5,760	-	34,493	16.70%
	2016	5,492	5,492	-	36,104	15.21%
	2017	7,950	7,950	-	53,318	14.91%
	2018	10,518	10,518	-	69,611	15.11%
	2019	11,287	11,287	-	72,683	15.53%
Tier 2 Public Safety and Firefighter System**	2014	-	-	-	-	0.00%
	2015	-	-	-	-	0.00%
	2016	-	-	-	-	0.00%
	2017	7,650	7,650	-	35,442	21.59%
	2018	8,873	8,873	-	39,312	22.57%
	2019	9,525	9,525	-	41,288	23.07%

* Paragraph 81.b of GASB 68 requires employers to disclose a 10-year history of contributions in RSI. The 10-year schedule will need to be built prospectively. The schedule above is only for the past 6 years.

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

COMBINING STATEMENTS

Brian Head Town
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2019

	Redevelopment Agency Fund	Municipal Building Authority	Capital Projects Fund	Asset Replacement Fund	Total Non-Major Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 102,204	-	254,354	185,688	542,247
Restricted cash and cash equivalents	-	1,348	-	-	1,348
TOTAL ASSETS	\$ 102,204	1,348	254,354	185,688	543,595
LIABILITIES					
Accounts payable	-	-	3,072	417	3,489
TOTAL LIABILITIES	-	-	3,072	417	3,489
FUND BALANCES:					
Restricted for:					
Capital projects	-	1,348	-	-	1,348
Committed for:					
Redevelopment agency	102,204	-	-	-	102,204
Assigned for:					
Capital projects	-	-	251,282	185,271	436,553
TOTAL FUND BALANCES	102,204	1,348	251,282	185,271	540,105
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 102,204	1,348	254,354	185,688	543,595

Brian Head Town
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES**
NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2019

	Redevelopment Agency Fund	Municipal Building Authority	Capital Projects Fund	Asset Replacement Fund	Total Non-Major Governmental Funds
REVENUES:					
Property taxes	\$ 54,046	-	-	-	54,046
Intergovernmental revenues	92,000	-	418,222	25,000	535,222
Charges for services	-	121,525	-	-	121,525
Interest	3,884	755	6,818	-	11,458
Total revenues	149,930	122,280	425,040	25,000	722,251
EXPENDITURES:					
General government	32,481	14,034	106,424	72,346	225,285
Public safety	-	-	272,292	67,362	339,653
Highways and public improvements	-	-	535,030	182,174	717,204
Parks, recreation and public property	-	-	146,318	-	146,318
Debt service:					
Principal	-	113,193	-	1,668	114,861
Interest	-	54,236	-	-	54,236
Total expenditures	32,481	181,464	1,060,063	323,550	1,597,558
Excess (deficiency) of revenues over (under) expenditures	117,449	(59,183)	(635,024)	(298,550)	(875,307)
Other financing sources and (uses):					
Proceeds from borrowing	-	-	-	25,000	25,000
Sale of capital assets	-	-	-	23,850	23,850
Transfers in	-	-	602,000	459,971	1,061,971
Transfers out	(285,667)	-	(99,971)	(25,000)	(410,638)
Total other financing sources and (uses)	(285,667)	-	502,029	483,821	700,183
Net change in fund balances	(168,218)	(59,183)	(132,995)	185,271	(175,124)
Fund balances - beginning of year	270,422	60,531	384,276	-	715,230
Fund balance - end of year	\$ 102,204	1,348	251,282	185,271	540,105

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OTHER REPORTS



Certified Public Accountants

hbeg.com

90 East 200 North
St. George, UT 84770
(435) 673-6167

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*

Honorable Mayor and Town Council
Brian Head 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, each major fund, and the aggregate remaining fund information of Brian Head Town (Town) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Brian Head Town's basic financial statements, and have issued our report thereon dated November 27, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered 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 Town's internal control. Accordingly, we do not express an opinion on the effectiveness of 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

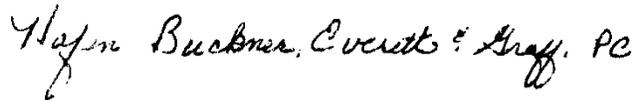
As part of obtaining reasonable assurance about whether Brian Head Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Hafen, Buckner, Everett, & Graff, PC". The signature is written in a cursive, flowing style.

Hafen, Buckner, Everett, and Graff PC
November 27, 2019



Certified Public Accountants

hbeg.com

90 East 200 North
St. George, UT 84770
(435) 673-6167

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

To the Town Council
Brian Head Town
St. George, Utah

Report On Compliance with General State Compliance Requirements

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

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

- Budgetary Compliance
- Fund Balance
- Utah Retirement Systems
- Restricted Taxes and Related Revenues
- Open and Public Meetings Act
- Public Treasurer’s Bond
- Cash Management

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 the Town’s compliance based on our audit of the compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *State Compliance Audit Guide*. Those standards and the *State Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the state compliance requirements referred to above that could have a direct and material effect on a state compliance requirement occurred. An audit includes examining, on a test basis, evidence about the 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. Our audit does not provide a legal determination of the Town’s compliance with those requirements.

Opinion on the General State Compliance Requirements and Each Major State Program

In our opinion, the Brian Head 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 and recommendations as item 2019-1. Our opinion on compliance is not modified with respect to these matters.

The Town's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and recommendations. The 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

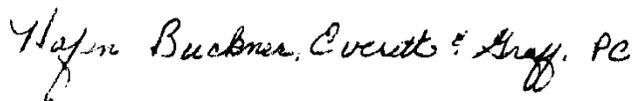
Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the state compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town's internal control over compliance with the state compliance 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 the 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 detect and correct, noncompliance with a general state or major state program 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 general state or major state program compliance requirement will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a general state or major state program 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.

We noted a matter involving internal control over compliance which we are submitting for your consideration. This matter is described in the accompanying schedule of findings and recommendations as items 2019-1.

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.



Hafen, Buckner, Everett & Graff, P.C.
November 27, 2019

Town of Brian Head
Schedule of Findings for State Compliance
June 30, 2019

Current year

State Compliance Findings

Finding: 2019-1 Open and Public Meetings Act

One of two meeting notices, meeting agendas, and meeting minutes selected for testing was not posted timely to the Utah Public Notice Website.

Recommendation: Procedures be established to ensure that notices, agendas, and minutes be timely posted to the Utah Public Notice Website.

Response: Town agrees that the minutes for at least one meeting were not posted timely to the Utah Public Notice Website and will work to ensure that meeting notices, agendas, and minutes are timely posted in the future.

Internal Control Findings

Internal control findings relate to the controls over compliance as noted above as 2019-1.

Prior year

State Compliance Findings

Finding: 2018-1 Open and Public Meetings Act

One of two meeting notices, meeting agendas, and meeting minutes selected for testing was

Resolution: Noted again that the minutes of one meeting were not posted timely,



STAFF REPORT TO THE TOWN COUNCIL

SUBJECT: Public Hearing for Preliminary plat Amendment for Crooked River
AUTHOR: Wendy Dowland
DEPARTMENT: Administration
DATE: December 9, 2019
TYPE OF ITEM: Legislative Action

SUMMARY:

The Council will hold a public hearing to receive public comment on a preliminary plat amendment for Crooked River. The Council will not be taking action on this item until the Planning Commission reviews it one more time and submits their recommendation.

BACKGROUND:

The Town recently received an application for a proposed plat amendment and expansion of the Crooked River subdivision (Anderson PUD). The Planning Commission held a public hearing and reviewed the Preliminary Plat proposed by Frontier West Holdings during the December 03, 2019 meeting. The Planning Commission tabled this agenda item for further review at the January 7, 2020 meeting. The Town Council will review after a recommendation is made by the Planning Commission.

The original Anderson PUD was established in 2006 and only four town homes and two foundations were completed before the bank took ownership in 2013. Frontier Holdings acquired the property in 2017 and has since completed two additional townhomes.

ANALYSIS:

The Town received one written comment that was presented to the Planning Commission and is part of the public hearing for the Town Council. The written comment is from Neil and Pamela Nevills who are not opposed to the plat amendment but had concerns regarding people crossing Highway 143 to Navajo Lodge. The Nevills' letter is attached for your review.

FINANCIAL IMPLICATIONS:

N/A

BOARD/COMMISSION RECOMMENDATION:

The Planning Commission will be reviewing this again during their January 7, 2020 meeting and will forward their recommendation to the Town Council.

STAFF RECOMMENDATION:

Staff recommends that the Town Council postpone a review until the Planning Commission makes a recommendation.

PROPOSED MOTION:

Since this is a public hearing and no action being taken, no motion is needed.

ATTACHMENTS:

Proposed Preliminary Plat



40 0 40'
SCALE IN FEET

PRELIMINARY PLAT FOR CROOKED RIVER RPD (AKA: ANDERSON PUD)

PROJECT LOCATED IN SECTION 2, T36S, R9W, SLB& M, BRIAN HEAD, UTAH



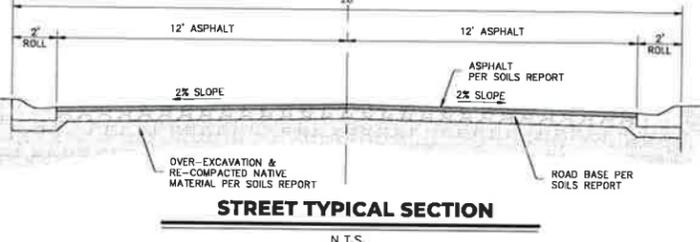
PROJECT LOCATION

CURVE TABLE				
CURVE #	LENGTH	RADIUS	DELTA	CHORD
C1	307.14'	292.00'	60°16'02"	S17°29'34"E 293.16'
C2	85.58'	424.00'	11°33'54"	N41°50'38"W 85.44'

DEVELOPER
FRONTIER WEST HOLDINGS
P.O. BOX 1012
CEDAR CITY, UTAH 84721

PROPOSED AREA USE TABULATION	
DESCRIPTION	TOTALS
TOTAL LAND AREA	5.56 AC
BUILDING AREA	1.55 AC (28%)
DRIVEWAYS & ROAD AREA	1.11 AC (20%)
TOTAL HARD SURFACE	2.66 AC (48%)

LEGEND			
●	PROPERTY CORNER	⊕	PROPOSED WATER VALVE
⊕	EXISTING HYDRANT	— 8" — SS	EXISTING SEWER LINE
⊕	PROPOSED HYDRANT	— 8" — SS	PROPOSED SEWER LINE
— 8" — W	EXISTING WATER LINE W/SIZE SHOWN	— 36" — SD	EXISTING STORM DRAIN
— 8" — W	PROPOSED WATER LINE W/SIZE SHOWN	— 36" — SD	PROPOSED STORM DRAIN
---	EXISTING CONTOUR	▭	EXISTING ASPHALT
⊗	EXISTING WATER VALVE	▭	PROPOSED ASPHALT
		⊕	EXISTING SEWER MANHOLE
		⊕	PROPOSED SEWER MANHOLE
		⊕	EXISTING WATER METER
		⊕	PROPOSED WATER METER
		— 36" — SD	PROPOSED STORM DRAIN



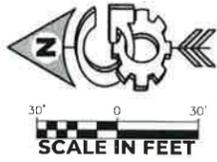
GO CIVIL ENGINEERING
500 N. 800 W. CEDAR CITY, UT 84721
(435) 588-9552 WWW.GOCIVIL.NET

**PRELIMINARY PLAT
CROOKED RIVER RPD (AKA: ANDERSON PUD)
FOR
FRONTIER WEST HOLDINGS**

PROJECTED LOCATED IN SECTION 2, T36S, R9W, SLB& M, BRIAN HEAD, UTAH

NO.	DESCRIPTION	DATE

CHECKED: _____ DATE: 10/1/19
SCALE: 1" = 30' DRAWN: MP
DATE: 10/1/19 SHEET: 1 OF 1



TREE REMOVAL EXHIBIT FOR CROOKED RIVER PUD

PROJECT LOCATED IN SECTION 2, T36S, R9W, SLB& M, BRIAN HEAD, UTAH



LEGEND

■	EXISTING TREES TO REMAIN
■	EXISTING TREES TO BE REMOVED

TREE AREA TABULATION

DESCRIPTION	TOTALS
TOTAL AREA OF TREES WITHIN BOUNDARY	28,270 SF
AREA OF PROPOSED TREE REMOVAL	4,801 SF (17%)
AREA OF TREES TO REMAIN	23,469 SF (83%)

REVISIONS

NO.	DESCRIPTION	BY	DATE

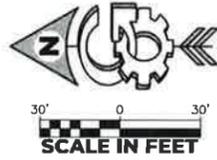
GO CIVIL ENGINEERING
590 N. 800 W. CEDAR CITY, UT 84221
(435) 586-9592 WWW.GOCIVIL.NET

TREE REMOVAL EXHIBIT
FOR
CROOKED RIVER PUD

PROJECT LOCATED IN SECTION 2, T36S, R9W, SLB& M, BRIAN HEAD, UTAH

PRELIMINARY NOT FOR CONSTRUCTION 11 X 17 SHEETS ARE NOT TO SCALE

CHECKED:	DRAWN:
SCALE: 1" = 30'	DATE: 1/22/19
SHEET: 1 OF 1	



POSSIBLE LANDSCAPE AREA EXHIBIT FOR CROOKED RIVER PUD

PROJECT LOCATED IN SECTION 2, T36S, R9W, SLB& M, BRIAN HEAD, UTAH



LEGEND

	EXISTING TREE AREA
	EXISTING LANDSCAPE AREA
	POSSIBLE LANDSCAPE AREA PROVIDED

AREA USE TABULATION

DESCRIPTION	TOTALS
TOTAL PROJECT AREA	5.56 AC
POSSIBLE LANDSCAPE/GREEN SPACE	1.89 AC (34%)
EXISTING LANDSCAPE & TREES	0.53 AC (10%)
HARD SURFACE/ PARKING/ BUILDINGS	3.14 AC (56%)

REVISIONS

NO.	DESCRIPTION	BY	DATE

GO CIVIL ENGINEERING
 590 N. 800 W. CEDAR CITY, UT 84721
 # (435) 586-9592 WWW.GOCIVIL.NET

POSSIBLE LANDSCAPE AREA EXHIBIT
FOR
CROOKED RIVER PUD
PROJECT LOCATED IN SECTION 2, T36S, R9W, SLB& M, BRIAN HEAD, UTAH

CHECKED:

SCALE: 1" = 30'	DRAWN: HP
DATE: 11/22/19	SHEET: 1 OF 1

PRELIMINARY NOT FOR CONSTRUCTION 11 X 17 SHEETS ARE NOT TO SCALE



STAFF REPORT TO THE TOWN COUNCIL

SUBJECT: Public Hearing and Ordinance Amending the Zone District Map
AUTHOR: Wendy Dowland/Nancy Leigh
DEPARTMENT: Administration
DATE: December 9, 2019
TYPE OF ITEM: Legislative Action

SUMMARY:

The Town Council will hold a public hearing and consider an ordinance amending the Zone District Map.

BACKGROUND:

The last zone change occurred in 2015. During this time the area on the south end of Town was changed from multi-family residential (high density) to single family residential (low density) and the area east of Town Hall, at the intersection of Steam Engine Drive and Forest Drive, was changed from multi-family residential (high density) to single family residential (low density). The decision to change it to the more restrictive was made at that time. Staff is now reconsidering that decision.

ANALYSIS:

The Standards for Review for amendments to the Zone District Map are as follows (LMC 9-6-3):

1. Addresses a recognized and demonstrated need in the community;
2. Will be compatible with the character of the neighborhood and surrounding structures in use, scale, mass and circulation;
3. Will not result in an over-intensive use of the land or excessive depletion of natural resources;
4. Will not have a material adverse effect on community capital improvement programs;
5. Will not require a level of community facilities and services greater than that which is available; or which will be made available by the applicant.
6. Will not result in undue traffic congestion and traffic hazards;
7. Will not cause significant air, odor, water, light, or noise pollution;
8. Will not otherwise be detrimental to the health, safety, or welfare of the present or future inhabitants of Brian Head Town.

FINANCIAL IMPLICATIONS:

N/A

BOARD/COMMISSION RECOMMENDATION:

Planning Commission Meeting on December 3, 2019:

Motion: Commissioner Kelly moved to recommend to the Town Council the approval of the Zone Map Amendment. Commissioner Morgan seconded the motion.

Action: Motion carried 4-0-0 (summary: Yes = Vote: Yes: Commissioner Dever, Commissioner Kelly, Commissioner Morgan, Commissioner Hartlmaier).

STAFF RECOMMENDATION:

After the public hearing is completed and the ordinance is being considered, staff recommends the Council adopt the ordinance amending the Zone District Map as presented.

PROPOSED MOTION:

I move to adopt ordinance No. 19-015 an ordinance amending the Zone District Map as presented.

ATTACHMENTS:

- A – Ordinance & Zone District Map
- B - General Plan Map



ORDINANCE NO. _____

AN ORDINANCE AMENDING THE BRIAN HEAD LAND MANAGEMENT CODE, CHAPTER 6, ZONE DISTRICT MAP, REGULATING LAND USE WITHIN THE TOWN OF BRIAN HEAD, UTAH AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, Brian Head Town has identified a need to revise the Brian Head Land Management Code in order to regulate land use within the Town limits of Brian Head, Utah; and,

WHEREAS, the Brian Head Planning Commission held a public hearing on December 03, 2019 giving at least fourteen (14) days' notice prior to the public hearing to receive public comment. The Planning Commission hereby forward their recommendation of approval amending the Zone District Map, Chapter 6, Title 9 of the Land Management Code to the Brian Head Town Council for their consideration and adoption; and

WHEREAS, the Brian Head Town Council held a public hearing on December 9, 2019 and giving at least fourteen (14) days' notice. The public hearing was held on June 23, 2015; and

WHEREAS, Brian Head Town desires to incorporate the Zone District Map regulating land use within the town boundaries; and

WHEREAS, it is in the best interests of Brian Head Town and the health, safety, and general welfare of its citizens to adopt this Ordinance.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF BRIAN HEAD, UTAH, COUNTY OF IRON, STATE OF UTAH, AS FOLLOWS:

Section 1. The Brian Head Land Management Code, Chapter 6, Zoning, Zone District Map is hereby amended. All land use within the Town of Brian Head shall comply with the Brian Head Land Management Code; and

Section 2. Effective Date. This Ordinance shall take effect upon its passage by a majority vote of the Brian Head Town Council and following notice and publication as required by law. Upon this Ordinance being adopted by the Brian Head Town Council of Iron County, Utah, all provisions of this Ordinance shall be incorporated into Title 9 of the Brian Head Town Code.

DRAFT

Section 3. Conflict. To the extent of any conflict between other Town, County, State, or Federal laws, ordinances or regulations and this Ordinance, the more restrictive is deemed to be controlling.

Section 4. Severability Clause. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portions shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions of this Ordinance.

Section 5. Repealer. All provisions of the Brian Head Town Code, Chapters one through ten that are inconsistent with the expressed terms of this Ordinance shall be repealed.

PASSED AND ADOPTED BY THE BRIAN HEAD TOWN COUNCIL OF IRON COUNTY, UTAH this ____ day of December 2019, with the following vote.

Mayor Clayton Calloway	Aye_____	Nay_____
Council Member Lynn Mulder	Aye_____	Nay_____
Council Member Larry Freeberg	Aye_____	Nay_____
Council Member Shad Hunter	Aye_____	Nay_____
Council Member Kelly Marshall	Aye_____	Nay_____

BRIAN HEAD TOWN COUNCIL
BRIAN HEAD, UTAH

By: _____
Clayton Calloway, Mayor

ATTEST:

Nancy Leigh, Town Clerk

(SEAL)

CERTIFICATE OF PASSAGE AND POSTING

I hereby certify that the above Ordinance is a true and accurate copy, including all attachments, of the Ordinance passed by the Town Council on the ____ day of December 2019, and have posted a complete copy of the ordinance in three conspicuous places within the Town of Brian Head, to-wit: Town Hall, Post Office and the Mall.

Nancy Leigh, Town Clerk

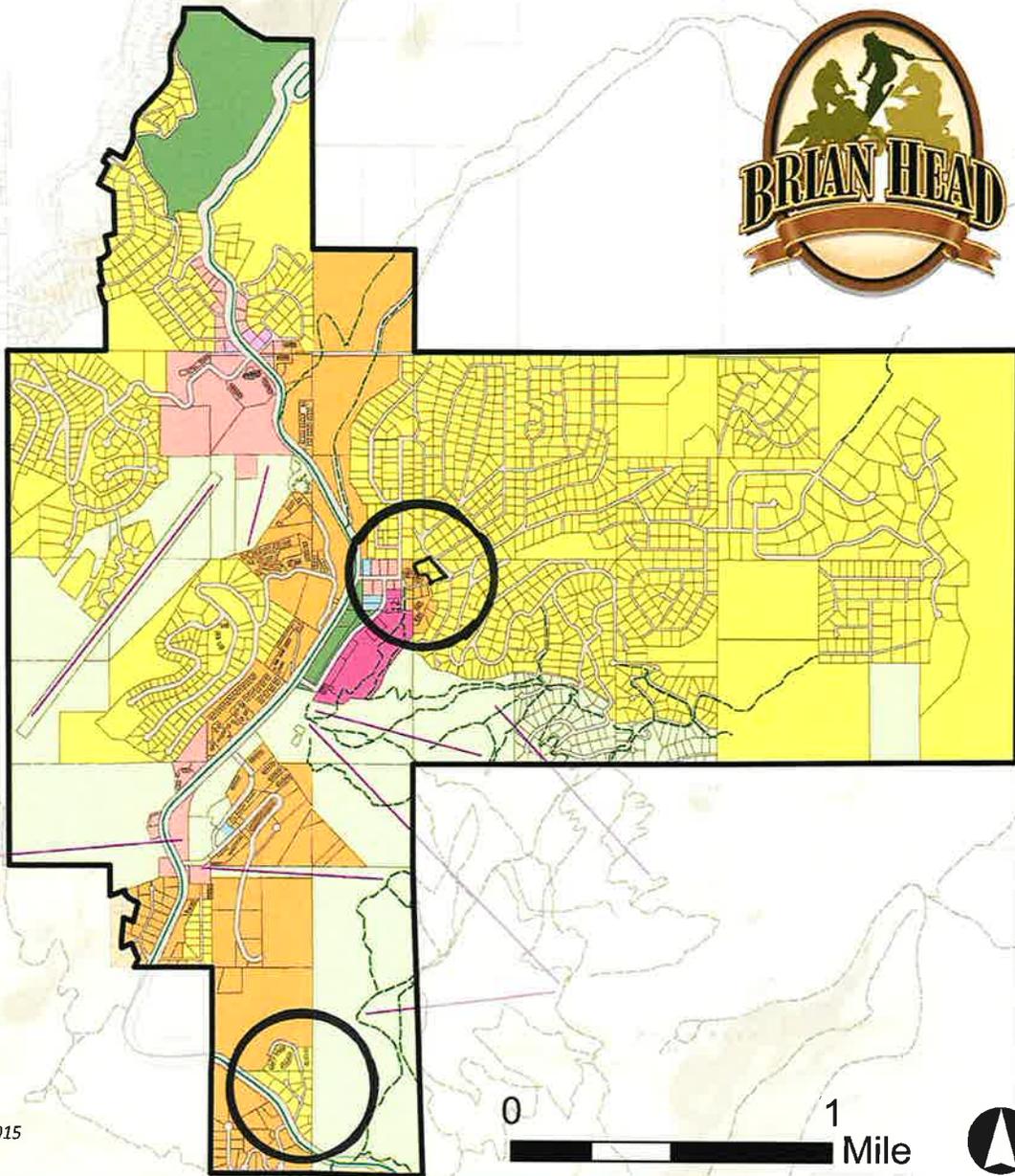
Ordinance No. _____

ATTACHMENT "A"
BRIAN HEAD LAND MANAGEMENT CODE
ZONE DISTRICT MAP

Brian Head Zoning



- CV - Civic
- COS - Conservation Open Space
- GC - General Commercial
- HDR - High Density Residential
- I - Industrial
- LDR - Low Density Residential
- ROS - Recreation Open Space
- VC - Village Commercial
- Ski Lifts
- Iron Co. Trails
- State Route 143
- Local Roads



Base data provided by Iron County and the Utah State AGRC.
Mapping intended for city wide planning and not for site specific analysis.
Coordinate System: NAD_1983_UTM_Zone_12N. Last updated July 11, 2015

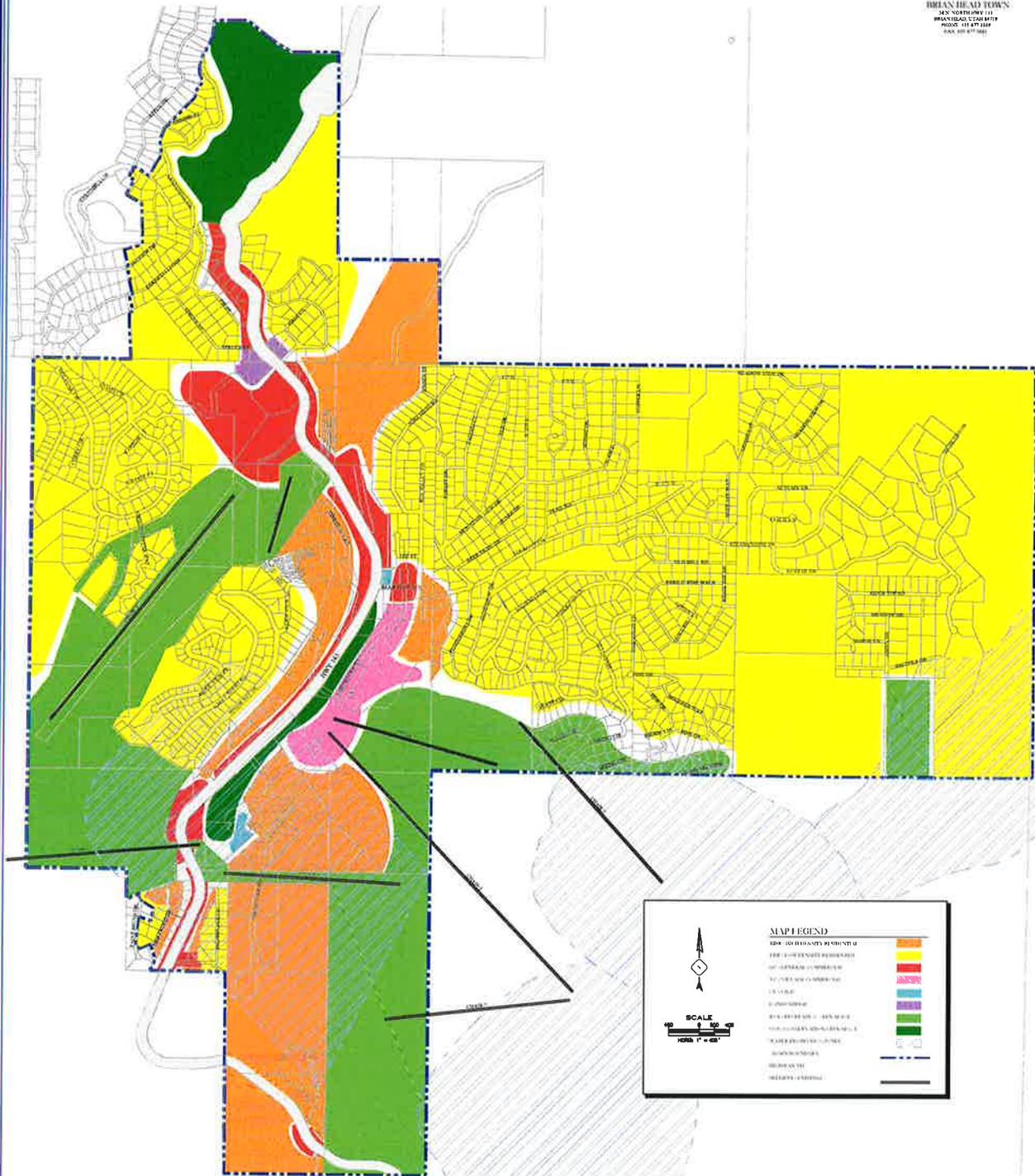


GENERAL PLAN LAND USE MAP

ADOPTED JULY 27, 2010



BRIAN HEAD TOWN
 340 NORTHLINE RD
 BRIAN HEAD, TN 37619
 PHONE: 615 474-2249
 FAX: 615 471-1881



MAP LEGEND

UNDEVELOPED RESIDENTIAL	Orange
LOW DENSITY RESIDENTIAL	Yellow
OFF-CORPORATE COMMERCIAL	Red
OFFICE AND COMMERCIAL	Pink
INDUSTRIAL	Light Blue
OPEN SPACE	Light Green
RECREATION USE - GOLF COURSE	Dark Green
RECREATION USE - PARKS	Medium Green
WATER PROTECTION ZONES	Blue Hatched
SCHEMATIC AREAS	Grey Hatched
BOUNDARY LINE	Dashed Line
PROPERTY LINES	Solid Line



ADVANCED ENVIRONMENTAL ENGINEERS
 10115 W. PARKWAY #101
 HOUSTON, TX 77036
 PHONE: 281-719-2200 FAX: 281-719-2201



STAFF REPORT TO THE TOWN COUNCIL

SUBJECT: Planning Commission Appointment
AUTHOR: Bret Howser
DEPARTMENT: Administration
DATE: December 9, 2019
TYPE OF ITEM: Administrative Direction

SUMMARY:

The Town Manager recommends appointment of Jeff Morgan (currently the alternate member of the Planning Commission) as a full member of the Planning Commission and Arnold Needham as the alternate on the Planning Commission. Council should advise and consent.

BACKGROUND:

The term of Shaun Kelly (who was recently elected to serve on the Town Council) expires on December 31, 2019. The Town extends its gratitude to Mr. Kelly for his service and the positive impact he has left through the decisions and recommendations he has been a part of during his time on the Commission. The Town Manager is tasked with appointing a new Commissioner with the advice and consent of the Council.

ANALYSIS:

Jeff Morgan currently serves as the alternate on the Planning Commission and has been actively involved and a valuable member of the Commission. Staff reached out to him to determine his interest in serving as a full-time member of the Commission, and he responded favorably.

With the recommendation to fill the full-time seat with Jeff Morgan, staff advertised the Planning Commission alternate position from November 15 to December 5, 2019 and received one letter of interest. I have spoken with the candidate and now recommend the appointment of Arnold Needham to the position of Planning Commissioner. Mr. Needham has been the General Manager of Cedar Breaks Lodge since 2015 and is a valuable member of our business community. He has expressed interest over the past few years in becoming more involved locally and staff believes this will be a good opportunity for him to do so. He does travel a lot for work but is generally available to participate in Planning Commission meetings on Tuesdays and has expressed a commitment to regularly attend the meetings.

In order to preserve the existing rotation for full-time members of the Commission, staff recommends that Jeff Morgan be appointed to a full 5-yr term beginning Jan 1, 2020 thru Dec 31, 2024. The alternate position is not on a particular rotation, and we generally assign a 5-yr term to any new incumbent rather than filling the remainder of the term of the previous incumbent. Therefore, we are also recommending a term of Jan 1, 2020 thru Dec 31, 2024 for Mr. Needham.

FINANCIAL IMPLICATIONS:

N/A

BOARD/COMMISSION RECOMMENDATION:

N/A

STAFF RECOMMENDATION:

Staff recommends the appointment of Jeff Morgan as a regular member of the Planning Commission for a term of January 1, 2020 to December 31, 2024, and the appointment of Arnold Needham as an alternate member of the Planning Commission for a term of January 1, 2020 to December 31, 2024.

PROPOSED MOTION:

I move to consent to the appointment of Jeff Morgan as a regular member of the Planning Commission for a term of January 1, 2020 to December 31, 2024, and the appointment of Arnold Needham as an alternate member of the Planning Commission for a term of January 1, 2020 to December 31, 2024.

ATTACHMENTS:

N/A



STAFF REPORT TO THE TOWN COUNCIL

SUBJECT: Ordinance Amending Town Council Meeting Schedule and Approval of the 2020 Council Meeting Schedule
AUTHOR: Nancy Leigh, Town Clerk
DEPARTMENT: Administration
DATE: December 9, 2019
TYPE OF ITEM: Legislative Action

SUMMARY:

Council will consider an ordinance amending the Town Council meeting schedules and will also approve the 2020 meeting schedule. The proposed ordinance identifies a change from Monday's to Tuesday's for the meeting day. All other meeting information remains the same: 1:00 pm, the 2nd and 4th Tuesday of each month with the exception of the 4th Tuesday in November and December.

BACKGROUND:

As required by State law, the Council must adopt their meeting schedule by ordinance. In 2018, the Council adopted ordinance No. 18-002, which identified the Council's meeting days on Monday. The draft ordinance identifies the 2nd and 4th Tuesday of each month along with the provision that the Council will, by motion, approve their annual meeting schedule by December 31st of each year. The 2020 meeting schedule is attached for your review.

ANALYSIS:

Council requested staff identify Tuesday's as the meeting day for Council meetings for the upcoming 2020 year. Currently the Council holds their meetings on Mondays which was adopted in January 2018.

With the change of day Council meets, the Council will need to adopt ordinance No. 19-015 which amends the meeting days to Tuesday. All other information remains the same; 2nd and 4th Tuesday of each month with the exception of the 4th Tuesday in November and December. All meetings are scheduled to begin at 1:00 pm or shortly thereafter at the Town Hall unless otherwise noticed.

FINANCIAL IMPLICATIONS:

N/A

BOARD/COMMISSION RECOMMENDATION:

N/A

STAFF RECOMMENDATION:

Staff recommends Council adopt ordinance No. 19-015 amending the Town Council meeting schedules along with approving the 2020 meeting schedule.

PROPOSED MOTION:

I move to adopt ordinance No. 19-015, an ordinance amending the Town Council annual meeting schedules as presented and approve the 2020 meeting schedule as presented.

ATTACHMENTS:

A – Draft ordinance amending Council meetings

B – Town Council Meeting Schedule for 2020.



ORDINANCE NO. _____

AN ORDINANCE AMENDING THE BRIAN HEAD TOWN COUNCIL MEETING SCHEDULE PRESCRIBING THE TIME AND PLACE OF THE REGULAR MEETINGS OF THE TOWN COUNCIL.

WHEREAS, Section 10-3-502, Utah Code Annotated requires that the Town, by ordinance, establish the time and place of its regular meetings.

WHEREAS, the Brian Head Town Council will adopt by motion their specific annual meeting schedule prior to December 31st of each year.

NOW, THEREFORE, BE IT ORDAINED by the Town Council of the Town of Brian Head, Utah

SECTION 1: The regular meetings of the Town Council of Brian Head, Utah shall be held in the Council Chambers of the Town Hall located at 56 North Hwy. 143, Brian Head, Utah on the second and fourth Tuesday of each month, with the exception of the fourth Tuesdays of November and December, and such dates as may conflict with a State or National holiday, or an election date prescribed by a higher authority, in which case the meeting may be cancelled or changed and will be posted accordingly.

SECTION II: Effective Date: This ordinance shall go into effect immediately upon passage by the Town Council.

SECTION III: Repealer. Any provisions of the Brian Head Town Code found to be in conflict with this ordinance is hereby repealed.

PASSED AND ADOPTED by the Town Council of Brian Head, Utah this _____ day of December 2019.

Roll Call Vote:

Mayor Calloway	Aye_____	Nay_____
Council Member Larry Freeberg	Aye_____	Nay_____
Council Member Shad Hunter	Aye_____	Nay_____
Council Member Lynn Mulder	Aye_____	Nay_____
Council Member Kelly Marshall	Aye_____	Nay_____

Brian Head Town

Mayor Clayton Calloway

ATTEST:

Nancy Leigh, Town Clerk

CERTIFICATE OF PASSAGE AND POSTING

I hereby certify that the above Ordinance is a true and accurate copy, including all attachments, of the Ordinance passed by the Town Council on the _____ day of December 2019, and have posted a complete copy of the ordinance in three conspicuous places within the Town of Brian Head, to-wit: Town Hall, Post Office and the Mall.

Nancy Leigh, Town Clerk

Ordinance No. _____

2020 Town Council Meeting Schedule

January							February							March							April						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4						1	1	2	3	4	5	6	7				1	2	3	4	
5	6	7	8	9	10	11	2	3	4	5	6	7	8	8	9	10	11	12	13	14	5	6	7	8	9	10	11
12	13	14	15	16	17	18	9	10	11	12	13	14	15	15	16	17	18	19	20	21	12	13	14	15	16	17	18
19	20	21	22	23	24	25	16	17	18	19	20	21	22	22	23	24	25	26	27	28	19	20	21	22	23	24	25
26	27	28	29	30	31		23	24	25	26	27	28	29	29	30	31					26	27	28	29	30		

May							June							July							August						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
					1	2		1	2	3	4	5	6				1	2	3	4							1
3	4	5	6	7	8	9	7	8	9	10	11	12	13	5	6	7	8	9	10	11	2	3	4	5	6	7	8
10	11	12	13	14	15	16	14	15	16	17	18	19	20	12	13	14	15	16	17	18	9	10	11	12	13	14	15
17	18	19	20	21	22	23	21	22	23	24	25	26	27	19	20	21	22	23	24	25	16	17	18	19	20	21	22
24	25	26	27	28	29	30	28	29	30					26	27	28	29	30	31	23	24	25	26	27	28	29	
31																					30	31					

September							October							November							December						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
		1	2	3	4	5					1	2	3	1	2	3	4	5	6	7			1	2	3	4	5
6	7	8	9	10	11	12	4	5	6	7	8	9	10	8	9	10	11	12	13	14	6	7	8	9	10	11	12
13	14	15	16	17	18	19	11	12	13	14	15	16	17	15	16	17	18	19	20	21	13	14	15	16	17	18	19
20	21	22	23	24	25	26	18	19	20	21	22	23	24	22	23	24	25	26	27	28	20	21	22	23	24	25	26
27	28	29	30				25	26	27	28	29	30	31	29	30						27	28	29	30	31		