

295 North Jimmy Doolittle Rd
Salt Lake City, UT 84116

Salt Lake (801) 363-4250
Ogden (801) 773-5559
Fax (801) 363-4236

www.wfrc.org

Bret Millburn
Chairman | Commissioner, Davis County

Tom Dolan
Vice-Chairman | Mayor, Sandy

Mark Allen
Mayor, Washington Terrace

William Applegarth
Mayor, Riverton

Len Arave
Mayor, North Salt Lake

Ralph Becker
Mayor, Salt Lake City

Mike Caldwell
Mayor, Ogden

Karen Cronin
Mayor, Perry

Kelvyn Cullimore
Mayor, Cottonwood Heights

Kerry Gibson
Commissioner, Weber County

Michael H. Jensen
Councilman, Salt Lake County

Tina Kelley
Councilmember, Morgan County

Brent Marshall
Mayor, Grantsville

Ben McAdams
Mayor, Salt Lake County

John Petroff, Jr.
Commissioner, Davis County

JoAnn B. Seghini
Mayor, Midvale

Bob Stevenson
Mayor, Layton

Derk Timothy
Mayor, Bluffdale

Jan Zogmaister
Commissioner, Weber County

Senator Stuart Adams
Utah State Senate

Representative Brad Dee
Utah House of Representatives

Michael Allegra
Utah Transit Authority

Carlos Braceras
Utah Department of Transportation

Ken Bullock
Utah League of Cities & Towns

Louenda Downs
Utah Association of Counties

Robert Grow
Envision Utah

Alan Matheson
State Planning Director

Andrew Gruber
Executive Director



WASATCH FRONT REGIONAL COUNCIL

WASATCH FRONT REGIONAL COUNCIL
Meeting of October 23, 2014
AGENDA

There will be a meeting of the Wasatch Front Regional Council on **Thursday, October 23, 2014 at 3:15 p.m. in the Salt Palace Convention Center, Room 250** (100 South West Temple, Salt Lake City, Utah 84101). The agenda for the meeting will be as follows:

1. **Consent Agenda** (Commissioner Millburn)
 - a. ACTION: Minutes of the WFRC meeting August 28, 2014
 - b. ACTION: Financial Statements and Check Registers for July and August 2014
2. **Public Comment**
3. **Chairman's Report**
 - a. ACTION: Nominating Committee
4. **Budget Committee** (Councilman Jensen)
 - a. Information: Review Audit Report FY 2014
 - b. ACTION: Amend FY 2015 Budget and Work Program
 - c. Information: WFRC Long-term financial sustainability
5. **Regional Growth Committee (RGC)** (Commissioner Zogmaister)
 - a. Information: Regional Transportation Plan and Utah's Unified Transportation Plan Update
6. **Transportation Committee (Trans Com)** (Mayor Applegarth)
 - a. ACTION: Board Modifications to the 2015-2020 Transportation Improvement Program
7. **Other Business**
 - Next meeting: January 22, 2015

Public participation is solicited without regard to race, color or national origin. Persons who require translation for a meeting should contact the WFRC's Title VI Administrator at 801-363-4250 or sam@wfrc.org at least 72 hours in advance.



MINUTES

Wasatch Front Regional Council
Meeting of August 28, 2014

Commissioner Bret Millburn, Chairman, called the meeting of the Wasatch Front Regional Council to order at 2:05 p.m. in the Regional Council offices at 295 North Jimmy Doolittle Road, Salt Lake City, Utah.

Members Present

Stuart Adams	Senator, Utah State Senate
Mark Allen	Mayor, Washington Terrace
Bill Applegarth	Mayor, Riverton City
Len Arave	Mayor, North Salt Lake City
Ralph Becker	Mayor, Salt Lake City
Mike Caldwell	Mayor, Ogden City
Brad Dee	Representative, Utah State House
Tom Dolan	Mayor, Sandy City
Louenda Downs	Commissioner, Davis County – UAC
Kerry Gibson	Commissioner, Weber County
Michael Jensen	Councilman, Salt Lake County
Tina Kelley	Councilmember, Morgan County
Ben McAdams	Mayor, Salt Lake County
Bret Millburn	Commissioner, Davis County
JoAnn Seghini	Mayor, Midvale City
Derk Timothy	Mayor, Bluffdale City

Alternate Members Present

Ari Bruening	Envision Utah
Carmen Freeman	Mayor, Herriman City
Shane Marshall	Utah Department of Transportation
Matt Sibul	Utah Transit Authority

Others Present

Steve Call	FHWA
Lee Davidson	Salt Lake Tribune
Bryan Dillon	FHWA
Jeff Harris	UDOT
John Hiskey	Sandy City
Linda Johnson	League of Women Voters-Salt Lake/Breathe Utah
Nathan Lee	UDOT
Kelly Lund	FHWA
Gary Whatcott	South Jordan City
Wayne Bennion	WFRC
Scott Festin	WFRC
Andrew Gruber	WFRC
Ned Hacker	WFRC
Val John Halford	WFRC
Jory Johner	WFRC
Pam Jorgensen	WFRC
Sam Klemm	WFRC

Ted Knowlton	WFRC
Jon Larsen	WFRC
Andy Li	WFRC
Callie New	WFRC
Greg Scott	WFRC
Suzie Swim	WFRC
Megan Townsend	WFRC
Ben Wuthrich	WFRC
Muriel Xochimitl	WFRC

Mayor Karen Cronin, Mayor Kelvyn Cullimore, Commissioner John Petroff, and Commissioner Jan Zogmaister were excused from the meeting.

Welcome

Commissioner Millburn welcomed Council members and guests and introductions were made.

Consent Agenda

ACTION: Councilman Michael Jensen moved to approve the minutes of the WFRC meeting held May 22, 2014 and the Financial Statements and Check Registers for May and June 2014. Mayor Tom Dolan seconded the motion. The motion passed unanimously.

Chairman's Report

Information: Service Award

Ben Wuthrich, Senior Transportation Engineer, was recognized and presented with a certificate for his twenty years of excellent and dedicated service.

Information: WFRC FY 2014 Activities and Accomplishments Report, FY 2014

Fiscal year 2014 was a productive year at the Wasatch Front Regional Council. WFRC and partners have worked on numerous fronts to help member communities along the Wasatch Front. The Report highlights and outlines the Regional Transportation Plan, Utah's Unified Transportation Plan, Transportation Funding efforts, Local Community Assistance, the Wasatch Choice for 2040, and Organizational Improvements. The complete Report may be found on the WFRC website: www.wfrc.org under the "Publications" tab.

Public Comment

There were no public comments

Regional Growth Committee

ACTION: Approve 2015-2040 Regional Transportation Plan Amendment Five

The Wasatch Front Regional Council approved the release of Amendment Number 5 for public comment and review on May 22, 2014. In accordance with adopted policy, the WFRC advertised Amendment Number 5 in local newspapers and initiated a 30-day public comment period from June 28, to August 2, 2014. No comments on the amendments were received at the public open house or by e-mail. Adequate financial resources have been identified for all four projects and all applicable air quality conformity requirements have been met. A detailed description of each of the projects included in Amendment 5 was included in Council member packets and may also be found on the WFRC website.

Mayor JoAnn Seghini moved that the 2011-2040 RTP Amendment Five, as presented, be amended into the 2011-2040 Regional Transportation Plan. Councilman Michael Jensen seconded the motion. The motion passed unanimously.

Information: Regional Transportation Plan and Utah's Unified Transportation Plan Update

The 2015-2040 Regional Transportation Plan is updated every four years, it must be financially constrained, conform to the emission budgets within the State Implementation Plan, and include projects for roadway, transit, and bicycles. WFRC staff is currently in the third year of the four year process to update the Plan. It was noted that for the first time in the development of this Plan, Programmatic Line Items will be included. The phased, financially constrained RTP is scheduled to be developed by Fall 2014. WFRC staff will then seek review and comments from the local governments through small area meetings in January and February 2015. The final adoption of the 2015-2040 RTP is scheduled for Spring 2015. The adopted 2015-2040 Regional Transportation Plan will then be incorporated into the next version of Utah's Unified Transportation Plan.

Transportation Committee (Trans Com)

Information: Report on Board Modifications to the 2014-2019 Transportation Improvement Program

The Wasatch Front Regional Council received a request to modify the 2014-2019 Transportation Improvement Program. Since the Regional Council was not meeting, Trans Com, by delegated authority, reviewed the request and approved the modifications. It was noted that the modifications in Amendment Seven and the Resolution were included in member packets. A copy of the Resolution is available in the Council offices.

ACTION: Approve Board Modifications to the 2014-2019 Transportation Improvement Program

The WFRC received requests to modify the current 2014-2019 Transportation Improvement Program (Amendment Eight). A copy of the resolution and a list of projects were included in Council member packets. This modification requires action from the Regional Council and the Transportation Commission but does not require a new conformity analysis or a 30-day public comment period.

Councilman Michael Jensen moved to approve the resolution to modify the 2014-2019 Transportation Improvement Program, as requested. Mayor Carmen Freeman seconded the motion. The motion passed unanimously.

ACTION: Approve 2015-2020 Transportation Improvement Program and Air Quality Conformity finding

The Transportation Improvement Program (TIP) is a six-year program of highway and transit projects for the Salt Lake-West Valley and the Ogden-Layton urbanized areas. It is a compilation of projects from the various federal, state, and local funding programs. The TIP is for all the cities and counties in the Region, as well as for the Utah Department of Transportation and the Utah Transit Authority. Federal regulations require that the TIP be financially constrained and conform to State Air Quality Plans. The draft TIP and conformity determination were made available for public review and comment from June 28 through August 2, 2014. A list of comments received with appropriate responses from staff was included in Council member packets.

Councilman Michael Jensen moved to adopt the Resolution approving the 2015-2020 Transportation Improvement Program and the air quality conformity determination as presented. Mayor JoAnn Seghini seconded the motion and the motion passed unanimously. A copy of the Resolution is available in the Council offices.

ACTION: Approve Self-Certification of the transportation planning process

Each year the Regional Council and the Department of Transportation certify to the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) that the transportation planning process is addressing the major transportation planning issues facing the metropolitan area and is being conducted in accordance with all requirements of the Code of Federal Regulations.

The WFRC, UDOT, and UTA staffs have worked together to evaluate how well the federal requirements are being met. Based on this review, the WFRC staff prepared a Resolution certifying the planning process for the region. A description of the technical process, coordination efforts, and other elements of the planning process was included in Council member packets.

Councilman Michael Jensen moved to approve the Resolution certifying the transportation planning process. Mayor Carmen Freeman seconded the motion and the motion passed unanimously. A copy of the Resolution is available in the Council offices and on the WFRC website.

Air Quality Committee Report

Three informational items of current interest were discussed:

1. The 2014 Clear the Air Challenge, sponsored by the Salt Lake Chamber of Commerce concluded on July 31. This year's contest featured nearly 6,900 participants and a reduction of 2.2 million vehicle miles over 140,000 vehicle trips.
2. The September meeting of the Utah Air Quality Board, Division of Air Quality will present a revised PM2.5 SIP seeking approval to release the document for a 30-day public comment period. The revised SIP addresses concerns about satisfying legal requirements known as "Subpart 4" of the Clean Air Act. Following the public comment period, the SIP will be presented to the UAQB in December for approval to be submitted to the Environmental Protection Agency.
3. As of 2014, emissions from vehicles on the road are estimated to be less than half (48%) of all PM2.5 related emissions along the Wasatch Front.

Active Transportation Committee Report

Highlighted in the ATC report:

- Mobile Active Transportation Tours (MATTs) – these tours provide an opportunity to ride and walk on various type of facilities and have a dialogue with elected officials, planners, and engineers on how they have made progress, overcome hurdles, and how support was gained. Tour schedule includes: Salt Lake City-May, 2014; Provo-June, 2014; Farmington-August, 2014; Ogden-September 17, 2014; Moab-October 9-10, 2014; and St. George-Spring 2015.
- An effort is currently taking place to review the future direction of the ATC. A core team is discussion this question and has asked members and attendees of the ATC for input on specific categories that include: Plans/Policies/Programs; Design/Engineering;

Costs/Funding; Benefits; Education/Outreach/Consensus-building; and Organizational Structure.

Executive Director's Report

Mr. Gruber's report included the following:

1. Wasatch Choice for 2040 Consortium being held on Thursday, October 23, 2014 from 9:00 a.m. to 3:00 p.m. in the Salt Palace Convention Center. There will be a keynote speaker and lunch will be provided. Registration is \$25. A flier was distributed with details of the event. Members were encouraged to register by visiting the WFRC website.
2. Also distributed was information detailing the Programs Administered by the Wasatch Front Regional Council. There are six different programs administered by the WFRC that provide resources for local governments. The information provides detail on timelines, eligibility, etc. Members were encouraged to review the materials and participate in these programs which provide resources that assist local governments in their planning efforts. It was noted that Letters of Intent to apply for these programs are due October 30, 2014.
3. Transportation Funding: WFRC is continuing to assist the Transportation Interim Committee in evaluating how we meet the needs in the Unified Plan.

Other Business

The next Council meeting will be held on October 23, 2014 (immediately following the Consortium meeting) from 3:30-4:30 p.m. in the Salt Palace – room to be determined.

With no further business, the meeting was adjourned at 3:15 p.m.

A recording of this meeting, as well as meeting packet materials, may be found on the WFRC website at www.wfrc.org under 'committees' 'Wasatch Front Regional Council' '2014 meetings' "recordings"

Balance Sheet
As of 07-31-14

ASSETS

Cash	\$ 966,015.32		
Accounts Receivable	843,920.80		\$ 966,015.32
Prepaid Expense	16,306.39		\$ 843,920.80
			\$ 16,306.39
			\$ 0.00
			\$ 1,826,242.51
			=====

LIABILITIES & FUND BALANCE

Accounts Payable	70,289.49		
Other Liabilities	3,869.80		
Accrued Payroll & Taxes	-165.15		
Accrued Vacation/Sick Leave	235,961.23		
Total Liabilities			\$ 309,955.37
State and Local	707,595.78		
General Fund - Reserved	94,490.11		
General Fund	414,201.25		
Special Projects Fund	300,000.00		
Total Fund Balances			\$ 1,516,287.14
			\$ 1,826,242.51
			=====

Check Register
(A) WELLS FARGO BANK
07-31-14

Check#	Date	Vendor	Amount
9485	07-17-14	ALL001 ALLIED WASTE SERVICES #864	161.30
9486	07-17-14	AME001 AMERICAN PLANNING ASSOCIAT	85.00
9487	07-17-14	CIP001 CIPHER TECHNOLOGIES LLC	950.00
9488	07-17-14	COM004 COMFORT SYSTEMS USA	675.00
9489	07-17-14	FEH001 FEHR & PEERS	31473.64
9490	07-17-14	ICM001 ICMA RETIREMENT TRUST	1558.34
9491	07-17-14	INT001 INTEGRA TELECOM	1589.74
9492	07-17-14	JIV001 JIVE COMMUNICATIONS INC	546.66
9493	07-17-14	MED001 MEDIA ONE	159.56
9494	07-17-14	MET001 METRO ANALYTICS	36025.00
9495	07-17-14	MOU001 MOUNTAINLAND ASSN OF GOVTS	1817.00
9496	07-17-14	NAT002 NATIONAL ASSOC OF REG COUN	4000.00
9497	07-17-14	PEH001 PEHP FLEX BENEFITS	1568.08
9498	07-17-14	PEN001 PENNA POWERS BRIAN HAYNES	3252.50
9499	07-17-14	PSC001 PS COMMERCIAL CLEANING	700.00
9500	07-17-14	PUR001 PURE WATER SOLUTIONS	55.95
9501	07-17-14	RES001 RESOURCE SYSTEMS GROUP, IN	5154.92
9502	07-17-14	ROC001 ROCKY MOUNTAIN POWER	1347.04
9503	07-17-14	RRJ001 RRJ CONSULTING, LLC	2000.00
9504	07-17-14	STA001 STANDARD EXAMINER	176.98
9505	07-17-14	SYN001 SYNTHICITY	8852.33
9506	07-17-14	TER001 TERMINIX	120.00
9507	07-17-14	TYC001 TYCO INTEGRATED SECURITY L	523.38
9508	07-17-14	UNU001 UNUM LIFE INSURANCE CO	3003.94
9509	07-17-14	USL001 U S LAWS	561.00
9510	07-17-14	UTA003 UTAH LOCAL GOVERNMENT TRUS	355.30
9511	07-17-14	UTA007 UTAH TRANSIT AUTHORITY	2000.00
9512	07-17-14	UTA019 UTAH DIV OF PURCHASING AND	3941.55
9513	07-31-14	COM002 COMMERCIAL LIGHTING SUPPLY	116.00
9514	07-31-14	ICM001 ICMA RETIREMENT TRUST	15976.63
9515	07-31-14	LAS001 LASER EXPERTS	2333.00
9516	07-31-14	PEH001 PEHP FLEX BENEFITS	1568.08
9517	07-31-14	PUB001 PUBLIC EMPLOYEES HEALTH PR	27192.67
9518	07-31-14	STA002 STAPLES ADVANTAGE DEPT DAL	241.38
9519	07-31-14	UNU001 UNUM LIFE INSURANCE CO	127.95
9520	07-31-14	UTA001 UTAH DEPT OF TRANSPORTATIO	222963.83
9521	07-31-14	UTA003 UTAH LOCAL GOVERNMENT TRUS	14442.56
9522	07-31-14	UTA006 UTAH FOUNDATION	2500.00
9523	07-31-14	ZIO001 ZIONS FIRST NATIONAL BANK	37526.94
9524	07-31-14	MID001 MIDWEST OFFICE SUPPLY	80.00
9525	07-31-14	PET001 SCOTT FESTIN - PETTY CASH	218.96
9526	07-31-14	REP001 REPUBLIC SERVICES #864	175.99

Total Of Register

438118.20
=====

Licensed User: ACCOUNTING DEPARTMENT

Balance Sheet
As of 08-31-14

ASSETS

Cash	\$ 1,033,475.96	
Accounts Receivable	715,981.56	\$ 1,033,475.96
Prepaid Expense	15,163.55	\$ 715,981.56
		\$ 15,163.55
		\$ 0.00
		\$ 1,764,621.07

LIABILITIES & FUND BALANCE

Accounts Payable	42,633.05	
Other Liabilities	3,912.63	
Accrued Payroll & Taxes	98.72	
Accrued Vacation/Sick Leave	243,883.55	
Total Liabilities		\$ 290,527.95
State and Local	658,221.62	
General Fund - Reserved	94,490.11	
General Fund	421,381.39	
Special Projects Fund	300,000.00	
Total Fund Balances		\$ 1,474,093.12
		\$ 1,764,621.07

DATE: October 16, 2014
AGENDA ITEM: 3a
SUBJECT: **ACTION:** Nominating Committee
PREPARED BY: Andrew Gruber

BACKGROUND:

Pursuant to the WFRC Bylaws, at the last meeting in even-numbered years the Chairman appoints a nominating committee to recruit and nominate the Council Chair and Vice Chair. The nominating committee includes one representative from each of the five WFRC counties.

The nominating committee may also make recommendations to the Chair for appointments to other committees including the Regional Growth Committee, Transportation Committee, and Budget Committee.

RECOMMENDATION:

Chairman appoints a nominating committee.

CONTACT PERSON:

Commissioner Bret Millburn, 801-451-3200, bret@daviscountyutah.gov
Andrew Gruber, WFRC, 801-824-0055, agruber@wfr.org

DATE: October 16, 2014
AGENDA ITEM: 4a
SUBJECT: **Information:** Review Audit Report FY2014
PREPARED BY: Loveit Baumgardner

BACKGROUND:

An annual audit of the Council's financial records was performed and a final draft of the report issued as a result of that audit is included herein. The WFRC Budget Committee met with Tim Rees from the auditing firm of Karren Hendrix Stagg & Allen on October 10, 2014 to review the final draft of the audit report.

The auditors have issued an unqualified opinion with no reportable conditions, no instances of non-compliance and no audit findings. A summary of the audit results may be found on page 36 of the report. Tim Rees will be available to address any questions or concerns of the Council.

The final audit report will be submitted to those agencies requiring a copy of the report within 180 days of the close of the fiscal year.

RECOMMENDATION:

This item is for information only. No action is needed from the Council.

CONTACT PERSON:

Loveit Baumgardner (801) 363-4250 ext. 1102

EXHIBITS:

Wasatch Front Regional Council Financial Statements with Independent Auditors' Report for the Year Ended June 30, 2014.

WASATCH FRONT REGIONAL COUNCIL

**Financial Statements
With Independent Auditors' Report
For the Year Ended June 30, 2014**

**WASATCH FRONT REGIONAL COUNCIL
TABLE OF CONTENTS
FOR THE YEAR ENDED JUNE 30, 2014**

Financial Section	
Independent Auditors' Report.....	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-Wide Fund Financial Statements:	
Statement of Net Position	9
Statement of Activities	10
Government Fund Financial Statements:	
Balance Sheet – Governmental Funds	11
Reconciliation of the Balance Sheet	
Governmental Funds to the Statement of Net Position	12
Statement of Revenues, Expenditures, and Changes in Fund Balances	
Government Funds	13
Reconciliation of the Statement of Revenues, Expenditures, and Changes	
to Fund Balances – Governmental Funds to the Statement of Activities	14
Notes to the Financial Statements	15
Required Supplementary Information:	
Budgetary Comparison Schedule – General Fund.....	25
Budgetary Comparison Schedule – Special Projects Fund	26
Supplementary Information:	
Independent Auditors' Report on Compliance and on Internal Controls Over	
Compliance in Accordance with the <i>State of Utah Compliance Audit Guide</i>	28
Independent Auditors' Report on Internal Control over Financial Reporting and	
on Compliance and Other Matters Based on an Audit of Financial Statements	
Performed in Accordance With <i>Government Auditing Standards</i>	30
Independent Auditors' Report on Compliance for Each Major Program and on	
Internal Control Over Compliance Required by OMB Circular A-133.....	32
Schedule of Federal Financial Assistance	34
Notes to Federal Awards	35
Findings and Questioned Costs for the Year Ended June 30, 2014	36
Findings and Questioned Costs - Prior Year.....	37
Schedule of Revenues and Expenditures by Program	
For the Year Ended June 30, 2014	38



KARREN | HENDRIX | STAGG | ALLEN
COMPANY
A Professional Corporation

Ray H. Allen, CPA
Rebecca M. Allred
Robert L. Archuleta, CPA
Stephen R. Capson, CPA
Scott J. Hanni, CPA
Danny L. Hendrix, CPA
B. Joe Merkley, CPA
Tim C. Rees, CPA
Jeffrey N. Ririe, CPA
G. John Runia, CPA
R. Ted Stagg, CPA

INDEPENDENT AUDITORS' REPORT

Members of Council
Wasatch Front Regional Council
Salt Lake Council, Utah

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Wasatch Front Regional Council, Utah, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Wasatch Front Regional Council, Utah, as of June 30, 2014, 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.

CERTIFIED PUBLIC ACCOUNTANTS

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 on pages 3 through 8 and 25 through 26, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Wasatch Front Regional Council, Utah's basic financial statements. The schedule of revenues and expenditures by program on pages 38 through 40 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of revenues and expenditures by program 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. The schedule of revenues and expenditures by program has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them. The schedule of expenditures of federal financial awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 schedule of expenditures of federal financial awards is 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 October 10 2014, on our consideration of the Wasatch Front Regional Council, Utah'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 Wasatch Front Regional Council, Utah's internal control over financial reporting and compliance.



Karren, Hendrix, Stagg, Allen & Company
Salt Lake City, Utah
October 10, 2014

Management's Discussion and Analysis

As management of the Wasatch Front Regional Council (the Council), we offer readers of the Council's financial statements this narrative overview and analysis of the financial activities of the Council for the fiscal year ended June 30, 2014.

History and Background

The Wasatch Front Regional Council (WFRC) was organized as a volunteer association of local governments in March 1969, among Davis, Salt Lake, and Weber Counties and the cities within, for the purpose of establishing a review agency to comply with requirements to obtain federal grants and loans, and to address the solutions for regional problems. In June 1969, Tooele County and the municipalities within, and, in 1972 Morgan County and the municipalities within, joined the Regional Council. In June 2014, those portions of Box Elder County that were included in the Ogden/Layton urbanized area for transportation planning as defined by the U.S. Census Bureau joined the Regional Council. The WFRC was designated by the governor of Utah as the Metropolitan Planning Organization (MPO) for the Salt Lake and Ogden metropolitan areas in 1971. MPOs are agencies responsible for transportation planning in urbanized areas throughout the United States. Transportation planning in the region is a cooperative effort of state and local agencies, and as the MPO, the WFRC is responsible for coordinating this transportation planning process. In addition to the transportation planning process, the WFRC provides assistance to small communities with Community Development Block Grant (CDBG) applications, participates in developing comprehensive economic development strategies for the region, and provides a forum for local governments to cooperate in resolving problems and developing plans that are common to two or more counties or are regional in nature.

The Council consists of a governing board of eighteen voting members who are elected mayors, councilpersons and commissioners from the five county regions and seven non-voting members representing Utah Department of Transportation (UDOT), Utah Transit Authority (UTA), the Utah State Senate, the Utah State House of Representatives, Utah League of Cities and Towns, Utah Association of Counties, and Envision Utah. Of those voting members, eight represent Salt Lake County, four each represent Davis and Weber counties, and one each represent Tooele and Morgan Counties. Beginning in fiscal year 2015, the number of voting members will increase to nineteen and will include a voting member from Box Elder County in addition to the existing voting members.

Transportation planning in the Salt Lake Area has been a continuing effort for over four decades. In the 1960's UDOT developed the first Long Range Plan for the area. Since 1973, the WFRC has developed Regional Transportation Plans and has updated them regularly. The process is comprehensive in nature, addressing all modes of transportation, including highways, transit and active transportation. Transportation Plans are also part of the comprehensive planning for the overall development of the region.

Two main products are developed through the transportation planning process. The first is a Regional Transportation Plan (RTP), which recommends improvements to highways, transit, and other modes, to meet the transportation needs of the area with a minimum 20-year planning horizon. The second is a Transportation Improvement Program (TIP). The TIP is a six-year capital improvement program for highway and transit and other transportation projects, contained in the RTP. The RTP is updated every four years, while the TIP is approved annually.

During the fiscal year ended June 30, 2014, Wasatch Front Regional Council received funding from the following sources:

U.S. Dept of Transportation.	\$ 2,968,478	78.5%
U.S. Dept of Housing/Urban Development	137,139	3.6%
State of Utah	137,930	3.6%
Local governments	230,523	6.1%
Other	305,054	8.1%
	<u> </u>	<u> </u>
Total	<u>\$ 3,779,124</u>	<u>100.0%</u>

Financial Highlights

The following table summarizes changes in the Council's assets and liabilities:

	<u>2014</u>	<u>2013</u>	<u>Change</u>
Cash and investments	\$ 737,873	\$ 556,046	\$ 181,827
Accounts receivable	676,954	1,017,270	(340,316)
Prepaid expenses	3,177	2,509	668
Inventory	-	1,008	(1,008)
Capital assets	1,439,137	1,426,197	12,940
Accumulated depreciation	(982,959)	(898,466)	(84,493)
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 1,874,182</u>	<u>\$ 2,104,564</u>	<u>\$ (230,383)</u>
Accounts payable	\$ 95,921	\$ 237,723	(141,802)
Unearned revenue	256,260	289,575	(33,315)
Accrued interest on bonds	2,573	2,175	398
Accrued compensated absences	275,483	266,047	9,436
Lease revenue bond	518,000	584,000	(66,000)
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>\$ 1,148,237</u>	<u>\$ 1,379,520</u>	<u>\$ (231,283)</u>

Management considers the fluctuation in cash, receivables, prepaid expenses, inventory, and accrued payroll liabilities to be normal for this organization. The decrease in Accounts Receivable and Accounts Payable are due to several large consulting contracts for the Household Travel Survey and the HUD Sustainable Communities Project that are now completed. Unearned revenues are advance payments received from local government and other sources for projects in process. Those projects are anticipated to be completed in subsequent fiscal years. The decrease in lease revenue bonds is a result of regular scheduled payments on the principal balance during the year. Throughout the year, the Council invested funds not immediately needed for operations with the Utah State Public Treasurer's Investment Fund (PTIF). Proceeds from those invested funds were \$1,770 for the year.

There was a 12% decrease in revenue and a 12% decrease in expenditures for the year. This is due to the completion of two large projects: the Statewide Household Travel Survey and the HUD Sustainable Communities project. Management considers this to be normal for this organization. From time to time the Council enters into agreements with other agencies to conduct various transportation and other studies. For this fiscal year those included work on the Local Planning Resource Program, Tooele Valley Rural Planning Organization, Transportation Modeling Support, Corridor Preservation, Utah Broadband Study and Mobility Management.

Overview of the Financial Statements

The discussion and analysis is intended to serve as an introduction to Wasatch Front Regional Council's basic financial statements. This report is similar to the last fiscal year's and is in compliance with Governmental Accounting Standards Board Statement No. 34. In addition to the Management's Discussion and Analysis, the report consists of government-wide financial statements, fund financial statements, and notes to the financial statements. The first several statements are highly condensed and present a government-wide view of the Council's finances. The governmental activities of the Wasatch Front Regional Council include transportation planning, providing technical assistance to and workshops for small communities for CDBG applications, administrative support to Salt Lake County Council of Governments, developing comprehensive economic development strategies, and other planning assistance to rural communities.

Government-wide financial statements. The government-wide *financial* statements are a relatively new component of the Council's report. These statements are designed to provide readers with a broad overview of the Council's finances in a manner similar to private-sector business reporting.

The *statement of net position*, a component of the government-wide financial statements, presents information on all of the Council's assets and liabilities, with the difference between the two reported as *net position*. The Council's capital assets (land, buildings, and equipment) are included in this statement and reported net of their accumulated depreciation. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Council is improving or deteriorating. In evaluating the government's overall condition, however, additional non-financial factors should be considered such as the Council's economic outlook, changes in its demographics, and the condition of its capital assets.

The *statement of activities* presents revenue and expense information showing how the Council's net position changed during the fiscal year. To understand the basis of how these numbers are determined, it is important to note that changes in net position are reported whenever an event occurs that requires a revenue or expense to be recognized, regardless of when the related cash is received or disbursed (the accrual basis of accounting). For example, assessment revenues are reported when the assessments are billed, even though they may not be collected for some time after that date; and an obligation to pay a supplier is reported as an expense when the goods or services are received, even though the bill may not be paid until sometime later.

The government-wide financial statements can be found on pages 9 and 10 of this report.

Fund financial statements. A *fund* is a grouping of related accounts (revenues, expenses, assets, and liabilities) that is used to control resources that have been segregated for specific activities. The Wasatch Front Regional Council, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds utilized by the Council are accounted for in two governmental funds: the general fund and the special projects fund.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the *government-wide financial statements*. However, for accounting and reporting purposes, government fund numbers are determined with a different approach. At the fund level, the focus is on changes in short-term spendable resources and the balance available to spend, rather than the long-term focus used for determining government-wide numbers. Because the focus is so different between fund statements and government-wide statements, reconciliation between the two types is necessary to understand how the numbers differ. Such reconciliation is provided on pages 12 and 14 of this report. The Council has two major funds which are the General Fund and the Special Projects Fund. The General Fund is used for administrative activities of the Council. The Special Projects Fund is used to account for regional planning activities. To demonstrate legal compliance, statements comparing budget-to actual numbers for both funds are included in the financial statements.

Financial Analysis

The Council's fund balance, may serve over time, as a useful indicator of an organization's financial position. In the case of the Council, assets exceeded liabilities by \$725,945 at the close of fiscal year ended June 30, 2014. Net assets are comprised of current assets and capital assets (property and equipment). Currently the Council's capital assets net of related debt and depreciation is a negative \$61,822. This can be explained by a difference in the rate of depreciation versus the rate of reduction in the principal related to the purchase of the Council's office building. In September of 2001, the Council, through Davis County Municipal Building Authority, purchased the office building for its occupation by issue of Lease Revenue Bonds. The bonds are payable in semi-annual payments, including principal and interest, over a seventeen year period. The Council records depreciation on the building using a straight-line method over the same seventeen year period. At the end of the fiscal year 2014 the difference between the balance due on the bonds and the net depreciated value of the building and the value of the land was \$131,819. This difference will diminish as the bond principal payments increase over the years. The remaining fixed assets, including leasehold improvements and furniture and equipment, have a value net of depreciation of \$69,998 with no related debt. The Council uses these capital assets for day to day operations; consequently, these assets are not available for future spending.

The following table describes the Council's net assets:

	<u>2014</u>	<u>2013</u>
Current and other assets	\$ 1,418,004	\$ 1,576,834
Property and equipment	456,178	527,731
Total assets	<u>\$ 1,874,182</u>	<u>\$ 2,104,565</u>
Long-term liabilities outstanding	\$ 527,970	\$ 588,728
Other liabilities	620,267	790,792
Total liabilities	<u>\$ 1,148,237</u>	<u>\$ 1,379,520</u>
Net position:		
Net investment in capital assets	\$ (61,822)	\$ (56,269)
Restricted net position	94,490	94,651
Unrestricted net position	<u>693,277</u>	<u>686,662</u>
Total net position	<u>\$ 725,945</u>	<u>\$ 725,045</u>

A portion of the Council's net position (\$94,490, 13%) has been reserved in accordance with provisions of the Lease Agreement with Davis County Municipal Building Authority for the final year's payment of the Lease Revenue Bonds issued for the purchase of the Council's office building.

The Council's net position increased by \$900 during the fiscal year due to interest earned on cash balances.

Key elements of the increase in net assets are as follows:

	<u>2014</u>	<u>2013</u>
Revenues:		
Federal sources	\$ 3,105,616	\$ 3,529,202
State sources	137,930	181,863
Local sources	536,380	567,191
Interest income	1,770	2,836
	<u> </u>	<u> </u>
Total revenues	<u>\$ 3,781,696</u>	<u>\$ 4,281,092</u>
Expense:		
Program	\$ 3,769,768	\$ 4,267,424
Interest	11,028	11,585
	<u> </u>	<u> </u>
Total expenses	<u>\$ 3,780,796</u>	<u>\$ 4,279,009</u>
Increase in net position	\$ 900	\$ 2,083
Net position, beginning	<u>725,045</u>	<u>722,962</u>
Net position, ending	<u>\$ 725,945</u>	<u>\$ 725,045</u>

Debt

As of June 30, 2014, the Council's total debt for Lease Revenue Bonds used for the purchase of its office building amounted to \$518,000. The Lease Revenue Bonds were secured by specific revenue sources.

Additional information on the Council's debt can be found in Note 5 in the Notes to the Council's Financial Statements.

**Wasatch Front Regional Council Outstanding Debt
Revenue Bonds**

	<u>2014</u>	<u>2013</u>
Revenue Bonds	\$ 518,000	\$ 584,000

Use of Reserved and Restricted Funds

The Council has funds with various restrictions. When an expense is incurred which meets the requirements to release the restriction, such restricted funds are first used to satisfy the expense followed by any unrestricted funds needed to satisfy the expense. The Council has reserved a portion of its cash for compensated absences and unemployment compensation.

Cash	\$ 387,122
Restricted cash	350,750

Budgetary Highlights

The Council approved its fiscal year 2014 budget on May 24, 2012. During the year the 2014 budget was amended to include \$1,347,850 in additional funding for projects such as the Local Planning Resource Program and other projects, and to account for funds carried forward from the previous year that were estimated at the time the budget was adopted. Several of these projects are multi-year in nature and are anticipated to be completed within the next two years.

Capital Assets

The Council's investment in property and equipment as of June 30, 2014, amounts to \$456,178, net of accumulated depreciation. This investment includes land, buildings, furniture, equipment and related improvements. The total decrease in the Council's investment in property and equipment for the current fiscal year was 14%. During the year the Council purchased furniture and equipment and leasehold improvements in the amount of \$17,144. The Council uses the straight-line method of depreciation over the estimated useful life of the assets.

**Property and Equipment
(Net of Depreciation)**

	<u>2014</u>	<u>2013</u>
Land	\$ 105,888	\$ 105,888
Building	280,293	336,351
Improvements	25,492	28,261
Furniture and equipment	<u>44,505</u>	<u>57,231</u>
Total	<u>\$ 456,178</u>	<u>\$ 527,731</u>

Requests for Information

This financial report is designed to provide a general overview of the Council's finances for all those with an interest. Questions regarding any of the information provided in this report or requests for additional information should be addressed to:

Wasatch Front Regional Council
295 North Jimmy Doolittle Road
Salt Lake City, Utah 84116
Attention: Loveit Baumgardner, Chief Financial Officer

WASATCH FRONT REGIONAL COUNCIL

Statement of Net Position

June 30, 2014

ASSETS

CURRENT ASSETS

Cash	\$	387,122
Cash - restricted		350,750
Accounts receivable		676,954
Prepaid expenses		3,177
Inventory		-
Total current assets		<u>1,418,004</u>

NON-CURRENT ASSETS (Net of depreciation)

Capital assets		
Land		105,888
Building		280,293
Leasehold improvements		25,492
Furniture and equipment		44,506
Total capital assets		<u>456,178</u>

Total assets \$ 1,874,182

LIABILITIES

CURRENT LIABILITIES

Accounts payable	\$	95,921
Unearned revenue		256,260
Accrued interest on bonds		2,573
Compensated absences (due within one year)		196,514
Lease revenue bond (due within one year)		69,000
Total current liabilities		<u>620,267</u>

LONG-TERM LIABILITIES

Compensated absences (due after one year)		78,970
Lease revenue bond (due after one year)		449,000

Total liabilities \$ 1,148,237

NET POSITION

Net investment in capital assets	\$	(61,822)
Restricted net position		94,490
Unrestricted net position		693,276
Total net position		<u>725,945</u>

Total liabilities and net position \$ 1,874,182

The accompanying notes are an integral part of this statement.

WASATCH FRONT REGIONAL COUNCIL

Statement of Activities For the Year Ended June 30, 2014

<u>Functions and Programs</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>			
	<u>Expenses</u>	<u>Program Revenues</u>		<u>Primary Government</u>
		<u>Operating Grants and Contributions</u>	<u>Other Grants and Contributions</u>	<u>Government Activities</u>
PRIMARY GOVERNMENT				
Government activities				
General government	\$ 3,769,768	\$ 3,779,927	\$ -	\$ 10,159
Interest on long term debt	11,028	-	-	(11,028)
Total government activities	<u>3,780,797</u>	<u>3,779,927</u>	<u>-</u>	<u>(870)</u>
Total primary government	<u>\$ 3,780,797</u>	<u>\$ 3,779,927</u>	<u>\$ -</u>	<u>(870)</u>
General revenues				
Investment earnings				1,770
Total general revenues				<u>1,770</u>
Changes in net position				900
NET POSITION, JULY 1				<u>725,045</u>
NET POSITION, JUNE 30				<u>\$ 725,945</u>

The accompanying notes are an integral part of this statement.

WASATCH FRONT REGIONAL COUNCIL

Balance Sheet Governmental Funds June 30, 2014

	<u>General</u>	<u>Special Projects</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>			
ASSETS			
Cash	\$ 7,622	\$ 379,500	\$ 387,122
Cash - restricted	94,490	256,260	350,750
Accounts receivable	-	674,381	674,381
Prepaid expenses	-	3,177	3,177
Inventory	-	-	-
Total assets	<u>\$ 102,112</u>	<u>\$ 1,313,319</u>	<u>\$ 1,415,431</u>
<u>LIABILITIES AND FUND BALANCES</u>			
LIABILITIES			
Accounts payable	\$ -	\$ 95,921	\$ 95,921
Unearned revenue	-	256,260	256,260
Total liabilities	<u>-</u>	<u>352,181</u>	<u>352,181</u>
FUND BALANCES			
Assigned - Compensated absences	-	275,483	275,483
Assigned - Unemployment compensation	-	141,013	141,013
Assigned - Special Projects	-	544,641	544,641
Restricted	94,490	-	94,490
Unrestricted	7,622	-	7,622
Total fund balances	<u>102,112</u>	<u>961,138</u>	<u>1,063,250</u>
Total liabilities and fund balances	<u>\$ 102,112</u>	<u>\$ 1,313,319</u>	<u>\$ 1,415,431</u>

The accompanying notes are an integral part of this statement.

WASATCH FRONT REGIONAL COUNCIL
Reconciliation of the Balance Sheet - Governmental Funds to the
Statement of Net Position
June 30, 2014

Total Fund Balance		\$ 1,063,250
Total net assets reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds. Those assets consist of:		
Land	\$ 105,888	
Building	952,993	
Leasehold improvements	44,262	
Furniture and equipment	335,995	
Less accumulated depreciation	<u>(982,959)</u>	
Total capital assets		456,178
Liability for compensated absences are not recognized at the fund level but are recognized for the government wide statement of net assets.		
		(275,483)
Lease revenue bonds for the purchase of the office building are not reported as fund liabilities. Both current and long-term portions are reported in the statement of net assets.		
		<u>(518,000)</u>
Total net assets of governmental activities		<u><u>\$ 725,945</u></u>

The accompanying notes are an integral part of this statement.

WASATCH FRONT REGIONAL COUNCIL
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2014

	<u>General</u>	<u>Special Projects</u>	<u>Totals</u>
REVENUES			
Federal sources	\$ 79,876	\$ 3,025,740	\$ 3,105,616
State sources	3,548	134,383	137,930
Local sources	13,865	519,942	533,807
Interest	1,770	-	1,770
Total revenues	<u>99,058</u>	<u>3,680,065</u>	<u>3,779,124</u>
EXPENDITURES			
Administration	1,006	-	1,006
Planning	-	3,670,628	3,670,628
Capital outlay	17,144	-	17,144
Debt service			
Principal	66,000	-	66,000
Interest	8,456	-	8,456
Total expenditures	<u>92,606</u>	<u>3,670,628</u>	<u>3,763,234</u>
Revenue and other sources (under) over expenditures and other uses	<u>6,453</u>	<u>9,437</u>	<u>15,890</u>
Other sources			
Transfers	-	-	-
Total other sources	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues (under) over expenditures and other sources	6,453	9,437	15,890
FUND BALANCE, JULY 1	<u>95,659</u>	<u>951,701</u>	<u>1,047,360</u>
FUND BALANCE, JUNE 30	<u>\$ 102,112</u>	<u>\$ 961,138</u>	<u>\$ 1,063,250</u>

The accompanying notes are an integral part of this statement.

WASATCH FRONT REGIONAL COUNCIL
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Funds Balances - Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2014

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 15,890
<p>The change in net assets reported for governmental activities in the statement of activities is different because: Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$17,144) is less than depreciation expense (\$88,697).</p>	
	(71,553)
<p>The increase in compensated absences is reported in the statement of activities but the liability is not recorded at the fund level.</p>	
	(9,437)
<p>Repayment of principal is an expenditure in the governmental funds but reduced the liability in the statement of net assets.</p>	
	<u>66,000</u>
Change in net position of governmental activities	<u><u>\$ 900</u></u>

The accompanying note are an integral part of this statement.

**WASATCH FRONT REGIONAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 1—ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization – The Wasatch Front Regional Council (Council) is a voluntary organization comprised of representatives of local governments located along the Wasatch Front. The Council was organized in 1969 for the purpose of meeting at regular intervals to discuss and study community challenges of mutual interest and concern and to develop policy and action recommendations for ratification and implementation by the governments in the area served by the Council.

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units according to the criteria set forth in Governmental Accounting Standards Board's (GASB) Statement No. 14 and concluded there are no entities that are considered to be component units of the Council, nor is the Council considered a component unit of any other entity. Although the Council has entered a leasing agreement with Davis County Municipal Building Authority (the Authority) for its office building, the Authority is a separate entity and they are involved in leasing activities that are separate from the Council

The Council's programs are funded by Federal grants, state appropriations and grants, and various local contributions, primarily on a year-to-year basis.

Basis of Accounting and Measurement Focus - Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

Government-wide statements are comprised of the statement of net position and the statement of activities. They contain information on all of the activities of the primary government. Most effects of inter-fund activities have been eliminated from these statements. The Statement of Net Position and the Statement of Activities are accounted for using the *economic resources measurement focus* and the *accrual basis of accounting*. Under the accrual basis of accounting, revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred or the economic asset is used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. The statement of activities is presented to show the extent that program revenues of a given activity support direct expense. Direct expenses are those that can clearly be associated with a particular activity or program. Program revenues are grants or other contributions that are restricted to operations or a specific activity. General revenues are investment earnings.

The *Governmental Fund Balance Sheet*, and the *Statement of Governmental Fund Revenues, and Expenditures and Changes in Fund Balance* use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Expenditures related to principal and interest on general long-term debt is paid as incurred and compensated absences are recorded only when payment is due.

The accounting policies of the Council conform to accounting principles generally accepted in the United States of America applicable to governmental units. The following is a summary of the more significant of such policies:

Short-Term Investments – Short-term investments are held by the Utah Public Treasurer's Investment Fund and are recorded at cost which approximates market value.

Capital Assets – The Council capitalizes all assets over \$500 and values the assets at historical

**WASATCH FRONT REGIONAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

cost. Depreciation of capital assets is computed using the straight-line method over the following estimated useful lives:

Building and leasehold improvement	17 years
Furniture, fixtures and equipment	3-5 years

Inventories – Inventory is recorded at cost and valued on a first-in first-out basis.

Unemployment Benefits – The Council, by agreement with the Utah State Department of Workforce Services, does not pay unemployment taxes. Instead, the Department of Workforce Services bills the Council directly for applicable unemployment benefits payable to former Council employees. The Council has assigned a portion of its General fund balance and deposits funds into a cash reserve account for the potential claims. Claims are recognized as an expense when the claim is filed.

Accrued Vacation Expense – The cost of employee vacations is recorded as an expenditure at the time it is earned by the employee and is charged to the programs on which the employee works.

Accrued Sick Leave – Sick leave benefits are vested and any unused benefits may be redeemed once annually as cash payments for any accrued hours over 80 hours or upon termination of employment.

Program Revenue – The Council reports program revenue, operating grants and contributions, and capital grants and contributions. General revenues include all investment earnings.

Reconciliation of Government Wide and Fund Statements – Governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting, while the government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting. As a result, there are important differences between the assets, liabilities, revenues, and expenses or expenditures reported on the fund financial statements and the government-wide financial statements. As a result there must be reconciliation between the two statements to explain the differences. A reconciliation is included as part of the fund financial statements.

Inter-fund Transactions – In the normal course of its operations, the Council has various transactions between funds. Transfers are recognized as operating transfers in and out, respectively, by the funds receiving and providing the transfer.

Date of Management's Review – Management has evaluated subsequent events through October 10, 2014, the date which the financial statements were available to be issued.

Minimum Fund Balance – Utah Code requires that a minimum fund balance of 5% of the total general fund revenues be maintained and not budgeted.

Revenues From Local Sources – Revenues from local sources are generally used to meet matching revenue requirements related to Federal grants and for other approved projects. Such revenues from local sources are recognized in the period in which the funds are received. These revenues and the related receivables are principally with local governmental entities represented by the Council.

Expenditures – Major individual funds are reported in separate columns in the governmental funds statements. A fund is considered major if it is the general fund of the Council. Other funds are considered major if total assets, liabilities, revenue or expenditures are at least 10% of the corresponding total for all funds of that category or type.

**WASATCH FRONT REGIONAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

Wasatch Front Regional Council has two major governmental funds; the general fund and the special projects fund. The general fund is the main operating fund and accounts for all the financial resources of the Council except those required to be accounted for in another fund. The special projects fund accounts for resources dedicated to regional planning projects.

Unearned Revenue – Funds which are specifically restricted as to their use are recorded as revenue when the related costs are incurred. Such funds received in advance of costs incurred are recorded as unearned revenue.

Indirect Costs – Indirect costs are charged to the various programs on a monthly basis. Such costs are comprised of total overhead costs for the month and are allocated based on the total person-hours worked in each program.

Budget – Annual budgets are adopted by the Board of Council members. The Council has no legal requirement to hold public hearings. Budgets are submitted to the State of Utah. The budgets are adopted using *the modified accrual basis of accounting*.

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

NOTE 2—CASH AND INVESTMENTS

The Council maintains a cash and investment pool, which includes cash on hand, one cash account, and one investment account.

The Council's deposit and investment policy is to follow the Utah Money Management Act. The Council does not have a separate deposit or investment policy that addresses specific types of deposit and investment risks to which the Council is exposed.

Utah State law requires that the Council's funds be deposited with a "qualified depository" as defined by the Utah Money Management Act. "Qualified depository" includes any depository institution which has been certified by the Utah State Commissioner of Financial Institutions as having met the requirements as defined in Rule 11 of the Utah Money Management Act. Rule 11 establishes the formula for determining the amount of public funds which a qualified depository may hold in order to minimize risk of loss and defines capital requirements which an institution must maintain to be eligible to accept public funds.

The Utah Money Management Act also governs the scope of securities allowed as appropriate temporary investments for the Council and conditions for making investment transactions. Investment transactions are to be conducted through qualified depositories or primary reporting dealers.

As of June 30, 2014, the Council had the following deposits and investments:

<u>Deposit and investment type</u>	<u>Fair Value</u>
Cash on deposit	\$ 115,862
State Treasurer's Investment Pool	<u>621,711</u>
Total	<u>\$ 737,573</u>

**WASATCH FRONT REGIONAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

The Council is authorized to invest in the Utah Public Treasurer's Investment Fund (PTIF), an external pooled investment fund managed by the Utah State Treasurer and subject to the Act and Council requirements. The PTIF is not registered with the SEC as an investment company, and deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah. 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 participants' average daily balances. As of June 30, 2014, the Utah Public Treasurer's Investment Fund was unrated.

As of June 30, 2014, the Council had the following investments:

Investment Maturities (in Years)

	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>1 - 10 Years</u>	<u>More Than 10 Years</u>
State of Utah Public Treasurer Investment fund	\$ 621,711 -	\$ 621,711 -	\$ - -	\$ - -
Total investments	<u>\$ 621,711</u>	<u>\$ 621,711</u>	<u>\$ -</u>	<u>\$ -</u>

Credit risk – Credit risk is the risk that the counterparty to an investment will not fulfill its obligations. The local government's policy for limiting the credit risk of investments is to comply with the Money Management Act.

Interest rate risk – Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The Council manages its exposure to declines in fair value by only investing in the PTIF.

Custodial credit risk – deposits – In the case of deposits, this is the risk that in the event of a bank failure, the Council's deposits may not be returned. As of June 30, 2014, \$115,862 of the Council's deposits was covered by federal insurance.

Custodial credit risk – investments – In the case of investments, this is the risk that in the event of the failure of the counterparty, the Council will not be able to recover the value of its investments that are in the possession of an outside party. The Utah Public Treasurer's Investment Fund is an external deposit and investment pool wherein governmental entities are able to pool the monies from several entities to improve investment efficiency and yield. These monies are invested primarily in money market securities and contain no withdrawal restrictions. As such, the monies invested in this fund are not insured and are uncollateralized, and are subject to the same market risks as any similar investment in money market funds.

Components of cash and investments (including interest earning deposits) on June 30, 2014, are as follows:

Cash on hand	\$ 300
Cash on deposit	115,862
Utah State Treasurer's investment pool	<u>621,711</u>
Total cash and investment	<u>\$ 737,873</u>

**WASATCH FRONT REGIONAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

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

Cash	\$ 387,122
Restricted cash	<u>350,750</u>
Total cash and investments	<u>\$ 737,873</u>

NOTE 3—ACCOUNTS RECEIVABLE

Accounts receivable from all sources as of June 30, 2014, consisted of the following:

There is no allowance for uncollectable accounts.

FHWA – Utah Department of Transportation	\$ 510,702
STP – Utah Department of Transportation	18,874
FTA – Utah Department of Transportation	18,150
HUD – Utah Community & Economic Development	16,669
State of Utah – Utah Department of Transportation	18,695
State of Utah – Other	7,585
Other – Non-state and non-federal	<u>86,278</u>
Total	<u>\$ 676,954</u>

NOTE 4—PROPERTY AND EQUIPMENT

A summary of changes in property and equipment for the year ended June 30, 2014, is as follows:

	Balance June 30, 2013	Additions	Retirement	Balance June 30, 2014
Non-depreciated assets				
Land	\$ 105,888	\$ -	\$ -	\$ 105,888
Total non-depreciated assets	<u>105,888</u>	<u>-</u>	<u>-</u>	<u>105,888</u>
Depreciated assets				
Building	952,993	-	-	952,993
Leasehold improvements	44,262	-	-	44,262
Equipment, furniture, and fixtures	323,055	17,144	(4,204)	335,995
Total depreciated assets	<u>1,320,309</u>	<u>17,144</u>	<u>(4,204)</u>	<u>1,333,249</u>
Less accumulated depreciation				
Building	(616,642)	(56,058)	-	(672,700)
Leasehold improvements	(16,001)	(2,769)	-	(18,770)
Equipment, furniture, and fixtures	(265,823)	(29,870)	4,204	(291,489)
Total accumulated depreciation	<u>(898,466)</u>	<u>(88,697)</u>	<u>4,204</u>	<u>(982,959)</u>
Net property and equipment	<u>\$ 527,731</u>	<u>\$ (71,553)</u>	<u>\$ -</u>	<u>\$ 456,178</u>

**WASATCH FRONT REGIONAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 5—LONG-TERM DEBT

On September 4, 2001, the Council acquired land and a building to house its offices. The building was acquired through the Davis County Municipal Building Authority ("Authority"). The Authority issued \$1,153,000 of Lease Revenue Bonds with adjustable interest rates ranging from 1.49% to 5.1% with an interest rate renewal every five years. The Lease Agreement between the Authority and the Council calls for semi-annual payments of interest and principal each February and August through September 1, 2019, which coincide with the payments due on the Lease Revenue Bonds. At the end of the lease term, the Council will receive title to the property. The Lease Agreement meets the criteria for a capital lease in accordance with *Government Accounting Standards*. The future lease payments equal to the bond principal payments are included as an adjustment to reconcile the fund balance sheet to the statement of net assets.

The future lease payments for bond principal and interest are as follows based on the current interest rates:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 69,000	\$ 7,465	\$ 76,465
2016	73,000	6,422	79,422
2017	76,000	5,319	81,319
2018	79,000	4,179	83,179
2019	83,000	2,987	85,987
2020	138,000	1,028	139,028
	<u>\$ 518,000</u>	<u>\$ 27,401</u>	<u>\$ 545,401</u>

A summary of changes in long-term debt for the year ended June 30, 2014 is as follows:

	<u>Balance June 30, 2013</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2014</u>	<u>Due Within One Year</u>
Lease Revenue Bond	\$ 584,000	\$ -	\$ 66,000	\$ 518,000	\$ 69,000
Compensated absences:					
Sick leave	108,773	-	396	108,377	80,202
Vacation	157,272	9,834	-	167,106	116,312
Total	266,045	9,834	396	275,483	196,514
Total long-term liabilities	<u>\$ 850,045</u>	<u>\$ 9,834</u>	<u>\$ 66,396</u>	<u>\$ 793,483</u>	<u>\$ 265,514</u>

NOTE 6—NET POSITION

The unrestricted net position on June 30, 2014, was designated by the Council for future programs, local matching for Federally-funded projects, compensated absences, and unemployment compensation. The reserved fund balance relates to cash held in a restricted account related to the lease revenue bonds and advance grant payments received for projects expected to be completed in the subsequent fiscal year.

**WASATCH FRONT REGIONAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 7—RISK MANAGEMENT

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

NOTE 8—RETIREMENT PLANS

Local Governmental Non-Contributory Retirement System – On July 1, 2009, the Utah State Legislature opened a window that allowed the Council and other entities to change from the Contributory Retirement System to the Non-Contributory Local Government Division Retirement System (Tier 1 System). The Council elected to make that change and had 100% employee participation in the change. Beginning in July 2011, the Utah State Retirement Systems created a Contributory Local Government Division Tier 2 Retirement System (Tier 2 System) for all employees hired after July 1, 2011. Employees hired prior to that date continue to be in the Tier 1 System. Employees hired July 1, 2011, or after are on the new Tier 2 System. Under the both systems, WFRC makes 100% of the required contributions for its employees. Utah Retirement Systems provide refunds, retirement benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries in accordance with retirement statutes.

The Systems are established and governed by the respective sections of Chapter 49 of the Utah Code annotated 1953 as amended. The Utah State Retirement Office Act in Chapter 49 provides for the administration of the Utah Retirement Systems and Plans under the direction of the Utah State Retirement Board (Board) whose members are appointed by the governor. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the Local Governmental Non-Contributory Retirement System. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 East 200 South, Salt Lake City, Utah 84102 or by calling (800) 365-8772.

For the fiscal year ended June 30, 2014, the Council was required to contribute 17.29% of annual covered salary for each of its eligible Tier 1 System employees and 13.99% for each of its eligible Tier 2 System employees. In addition, the Council pays for the employees' contributory portion of the Tier 2 System which was 1.59% for fiscal year ended June 30, 2014. The contribution rates are the actuarially determined rates. The contribution requirements of the Systems are authorized by statute and specified by the Board.

The Council's contributions to the Tier 1 System for the year ended June 30, 2014, were \$274,195. The Council's contributions to the Tier 1 System for the years ending June 30, 2013 and 2012, were \$256,655 and \$210,427, respectively. Salaries subject to contribution under the Plan for each of the respective years were \$1,513,432, \$1,556,454, and \$1,528,156. The Council's contributions to the Tier 2 System for the year ended June 30, 2014, were \$22,964. The Council's contributions to the Tier 2 System for the years ending June 30, 2013 and 2012, were \$21,334 and \$2,196, respectively. Salaries subject to contribution under the Plan for each of the respective years were \$171,077, \$167,456 and \$28,929. The contributions were equal to the required contributions for each year.

401(a) Qualified Money Purchase Plan – The Council provides a 21.42% of salary retirement benefit for all regular, full-time and eligible part-time employees. From that amount, the Council first pays the required contribution to the Utah State Retirement Systems Tier 1 and Tier 2 Pension Plans (17.29% and 13.99% for FY 2014). The Council then pays for a life and disability policy for each employee. Any remaining amounts are contributed to a privately administered 401(a) qualified money purchase plan. Contributions for the years ended June 30, 2014 and 2013, were \$197,374

**WASATCH FRONT REGIONAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

and \$192,237, respectively, and include employer match to employee 401(k) and 457 contributions (described below).

401(k) and 457 Defined Contribution Plans – The Council has established qualified 401(k) and 457 plans with the Utah State Retirement System. Employees may contribute up to the legally allowed contribution. The Council matches employee contributions up to a maximum 7.65% of salary, however these matching funds are contributed to the privately administered 401(a) Qualified Money Purchase Plan described above.

Social Security (FICA) Federal Program – The Council does not participate in the federal Social Security (FICA) Program.

NOTE 9— ECONOMIC DEPENDENCY

The Council receives a substantial amount of its revenue from the U.S. Department of Transportation. This agency provides 79% of the Council's total revenues. Loss of this support could adversely affect the Council's activities.

NOTE 10— RESTRICTED CASH

The Council has restricted cash in the amount of \$94,490 for bond reserve funds and \$256,260 for advanced grant payments.

NOTE 11 – NEWLY ISSUED ACCOUNTING STANDARDS

The GASB has issued the following statements that will apply to government reporting in future years:

GASB 68 Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27

GASB 69 Government Combinations and Disposals of Government Operations

GASB 71 Pension Transition for Contributions Made Subsequent to the Measurement Date

GASB statements 68 and 71 will impact the financial statements for the unfunded pension liability that will be reported on the financial statements. The liability is the difference between what is actuarially required and what is contributed. The expenses will also show a new measure of the pension expense. The amounts that will impact the financial statements have not been determined for the current year. The other statements will not have a material effect on the financial statements.

NOTE 12— FUND BALANCE

These financial statements include the provisions of GASB Statement No. 54, which redefined how fund balances of the governmental funds are presented in the financial statement. Fund balances are classified as follows:

Non-spendable – Amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.

**WASATCH FRONT REGIONAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

Restricted – Amounts that can be spent only for specific purposes because of state or federal laws or externally imposed conditions by grantors or creditors.

Committed – Amounts that can be used only for specific purposes determined by a formal action of the Council.

Assigned – Amounts that are designated by the Council for a specific purpose but are not spendable until specific conditions are met.

Unassigned – All amounts not included in the other spendable classifications.

The details of the fund balances are included in the Governmental Funds Balance Sheet (page 13). Restricted funds are used first as appropriate. Assigned funds are used when specific conditions are met such as a request for reimbursement to Department of Workforce Services for a claim for unemployment compensation. Decreases to the fund balance first reduce Unassigned Fund balance; in the event that Unassigned Fund Balance becomes zero, then Assigned and Committed Fund Balances are used in that order.

NOTE 13 — FUND TRANSFERS

There were no fund transfers in the fiscal year ended June 30, 2014.

REQUIRED SUPPLEMENTARY INFORMATION

WASATCH FRONT REGIONAL COUNCIL
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	
REVENUES				
Federal sources	\$ 109,962	\$ 94,753	\$ 79,876	\$ (14,877)
State sources	4,884	4,208	3,548	(661)
Local sources	19,088	16,448	13,865	(2,582)
Interest	-	-	1,770	1,770
Total revenues	<u>133,933</u>	<u>115,409</u>	<u>99,058</u>	<u>(16,351)</u>
EXPENDITURES				
Operating expenses	-	-	1,006	1,006
Capital Outlay	40,000	40,000	17,144	(22,856)
Principal	66,000	66,000	66,000	-
Interest	27,933	9,409	8,456	(954)
Total expenditures	<u>133,933</u>	<u>115,409</u>	<u>92,606</u>	<u>(22,803)</u>
Excess of revenues over expenditures (usage of fund balance)	-	-	6,453	6,453
Other sources				
Transfers out	-	-	-	-
Net change in fund balance	-	-	6,453	6,453
FUND BALANCE, JULY 1	<u>95,659</u>	<u>95,659</u>	<u>95,659</u>	<u>-</u>
FUND BALANCE, JUNE 30	<u>\$ 95,659</u>	<u>\$ 95,659</u>	<u>\$ 102,112</u>	<u>\$ 6,453</u>

The accompanying notes are an integral part of this statement.

Wasatch Front Regional Council
Budgetary Comparison Schedule
Special Projects Fund
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	Budgetary Basis	
REVENUES				
Federal sources	\$ 3,109,129	\$ 4,052,303	a \$ 3,025,740	\$(1,026,562) a
State sources	94,694	412,165	134,383	(277,782)
Local sources	822,254	909,460	519,942	(389,518)
Total revenues	<u>4,026,078</u>	<u>5,373,928</u>	<u>3,680,065</u>	<u>(1,693,862)</u>
EXPENDITURES				
Planning	<u>4,026,078</u>	<u>5,373,928</u>	<u>3,670,628</u>	<u>(1,703,299)</u>
Total expenditures	<u>4,026,078</u>	<u>5,373,928</u>	<u>3,670,628</u>	<u>(1,703,299)</u>
Excess of revenues over expenditures (usage of fund balance)	<u>-</u>	<u>-</u>	<u>9,437</u>	<u>9,437</u>
Other sources				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	9,437	9,437
FUND BALANCE, JULY 1	<u>951,701</u>	<u>951,701</u>	<u>951,701</u>	<u>-</u>
FUND BALANCE, JUNE 30	<u>\$ 951,701</u>	<u>\$ 951,701</u>	<u>\$ 961,138</u>	<u>\$ 9,437</u>

a - When new projects are added the entire contract is included in the budget year in which it was received however many projects are multi-year projects. Amounts not spent at the end of the fiscal year are carried forward and re-budgeted in subsequent years until the project is complete.

The accompanying notes are an integral part of this statement.

SUPPLEMENTARY INFORMATION



KARREN | HENDRIX | STAGG | ALLEN
COMPANY
A Professional Corporation

Ray H. Allen, CPA
Rebecca M. Allred
Robert L. Archuleta, CPA
Stephen R. Capson, CPA
Scott J. Hanni, CPA
Danny L. Hendrix, CPA
B. Joe Merkley, CPA
Tim C. Rees, CPA
Jeffrey N. Ririe, CPA
G. John Runia, CPA
R. Ted Stagg, CPA

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROLS OVER COMPLIANCE IN ACCORDANCE WITH THE STATE OF UTAH LEGAL COMPLIANCE AUDIT GUIDE

We have audited the Wasatch Front Regional Council's compliance with general and major state program compliance requirements described in the *State of Utah Legal Compliance Audit Guide* for the year ended June 30, 2014. The general compliance requirements applicable to the Council are identified as follows:

Cash Management	Fund Balance
Budgetary Compliance	Utah Retirement Systems Compliance

The Council did not receive any major state grants during the year ended June 30, 2014.

Management's Responsibility

Compliance with the requirements referred to above is the responsibility of the Council's management.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance with those requirements based on our audit.

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 of Utah Legal Compliance Audit Guide*. Those standards and the *State of Utah Legal Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above could have a material effect on the Council and its major programs, occurred. An audit includes examining, on a test basis, evidence about the Council'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. Our audit does not provide a legal determination of the Council's compliance with those requirements.

Opinion

In our opinion, the Wasatch Front Regional Council complied, in all material respects, with the general compliance requirements identified above and the compliance requirements that are applicable to each of its major state programs for the year ended June 30, 2014.

Report on Internal Control over Compliance

Management of the Wasatch front Regional Council is responsible for establishing and maintaining effective internal control over compliance with the compliance requirement referred to above. In planning and performing our audit, we considered the Wasatch Front Regional Council's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance, 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 Wasatch Front Regional Council's internal control over compliance.

CERTIFIED PUBLIC ACCOUNTANTS

A deficiency in internal control over compliance 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, noncompliance on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis.

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 that might be deficiencies, significant deficiencies, or material weaknesses in internal control over compliance. We did not identify any deficiencies in internal control over compliance that we considered to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

Purpose of 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.

Karren, Hendrix, Stagg, Allen & Company

Karren, Hendrix, Stagg, Allen & Company
Salt Lake City, Utah
October 10, 2014



KARREN | HENDRIX | STAGG | ALLEN
COMPANY
A Professional Corporation

Ray H. Allen, CPA
Rebecca M. Allred
Robert L. Archuleta, CPA
Stephen R. Capson, CPA
Scott J. Hanni, CPA
Danny L. Hendrix, CPA
B. Joe Merkley, CPA
Tim C. Rees, CPA
Jeffrey N. Ririe, CPA
G. John Runia, CPA
R. Ted Stagg, CPA

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

To the Council
Wasatch Front Regional Council, Utah

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Wasatch Front Regional Council, Utah, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Wasatch Front Regional Council, Utah's basic financial statements and have issued our report thereon dated October 10, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Wasatch Front Regional Council, Utah's internal control over financial reporting (internal control) to determine the auditing 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 Wasatch Front Regional Council, Utah's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Wasatch Front Regional Council's internal control.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control 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 Wasatch Front Regional Council, Utah's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions, 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

CERTIFIED PUBLIC ACCOUNTANTS

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.

Karren, Hendrix, Stagg, Allen & Company

Karren, Hendrix, Stagg, Allen & Company
Salt Lake City, Utah
October 10, 2014



KARREN | HENDRIX | STAGG | ALLEN
COMPANY
A Professional Corporation

Ray H. Allen, CPA
Rebecca M. Allred
Robert L. Archuleta, CPA
Stephen R. Capson, CPA
Scott J. Hanni, CPA
Danny L. Hendrix, CPA
B. Joe Merkley, CPA
Tim C. Rees, CPA
Jeffrey N. Ririe, CPA
G. John Runia, CPA
R. Ted Stagg, CPA

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Wasatch Front Regional Council
Salt Lake City, Utah

Report on Compliance for Each Major Federal Program

We have audited the Wasatch Front Regional Council's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Wasatch Front Regional Council, Utah's major federal programs for the year ended June 30, 2014. Wasatch Front Regional Council, Utah's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Wasatch Front Regional Council, Utah major federal programs based on our audit of the types of 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 OMB Circular A-133 *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 required that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the type of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Wasatch Front Regional Council, Utah'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 major federal program. However, our audit does not provide a legal determination of the Wasatch Front Regional Council, Utah's compliance.

Opinion on Each Major Federal Program

In our opinion, the Wasatch Front Regional Council, Utah complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

CERTIFIED PUBLIC ACCOUNTANTS

Report on Internal Control over Compliance

Management of the Wasatch Front Regional Council, Utah is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Wasatch Front Regional Council, Utah's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion of the effectiveness of the Wasatch Front Regional Council, Utah'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 type of compliance requirement of a federal program 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 type of compliance requirement of a federal program 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 type of compliance requirements of a federal program 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 which we consider to be material weakness. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirement of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Karren Hendrix Stagg Allen and Company
Salt Lake City, Utah
October 10, 2014

WASATCH FRONT REGIONAL COUNCIL
Schedule of Federal Financial Assistance
For the Year Ended June 30, 2014

U.S. Department	Description	Federal CFDA Number	Grant Number	2013-2014 Expenditures (Accrual Basis)
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
Federal Highway Administration	Consolidate Planning Grant (through Utah Department of Transportation)	20.205		\$ 2,724,187
Federal Highway Administration	Consolidated Planning Grant (through UDOT, through Mountainlands AOG)	20.205		52,951
Federal Highway Administration	STP Funds (through Utah Department of Transportation) Statewide Household Travel Survey	20.205		58,900
Federal Highway Administration	STP Funds (through Utah Department of Transportation) Local Planning Resource Program Salt Lake County	20.205		11,806
Federal Highway Administration	Department of Transportation) Local Planning Resource Program Weber & Davis Counties	20.205		7,068
Total Federal Highway Administration				2,854,911
Federal Transit Administration	Mobility Management Study JARC (through Utah Department of Transportation)	20.516	15761-128517	61,326
Federal Transit Administration	Mobility Management Study New Freedom (through Utah Department of Transportation)	20.521	15761-128517	52,240
Total Federal Transit Administration				113,566
TOTAL U.S. DEPARTMENT OF TRANSPORTATION				2,968,477
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Community Development Block Grant	Small city CDBG assistance (from State Dept. of Community and Economic Development through Tooele County)	14.228	12-0651	50,000
Community Development Block Grant	Planning and coordination (through West Jordan, UT)	14.218	WJCD37:12	2,376
HUD Sustainable Communities Planning Grant	Planning (subrecipient through Salt Lake County)	14.703	BV11259C	84,763
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				137,139
TOTAL FEDERAL FINANCIAL ASSISTANCE				\$ 3,105,616

**WASATCH FRONT REGIONAL COUNCIL
NOTES TO FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 1 - PURPOSE OF THE SCHEDULE

The accompanying Schedule of Expenditures of Federal Awards is a supplementary schedule to the Council's financial statements and is presented for purposes of additional analysis. Because the schedule presents only a selected portion of the activities of the Council, it is not intended to, and does not, present financial position, changes in fund balances, or the current funds, revenues, expenditures, and other changes of the Council.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The information in the schedule is presented in accordance with OMB Circular A-133.

Federal Awards.

Pursuant to the Single Audit Act of 1984 (Public Law 98-502) the Single Audit Act Amendments of 1996 (Public Law 104-156) and OMB Circular A-133, federal awards are defined as assistance provided by a federal agency, either directly or indirectly in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance or direct appropriation. Accordingly, non-monetary federal assistance, including federal surplus property, would be included in federal awards, if applicable, and therefore, would be reported on the schedule in federal awards. Federal awards include direct federal cash assistance to individuals.

Type A and Type B Programs

The Single Audit Act Amendments of 1996 and OMB Circular A-133 establish the levels of expenditures or expenses to be used in defining Type A and Type B federal award programs. Type A programs, for the Council, are those programs which exceed \$300,000 in federal expenditures, distributions, or issuances for the fiscal year ended June 30, 2014.

Reporting Entity

The reporting entity is fully described in Note 1 of the Council financial statements. The schedule includes all federal award programs administered by the Council for the year ended June 30, 2014.

Basis of Accounting

The expenditures in the schedule are recognized as incurred based on the modified accrual basis of accounting and the cost accounting principles contained in OMB Circular A-87, Cost Principles for State and Local Governments. Under those cost principles certain types of expenditures are not allowable or are limited as to reimbursement.

Matching Costs

The schedule does not include matching expenditures.

Direct and Indirect Flow-Through Federal Assistance

Some of the Council's federal awards are received directly from the granting federal agency. However, the majority of federal awards as identified on the schedule are passed through a separate entity prior to receipt by the Council.

Sub-recipients

The Council does not pass through to any sub-recipients.

**WASATCH FRONT REGIONAL COUNCIL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unqualified opinion on the financial statements.
2. No significant deficiencies relating to the audit of the financial statements are reported.
3. No instances of noncompliance material to the financial statements of Wasatch Front Regional Council were disclosed by the audit.
4. No significant deficiencies relating to the audit of the major federal award programs is reported in the accompanying schedule.
5. The auditors' report on compliance for the major federal award program of Wasatch Front Regional Council expresses an unqualified opinion.
6. There are no audit findings relating to the federal award programs that are required to be reported.
7. The program tested as a major program was Federal Highway Administration, CFDA Number 20.205.
8. The threshold used for distinguishing Types A and B programs was \$300,000.
9. Wasatch Front Regional Council was determined to be low-risk auditee as defined by OMB Circular A-133.

FINDINGS - FINANCIAL STATEMENT AUDIT

None

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARDS PROGRAMS AUDIT

None

**WASATCH FRONT REGIONAL COUNCIL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
PRIOR YEAR**

FINDINGS - FINANCIAL STATEMENT AUDIT

None

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARDS PROGRAMS AUDIT

None

WASATCH FRONT REGIONAL COUNCIL
Schedule of Revenues and Expenditures by Program
For the Year Ended June 30, 2014

DESCRIPTION	CPG GRANT	TRANSIT SUPPORT	TOOELE RPO	LOCAL GOVT SERVICE	MAG TRAVEL MODEL
REVENUES					
Federal sources:	2,724,186.53	-	-	-	52,951.11
Total federal sources	2,724,186.53	-	-	-	52,951.11
State sources:					
State grants	-	-	-	-	-
State matching funds	70,000.00	-	-	-	-
Total state sources	70,000.00	-	-	-	-
Local sources:					
Cities and counties	98,014.40	-	2,753.76	33,648.07	-
Other	29,805.43	7,001.52	-	-	-
Total local sources	127,819.83	7,001.52	2,753.76	33,648.07	-
TOTAL REVENUE	2,922,006.36	7,001.52	2,753.76	33,648.07	52,951.11
EXPENDITURES					
Salaries and employee benefits	2,110,715.91	5,962.07	2,333.60	8,354.74	-
Contractual services	283,412.84	-	-	-	52,951.11
Equipment - purchase	-	-	-	-	-
Equipment - rental	8,757.36	-	-	-	-
Equipment - repair/maintenance	-	-	-	-	-
Rent - building	12,361.54	-	-	-	-
Rent - building operating exp	9,071.74	-	-	-	-
Travel	42,367.77	-	61.12	11,171.66	-
Training	10,992.91	-	-	-	-
Publications	9,579.35	-	-	-	-
Supplies & software	29,840.20	-	-	1,748.16	-
Telephone & data	17,698.11	-	-	-	-
Accounting	-	-	-	-	-
Dues and subscriptions	3,843.00	-	-	10,127.46	-
Insurance	-	-	-	-	-
Bank charges and other	-	-	-	-	-
Debt service - principal	-	-	-	-	-
Debt service - interest	-	-	-	-	-
Indirect cost	383,365.63	1,039.45	359.04	2,246.05	-
TOTAL EXPENDITURES	2,922,006.36	7,001.52	2,753.76	33,648.07	52,951.11
OTHER REVENUE/(EXPENSE)					
Interest income	-	-	-	-	-
TOTAL OTHER REV/(EXP)	-	-	-	-	-
Excess of revenue over (under) expenditures	-	-	-	-	-

WASATCH FRONT REGIONAL COUNCIL
Schedule of Revenues and Expenditures by Program
For the Year Ended June 30, 2014

DESCRIPTION	MOBILITY MGMT RIDE CONNECT	SALT LAKE COG	MOBILITY MGMT	CDBG TOOELE	TRAVEL SURVEY
REVENUES					
Federal sources:	-	2,376.00	113,566.10	50,000.00	58,899.58
Total federal sources	-	2,376.00	113,566.10	50,000.00	58,899.58
State sources:					
State grants	-	-	-	-	-
State matching funds	-	-	-	-	-
Total state sources	-	-	-	-	-
Local sources:					
Cities and counties	-	46,318.71	-	-	-
Other	5,819.42	-	38,604.21	-	4,277.06
Total local sources	5,819.42	46,318.71	38,604.21	-	4,277.06
TOTAL REVENUE	5,819.42	48,694.71	152,170.31	50,000.00	63,176.64
EXPENDITURES					
Salaries and employee benefits	-	36,441.32	118,728.48	36,146.05	26,122.90
Contractual services	5,819.42	-	-	-	16,203.99
Equipment - purchase	-	-	-	-	-
Equipment - rental	-	517.80	521.04	390.42	-
Equipment - repair/maintenance	-	-	-	-	-
Rent - building	-	767.08	834.69	767.08	-
Rent - building operating exp	-	572.68	780.58	572.68	-
Travel	-	611.45	388.26	1,375.67	-
Training	-	-	-	3,000.00	-
Publications	-	-	105.10	212.59	-
Supplies & software	-	1,698.51	52.96	188.57	-
Telephone & data	-	1,025.96	1,810.56	1,153.96	-
Accounting	-	-	-	-	-
Dues and subscriptions	-	-	-	-	-
Insurance	-	-	-	-	-
Bank charges and other	-	-	-	-	-
Debt service - principal	-	-	-	-	-
Debt service - interest	-	-	-	-	-
Indirect cost	-	7,059.91	28,948.64	6,192.98	20,849.75
TOTAL EXPENDITURES	5,819.42	48,694.71	152,170.31	50,000.00	63,176.64
OTHER REVENUE/(EXPENSE)					
Interest income	-	-	-	-	-
TOTAL OTHER REV/(EXP)	-	-	-	-	-
Excess of revenue over (under) expenditures	-	(0.00)	-	-	-

WASATCH FRONT REGIONAL COUNCIL
Schedule of Revenues and Expenditures by Program
For the Year Ended June 30, 2014

<u>DESCRIPTION</u>	<u>CIB \$2K GRANT</u>	<u>ECONOMIC DEVELOPMENT</u>	<u>UTAH BROADBAND</u>	<u>MOUNTAIN ACCORD</u>	<u>HUD SUSTAINABLE COMMUNITIES</u>
REVENUES					
Federal sources:	-	-	-	-	84,762.89
Total federal sources	-	-	-	-	84,762.89
State sources:					
State grants	2,000.00	-	34,400.00	-	-
State matching funds	-	-	-	-	-
Total state sources	2,000.00	-	34,400.00	-	-
Local sources:					
Cities and counties	-	-	192.83	-	-
Other	-	3,065.00	-	212,526.11	-
Total local sources	-	3,065.00	192.83	212,526.11	-
TOTAL REVENUE	2,000.00	3,065.00	34,592.83	212,526.11	84,762.89
EXPENDITURES					
Salaries and employee benefits	1,697.03	-	4,670.37	-	52,531.54
Contractual services	-	3,065.00	29,000.00	212,526.11	22,304.10
Equipment - purchase	-	-	-	-	-
Equipment - rental	-	-	-	-	-
Equipment - repair/maintenance	-	-	-	-	-
Rent - building	-	-	-	-	-
Rent - building operating exp	-	-	-	-	-
Travel	-	-	187.35	-	-
Training	-	-	-	-	-
Publications	-	-	-	-	-
Supplies & software	-	-	-	-	-
Telephone & data	-	-	-	-	-
Accounting	-	-	-	-	-
Dues and subscriptions	-	-	-	-	-
Insurance	-	-	-	-	-
Bank charges and other	-	-	-	-	-
Debt service - principal	-	-	-	-	-
Debt service - interest	-	-	-	-	-
Indirect cost	302.97	-	735.11	-	9,927.25
TOTAL EXPENDITURES	2,000.00	3,065.00	34,592.83	212,526.11	84,762.89
OTHER REVENUE/(EXPENSE)					
Interest income	-	-	-	-	-
TOTAL OTHER REV/(EXP)	-	-	-	-	-
Excess of revenue over (under) expenditures	-	-	-	-	-

WASATCH FRONT REGIONAL COUNCIL
Schedule of Revenues and Expenditures by Program
For the Year Ended June 30, 2014

DESCRIPTION	SL COUNTY CORRIDOR PRESERVATION	COLLABORATIVE PLANNING STUDIES	TOOELE VALLEY LRP UPDATE	SL COUNTY LOCAL PLAN RESOURCE
REVENUES				
Federal sources:	-	-	-	11,806.47
Total federal sources	-	-	-	11,806.47
State sources:				
State grants	12,018.00	14,600.00	4,912.32	-
State matching funds	-	-	-	-
Total state sources	12,018.00	14,600.00	4,912.32	-
Local sources:				
Cities and counties	-	-	-	9,081.90
Other	-	2,050.00	-	-
Total local sources	-	2,050.00	-	9,081.90
TOTAL REVENUE	12,018.00	16,650.00	4,912.32	20,888.37
EXPENDITURES				
Salaries and employee benefits	10,055.59	-	4,274.30	16,821.39
Contractual services	-	16,650.00	-	-
Equipment - purchase	-	-	-	-
Equipment - rental	-	-	-	-
Equipment - repair/maintenance	-	-	-	-
Rent - building	-	-	-	-
Rent - building operating exp	-	-	-	-
Travel	199.50	-	-	-
Training	-	-	-	-
Publications	-	-	-	-
Supplies & software	-	-	-	-
Telephone & data	-	-	-	-
Accounting	-	-	-	-
Dues and subscriptions	-	-	-	-
Insurance	-	-	-	-
Bank charges and other	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Indirect cost	1,762.91	-	638.02	4,066.98
TOTAL EXPENDITURES	12,018.00	16,650.00	4,912.32	20,888.37
OTHER REVENUE/(EXPENSE)				
Interest income	-	-	-	-
TOTAL OTHER REV/(EXP)	-	-	-	-
Excess of revenue over (under) expenditures	-	-	-	-

WASATCH FRONT REGIONAL COUNCIL
Schedule of Revenues and Expenditures by Program
For the Year Ended June 30, 2014

DESCRIPTION	DAVISWEBER	LEGISLATIVE CONSULTANT	INDIRECT		TOTAL
	LOCAL PLAN RESOURCE		NON-ALLOCABLE	ALLOCABLE	
REVENUES					
Federal sources:	7,067.59	-	-	-	3,105,616.27
Total federal sources	7,067.59	-	-	-	3,105,616.27
State sources:					
State grants	-	-	-	-	67,930.32
State matching funds	-	-	-	-	70,000.00
Total state sources	-	-	-	-	137,930.32
Local sources:					
Cities and counties	513.22	40,000.00	-	-	230,522.89
Other	-	-	135.69	-	303,284.44
Total local sources	513.22	40,000.00	135.69	-	533,807.33
TOTAL REVENUE	7,580.81	40,000.00	135.69	-	3,777,353.92
EXPENDITURES					
Salaries and employee benefits	5,884.47	-	-	250,716.82	2,691,456.58
Contractual services	-	40,000.00	-	9,717.38	691,649.95
Equipment - purchase	-	-	17,144.41	-	17,144.41
Equipment - rental	-	-	(29,869.95)	19,683.33	-
Equipment - repair/maintenance	-	-	-	15,205.04	15,205.04
Rent - building	-	-	(67,283.11)	52,552.72	-
Rent - building operating exp	-	-	-	39,236.31	50,233.99
Travel	-	-	-	2,394.11	58,756.89
Training	-	-	-	150.00	14,142.91
Publications	-	-	-	-	9,897.04
Supplies & software	-	-	-	31,277.58	64,805.98
Telephone & data	-	-	-	10,639.13	32,327.72
Accounting	-	-	-	14,888.63	14,888.63
Dues and subscriptions	-	-	-	-	13,970.46
Insurance	-	-	-	13,293.04	13,293.04
Bank charges and other	-	-	1,005.74	-	1,005.74
Debt service - principal	-	-	66,000.00	-	66,000.00
Debt service - interest	-	-	8,455.75	-	8,455.75
Indirect cost	1,696.34	-	-	(459,754.09)	9,436.94
TOTAL EXPENDITURES	7,580.81	40,000.00	(4,547.16)	-	3,772,671.07
OTHER REVENUE/(EXPENSE)					
Interest income	-	-	1,769.67	-	1,769.67
TOTAL OTHER REV/(EXP)	-	-	1,769.67	-	1,769.67
Excess of revenue over (under) expenditures	-	-	6,452.52	-	6,452.52

DATE: October 23, 2014
AGENDA ITEM: 4b
SUBJECT: **ACTION:** Amend FY2015 Budget and Work Program
PREPARED BY: Loveit Baumgardner

BACKGROUND:

Every two years, WFRC adopts a budget and a work program that outline the activities and expenditures for the agency. The adopted WFRC FY'15 budget is, in total, 8% below the FY'14 budget, which was itself 24% below the FY'13 budget; this decline reflected the completion of several major studies in which WFRC was engaged.

As WFRC completed FY'14 and we reviewed the final expenditures, actual spending came in lower than budgeted by approximately \$363,664. This resulted mainly from spending on some contractual items occurring more slowly than was anticipated, or from items that were added to the FY'14 budget in the later months but did not begin work until FY'15. As a result, the amount of funds that carried forward from FY'14 into FY'15 was higher than was anticipated, resulting in an increase in the FY'15 budget as some spending shifts from FY'14 to FY'15.

There are also several new funding sources reflected in the proposed amended FY'15 budget, including:

- \$274,500 in local matching funds for the Local Planning Resource Program.
- \$42,500 in state and local funds for an analysis to be conducted by the Utah Foundation of the benefits of investment in local transportation. The following organizations are partnering with WFRC on this assessment: Utah Association of Counties, Utah League of Cities and Towns, UTA, UDOT, Mountainland Association of Governments, Dixie MPO, Cache MPO, and the Salt Lake Chamber of Commerce.
- \$25,000 in state funds for development of the Real Estate Market Model.
- \$18,000 additional funds from Economic Development Administration in support of the Wasatch Front Economic Development District.

Also contained in this proposed amended budget is a decrease in funding for Mobility Management of \$80,000, to reflect UTA assuming additional responsibilities in this area.

The adjustments described above are reflected in the contractual line item on the Expenditure by Function page. Even with these changes, the FY'15 budget for contractual services is still 16% below the FY'14 budget. The adjustments also impact the projected carry-forward into FY'16, again reflecting on-going programs or multi-year projects that bridge the FY'15 and FY'16 years, as described in the Council-approved Work Program.

The footnotes that accompany this proposed amended budget provide more detail on the changes to funding sources, expenditures by function and expenditures by program.

The Unified Planning Work Program also needs to be amended to include the Utah Foundation analysis of the benefits of investment in local transportation. The Budget Committee has reviewed the proposed changes to the budget and work program and will present their recommendation for approval at the Council's October 23 meeting.

RECOMMENDATION:

The WFRC Budget Committee and staff recommend that the Council take action "to amend the WFRC FY'15 Budget and Unified Planning Work Program as proposed."

CONTACT PERSON:

Loveit Baumgardner (801) 363-4250 ext. 1102
Wayne Bennion (801) 363-4250 ext. 1112

EXHIBITS:

Draft Amended Budget FY2015
Footnotes to the Budget Amendment to the Unified Planning Work Program

Draft
Wasatch Front Regional Council FY 2015
Source of Funds

	2015 As approved May 23, 2014	2015 As Proposed Oct 23, 2014	2015 Change		
Federal Sources:					
Federal Highway Administration - PL	1,895,472	2,095,836	200,364	1	11%
Federal Highway Administration - STP	800,000	781,126	-18,874	1	-2%
Federal Transit Administration	735,621	636,022	-99,599	2	-14%
Dept. of Housing and Urban Development	50,000	50,000	0		0%
Economic Development Administration	42,000	60,000	18,000	3	43%
Total Federal Sources	3,523,093	3,622,984	99,891		3%
State Sources:					
Utah GOMB (CPG match)	70,000	70,000	0		0%
UDOT - Tooele RTP Update	0	25,088	25,088	1	
UDOT - Real Estate Market Model	0	25,000	25,000	4	
UDOT - Local Transportation Assessment	0	9,500	9,500	5	
Community Impact Board	2,000	2,000	0		0%
UTA - State Appropriation - Mountain Accord	0	87,474	87,474	1	
UDOT - Corridor Preservation SL County	7,500	23,246	15,746	1	210%
Total State Sources	79,500	242,307	162,807		205%
Local Sources:					
Special Project Funds	365,050	643,984	278,934	5,6	76%
Transit Sales Tax	155,732	269,164	113,432	1	73%
Local Contribution	172,708	241,308	68,600	1	40%
Equipment Purchases	45,000	45,000	0		0%
Total Local Sources	738,491	1,199,456	460,965		62%
TOTAL SOURCES	4,341,084	5,064,747	723,664		17%

Draft
Wasatch Front Regional Council FY 2015

Expenditure by Function

Expenditure	2015	2015	2015	
	As approved May 23, 2014	As Proposed Oct 23, 2014	Change	
Salaries/Employee Benefits	2,999,274	2,999,274	0	0%
Contractual	771,000	1,142,445	371,445	7 48%
Equipment Purchase	45,000	45,000	0	0%
Equipment Use Charges	60,477	60,477	0	0%
Rent	90,674	90,674	0	0%
Building Operation/R & M	57,662	57,662	0	0%
Travel	59,400	59,400	0	0%
Training	31,973	31,973	0	0%
Printing and Publication	26,498	26,498	0	0%
Supplies/Software & Licenses	79,044	79,044	0	0%
Telephone/Data	36,589	36,589	0	0%
Audit and Accounting	16,889	16,889	0	0%
Dues & Subscriptions	13,829	13,829	0	0%
Insurance	13,542	13,542	0	0%
Legal	3,000	3,000	0	0%
Total Expenditures	4,304,850	4,676,294	371,445	9%
Amounts expected to carry into FY'16	36,235	388,453	352,219	8 972%
TOTAL BUDGET	4,341,084	5,064,747	723,664	17%

Draft
Wasatch Front Regional Council FY 2015

Expenditure by Program

Program	2015	2015	2015	
	As approved May 23, 2014	As Proposed Oct 23, 2014	Change	
Consolidated Transportation Planning Grant	3,130,324	3,342,772	212,448	1 7%
UTA Project Support	82,325	137,051	54,727	1 66%
Tooele Rural Planning Organization	0	26,322	26,322	1
Local Government Service	24,020	91,008	66,987	1 279%
MAG Modeling Support	55,000	55,000	0	0%
UDOT - Real Estate Market Model	0	25,000	25,000	4
Salt Lake COG	53,004	98,831	45,827	1 86%
Mobility Management	140,865	20,000	-120,865	2 -86%
CDBG	50,000	50,000	0	0%
Community Impact Board	2,000	2,000	0	0%
Economic Development	70,000	120,000	50,000	3 71%
Mountain Accord	0	87,474	87,474	1
Utah Foundation Local Transportation Assessment	0	42,500	42,500	5
Corridor Preservation - Salt Lake County	7,500	23,246	15,746	1 210%
Utah State Legislative Consultant	52,000	52,000	0	0%
Local Planning Resource Program	629,046	846,544	217,498	1,6 35%
Equipment Purchases	45,000	45,000	0	0%
TOTAL EXPENDITURES	4,341,084	5,064,747	723,664	17%

Draft
Wasatch Front Regional Council FY 2015

Local Contributions

County	2015	2015	2015	
	As approved May 23, 2014	As Proposed Oct 23, 2014	Change	
Box Elder, 1 voting member	8,355	8,355	0	0%
Davis, 4 voting members	33,421	33,421	0	0%
Morgan, 1 voting member	8,355	8,355	0	0%
Salt Lake, 8 voting members	66,841	66,841	0	0%
Tooele, 1 voting member	8,355	8,355	0	0%
Weber, 4 voting members	33,421	33,421	0	0%
TOTAL	158,748	158,748	0	0%

Wasatch Front Regional Council

FY 2015 Proposed Amended Budget – October 23, 2014

Footnotes

1. These include amounts budgeted for FY14 projects but not spent prior to fiscal year end and are carried forward to FY15. These projects are ongoing and are expected to be completed in FY15 or FY16.
2. When the Council approved the FY15 budget in May 2014 it included FTA funds for Mobility Management work. Subsequent to the adoption of the FY15 budget, funding for the Mobility Management work was awarded to Utah Transit Authority. WFRC will continue with limited funding and support for this effort.
3. When the Council approved the FY15 budget in May 2014 it included federal funding for Economic Development work in the amount of \$42,000 and local matching funds in the amount of \$28,000. In September the EDA awarded WFRC \$60,000 in EDA funds. This grant requires matching local funds in the amount of \$60,000 which can be met with existing funds.
4. UDOT is providing support to WFRC for development of the Real Estate Market Model in the amount of \$25,000.
5. The Utah Foundation is conducting an analysis of the benefits of investment in local transportation. This study will cost \$52,500. WFRC will pay for \$10,000 of this study using existing Consolidated Planning Grant funds and the remaining funds will be provided by UTA, UDOT, Mountainland Association of Governments, Cache MPO, Dixie MPO, Utah League of Cities and Towns, Utah Association of Counties and the Salt Lake Chamber of Commerce.
6. The Local Planning Resource Program has awarded planning assistance grants to selected communities in the region. The award recipients are providing \$274,500 in local matching funds that are used for consultants that are contracted to perform the work.
7. The increase in Contractual expenditures is due to ongoing contracts that were budgeted in FY14 but not completed prior to fiscal year end and new contracts for FY15. Contractual expenditures include: \$145,000 for travel model development; \$25,000 for Real Estate Market Model development; \$50,723 for Communications; \$40,000 for legislative consulting; \$35,500 for planning studies; \$485,624 for Local Planning Resource Program; \$87,474 for Mountain Accord; \$100,000 for "Pioneer Corridor" Study; \$10,000 for Active Transportation Benefits Study; \$30,450 for Joint Performance Measures; \$14,991 for Unified Transportation Plan financial model update; \$10,000 for transit First and Last Mile Study; \$12,183 for Management Consulting; \$20,000 for the Street Design Tool Phase II; \$7,500 for NTIC studies; \$15,500 for Complete Streets workshops and website interface; and \$52,500 for Utah Foundation local transportation investment analysis.
8. The increase in amounts expected to carry into next fiscal year is for projects that are not expected to be completed before the end of FY15 and will continue in FY16.

**AMENDMENT TO THE
WASATCH FRONT REGIONAL COUNCIL
UNIFIED PLANNING WORK PROGRAM
FOR THE OGDEN-LAYTON AND SALT LAKE-WEST VALLEY
URBANIZED AREAS
FISCAL YEAR 2015 AND FISCAL YEAR 2016**

OCTOBER, 2014

**In Cooperation With:
Utah Department of Transportation
Utah Transit Authority**

Below is described an additional project that will be accomplished during FY15. Funding for this project became available after the original FY 2015 and FY 2016 UPWP was approved.

A study will be conducted to better identify the needs, costs, and benefits of investing in locally owned and/or operated transportation systems in the State of Utah. A survey will gather information on needs and costs of transportation infrastructure investment in Utah communities. The analysis of benefits produced by such investments will be informed by a nationwide review of benefits found in other areas in relation to: economic development, quality of life, infrastructure, public safety, health, mobility, air quality, and impacts to larger funding efforts. This analysis will provide important information for the transportation planning and funding process.

DATE: October 16, 2014
AGENDA ITEM: 4c
SUBJECT: **Information:** Long-term financial sustainability
PREPARED BY: Loveit Baumgardner

BACKGROUND:

In March 2014 the Budget Committee and the Council undertook the task of evaluating the long-term financial sustainability of the Wasatch Front Regional Council. Several strategies were identified to help mitigate the long term effect of flat revenues and inflationary cost growth. The Budget Committee will report to the Council on those strategies.

RECOMMENDATION:

This item is for information only. No action is needed from the Council.

CONTACT PERSON:

Loveit Baumgardner (801) 363-4250 ext. 1102

DATE: October 16, 2014
AGENDA ITEM: 5a
SUBJECT: **Information:** 2015-2040 Regional Transportation Plan and Utah's Unified Transportation Plan update
PREPARED BY: Jory Johner

BACKGROUND:

2015-2040 Regional Transportation Plan

The Regional Transportation Plan (RTP) is the region's long-range blue print for transportation. At the Wasatch Front Regional Council (WFRC) meeting, staff will briefly highlight the process to develop the Final Preferred Scenario for the 2015-2040 RTP, coordination efforts to financially constrain the RTP, and discuss efforts to address national, state, and regional performance measures.

The draft Preferred Scenario and performance measures for evaluation includes roadway, transit, and bicycle projects along with the future land use types and intensities for our region. On May 22 the Wasatch Front Regional Council approved the Final Preferred Scenario (the final set of projects before financial constraints are applied and projects are phased) and directed staff to move forward with the phasing portion of the RTP development process. To review the maps, project lists, growth allocations, comments and responses, click [here](http://www.wfrc.org/new_wfrc/index.php/plans/regional-transportation-plan) (http://www.wfrc.org/new_wfrc/index.php/plans/regional-transportation-plan).

The phased, financially constrained RTP is scheduled to be developed by winter of 2014, and we will then again seek review and comments from the local governments, UDOT, and UTA prior to final adoption of the 2015-2040 RTP in May 2015. The 3rd Round of Small Area Meetings schedule and agenda will be presented to the Council. We will ask for review and comments on the draft financially constrained phased 2015-2040 RTP at these meetings. The Regional Transportation Plan will be incorporated into the next version of Utah's Unified Transportation Plan in the summer of 2015.

2015-2040 Utah's Unified Transportation Plan

The Utah's Unified Transportation Plan synthesizes all of the Long Range Plans developed by the MPO's and the State. This update to the Unified Plan builds on the previous version by adding a few enhancements:

- 1) More in-depth analysis of financial revenues and needs to 2040,
- 2) Active Transportation issues and needs are being more fully explored,
- 3) The impacts of the plan on various performance measures will be augmented.

RECOMMENDATION:

This item is for information only and no action is required.

CONTACT PERSON:

Jory Johner (WFRC) (801) 363-4250, Ext. 1110, or jjohner@wfrc.org

DATE: October 16, 2014
AGENDA ITEM: 6a
SUBJECT: **ACTION:** Board Modifications to the 2015-2020 TIP
PREPARED BY: Ben Wuthrich

BACKGROUND:

The Wasatch Front Regional Council (WFRC) has received requests to modify the current 2015-2020 Transportation Improvement Program (TIP) with the attached list of projects. This modification requires action from the Regional Council and the Transportation Commission. The requested modification is listed with the attached resolution.

RECOMMENDATIONS:

The WFRC staff recommends that the Regional Council make a motion “to approve the attached resolution to modify the 2015-2020 TIP as requested.”

CONTACT PERSON:

Ben Wuthrich (801) 363-4230 ext 1121 or (801) 773-5559 (Ogden) ext 1121

EXHIBITS:

Resolution adopting Amendment One to the 2015-2020 TIP

RESOLUTION OF THE WASATCH FRONT REGIONAL COUNCIL
AMENDING THE 2015 - 2020
TRANSPORTATION IMPROVEMENT PROGRAM

- WHEREAS, the Wasatch Front Regional Council is the officially designated Metropolitan Planning Organization for the Salt Lake/ West Valley and the Ogden/ Layton Urbanized Areas and, as such, has the responsibility for developing a Transportation Improvement Program, and
- WHEREAS, a Transportation Improvement Program is to include all federally funded highway and transit projects scheduled for the next six years, and
- WHEREAS, the Utah Department of Transportation, the State Transportation Commission, the Utah Transit Authority, and the Wasatch Front Regional Council and its local jurisdictions desire to amend the 2015-2020 Transportation Improvement Program (TIP) to include the projects on the attached project description list, and
- WHEREAS, the U.S. Department of Transportation Metropolitan Planning Regulations Paragraph 450.324(a) requires that “the TIP . . . be updated at least every four years, and be approved by the MPO and the Governor,” and
- WHEREAS, the Statewide Air Quality Implementation Plan includes traffic control measures for reducing air pollutant emissions for the Salt Lake/ West Valley and the Ogden/ Layton Urbanized Areas and budgets for mobile source emissions, and
- WHEREAS, the projects included in the proposed Transportation Improvement Program amendment are either included in Phase 1 of the Regional Transportation Plan or not regionally significant, or are included in the 2015-2020 TIP or are exempt projects that do not need to be reviewed for conformity and consistency with the State Implementation Plan according to 40 CFR Part 93.126 Table 2 Exempt Projects, and
- WHEREAS, the proposed Transportation Improvement Program amendment had a public review and comment opportunity at the Regional Council meeting on October 23, 2014, and all comments were carefully considered,

NOW THEREFORE LET IT BE RESOLVED, that the Wasatch Front Regional Council

- (1) Approves Amendment One to the 2015-2020 Transportation Improvement Program as attached,
- (2) Finds that the TIP conforms to and is consistent with the State Implementation Plan for Salt Lake, Davis, western Weber, and southern Box Elder Counties, and
- (3) Finds that the development of the Transportation Improvement Program is based on a currently certified transportation planning process.

Commissioner P. Bret Millburn, Chairman
Wasatch Front Regional Council

Andrew S. Gruber
Executive Director
Wasatch Front Regional Council

Date: October 23, 2014

2015-2020 Transportation Improvement Program (TIP) (Amendment One)

Board Modification

New Projects

Salt Lake/ West Valley Urban Area

County	Sponsor	Facility	PIN	Project Location	Concept/ Type of Improvement	Funding Source	Project Estimated Cost	Currently Funded Amount	Action	Funding Amount	Year
Salt Lake	UDOT	MVC	13150	Mountain View Corridor; 3500 South to SR-201	Purchase Right of Way	ST_TIF (State Transportation Investment Fund)	\$5,584,696	\$0	<i>Re-Program Funding</i>	\$5,584,696	2015

Region 2 requests approval to move \$5,584,696 from the MVC; 5400 South to 4100 South project to the MVC; 3500 South to SR-201 project to complete the purchase of a property needed for the project. This will add initial funding to the project and bring it in the STIP.

Program Adjustment

Statewide Recreation Trails Program Including the WFRC Urbanized Areas

Non- Motorized		
20	TRAIL SYSTEM WAY FINDING SIGNS & URBAN TRAIL SYSTEM MAP & GUIDES	\$4,360.00
13	UTAH CLIMBING ACCESS DEVELOPMENT, MAINTENANCE & VOLUNTEER	\$17,000.00
12	UTAH CONSERVATION CORPS UTAH STATE PARKS BICYCLE CREW	\$20,000.00
13	TRAIL CAT EQUIPMENT PURCHASE	\$49,000.00
Motorized		
13	TRAIL CAT EQUIPMENT PURCHASE	\$49,000.00
19	RIDE ON UTAH	\$65,000.00
20	UTAH TRAIL PATROL VOLUNTEER COORDINATOR	\$15,000.00
21	SINGLETRACK TRAIL DOZER	\$55,000.00
22	SNOWMOBILE TRAIL GROOMING & MAINTENANCE	\$180,000.00
23	SNOWCAT PURCHASE	\$165,000.00
Total		\$619,360.00

These projects are selected and administered through the Utah State Parks and Recreation Division. The Recreational Trails Program fund may be used to provide and maintain recreational trails for motorized and non-motorized recreational trail uses, including trailside and trailhead facilities. It includes provisions to facilitate access for people with disabilities as well.

For the 2015 program, Utah has 34 projects statewide totaling \$1,372,720, in Federal Aid Funds.

