



Mike Caldwell, Chair
Mayor, Ogden

Bret Millburn, Vice Chair
Commissioner, Davis County

Mark Allen
Mayor, Washington Terrace

Bill Applegarth
Mayor, Riverton

Len Arave
Mayor, North Salt Lake

John Barber
Councilman, Morgan County

Jackie Biskupski
Mayor, Salt Lake City

Don Carroll
Mayor, Fruit Heights

Karen Cronin
Mayor, Perry

Kelvyn Cullimore
Mayor, Cottonwood Heights

Tom Dolan
Mayor, Sandy

James Ebert
Commissioner, Weber County

Kerry Gibson
Commissioner, Weber County

Michael Jensen
Councilman, Salt Lake County

Ben McAdams
Mayor, Salt Lake County

Brad Pratt
Councilman, Tooele City

JoAnn Seghini
Mayor, Midvale

Bob Stevenson
Mayor, Layton

Derk Timothy
Mayor, Bluffdale

Senator Stuart Adams
Utah State Senate

Representative Mike Schultz
Utah House of Representatives

Jerry Benson
Utah Transit Authority

Carlos Braceras
Utah Department of Transportation

Beth Holbrook
Utah League of Cities & Towns

Jim Smith
Utah Association of Counties

Robert Grow
Envision Utah

Evan Curtis
State Planning Coordinator

Andrew Gruber
Executive Director

WASATCH FRONT REGIONAL COUNCIL
Meeting of October 26, 2017
AGENDA

There will be a meeting of the Wasatch Front Regional Council on **Thursday, October 26, 2017 at 2:00 p.m. in the WFRC offices located at 295 North Jimmy Doolittle Road, Salt Lake City, Utah.** The agenda for the meeting will be as follows:

1. **Consent Agenda**
 - a. ACTION: Minutes of the WFRC meeting held August 24, 2017
 - b. ACTION: Financial statements and check registers for August and September 2017 and Budget/Expenditure Report
2. **Chairman's Report**
 - a. Community Spotlight: Morgan County / Ogden Valley Regional Planning Organization
 - b. Transportation Governance and Funding Task Force update
 - c. WFRC Funding Programs reminder
3. **Public Comment**
4. **Budget Committee**
 - a. ACTION: Approve WFRC Personnel Policy
 - b. ACTION: Approve WFRC Accounting and Administrative Policy
 - c. PUBLIC HEARING and ACTION: Approve FY18 Budget and Work Program Amendments
 - d. ACTION: Acceptance of WFRC Audit Report for FY17
5. **Regional Growth Committee (RGC)**
 - a. Wasatch Choice 2050 Preferred Scenario
6. **Transportation Committee (Trans Com)**
 - a. ACTION: Board Modifications to the 2018-2023 Transportation Improvement Program (TIP)
7. **Active Transportation Committee (ATC) Report**
8. **Air Quality Committee (AQC) Report**
 - a. Local Government Air Quality strategies
 - b. ACTION: Air Quality Committee direction
9. **Executive Director's Report**
10. **Other Business**

Upcoming events:

- UDOT Annual Conference – November 7-9, 2017
- UAC Annual Conference – November 15-17, 2017

Note: Informational materials can be located on WFRC's website at www.wfrc.org

Public participation is solicited without regard to age, sex, disability, 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 apearson@wfrc.org at least 72 hours in advance.

Se solicita la participación del público, sin importar la edad, el sexo, la discapacidad, la raza, color o nacionalidad. Personas que requieren servicios de traducción deben contactar a WFRC's Administrador de Título VI al teléfono 801-363-4250 o apearson@wfrc.org por lo menos 72 horas antes de la reunión.

DRAFT WASATCH FRONT REGIONAL COUNCIL 2018 MEETING SCHEDULE DRAFT

	Regional Council	Regional Growth	Trans Com	ATC	Budget	WFEDD	RGC TACs SL-WV & O-L	Trans Com TACs SL-WV & O-L
January	25	18		10	11 (tentative)		17	24
February	22*	22*	15 22*	22*		26		28
March	22	15		14	8			28
April			19	11			18	
May	24	17			10	21		30
June			21	13				
July							18	
August	23	16	16	8	9 (tentative)	27		1
September							19	
October	25	11		10	11			17
November			15			19		
December							12	

- Regional Council meetings are held on the 4th Thursday (five times a year in Jan, Mar, May, Aug and Oct) at 2:00 p.m.
- Regional Growth (RGC) meetings are held on the 3rd Thursday (five times a year in Jan, Mar, May, Aug and Oct) at 9:30 a.m.
- Trans Com meetings are held on the 3rd Thursday (five times a year in Feb, Apr, June, Aug and Nov) at 2:00 p.m.
- Active Transportation (ATC) meetings are held on the 2nd Wednesday (six times a year in Jan, Mar, Apr, Jun, Aug & Oct) at 8:45 a.m.
- Budget Committee meetings are held three times a year, with two tentative dates (if needed), as noted above, at 10:00 a.m. (11:00 a.m. on Oct 11)
- Wasatch Front Economic Development District (WFEDD) meetings are held quarterly on the 4th Monday at 1:00 p.m.
- RGC TAC: Salt Lake-West Valley Area – 8:30 a.m. Location to be determined; Ogden-Layton Area – 2:00 p.m. in Clearfield City Hall
- Trans Com TAC: Ogden-Layton Area - 10:00 a.m. in Clearfield City Hall; Salt Lake-West Valley Area - 2:00 p.m. in the Utah Cultural Celebration Center

Meetings will be held in the WFRC office (295 North Jimmy Doolittle Road, Salt Lake City, UT), unless otherwise noted.

While every attempt has been made to schedule around known holidays and other previously planned events, days and/or times may need to be adjusted, should unforeseen events arise. Any change will be announced with as much notice as possible.

** New member orientation on February 22, 2018 – all newly appointed committee members to Regional Council, Regional Growth, Trans Com, Active Transportation, Budget Committee and Wasatch Front Economic Development District are invited to attend. Time and location to be determined.



MINUTES
Wasatch Front Regional Council
Meeting of August 24, 2017

Mayor Mike Caldwell, Chair, called the meeting of the Wasatch Front Regional Council to order at 2:03 p.m. in the offices of the Wasatch Front Regional Council located at 295 North Jimmy Doolittle Road, Salt Lake City, Utah.

2017 WFRC MEMBERS		IN ATTENDANCE
BOX ELDER COUNTY		
Member - Karen Cronin	Perry	NO
DAVIS COUNTY MEMBERS		
Len Arave	North Salt Lake	YES
Bret Millburn	Davis County	YES
Don Carroll	Fruit Heights	NO
Bob Stevenson	Layton	NO
MORGAN COUNTY		
Member - John Barber	Morgan County	YES
SALT LAKE COUNTY MEMBERS		
Ben McAdams	Salt Lake County	NO
Jackie Biskupski	Salt Lake City	NO
Tom Dolan	Sandy	YES
Michael Jensen	Salt Lake County	NO
Kelvyn Cullimore	Cottonwood Heights	YES
JoAnn Seghini	Midvale	YES
Bill Applegarth	Riverton	YES
Derk Timothy	Bluffdale	YES
SALT LAKE COUNTY ALTERNATES		
Jeff Silvestrini	Millcreek	YES
Dirk Burton	W.Jordan City Council	YES
TOOELE COUNTY		
Member - Brad Pratt	Tooele City	YES
Alternate - Shawn Milne	Tooele County	YES
WEBER COUNTY MEMBERS		
James Ebert	Weber County	YES
Kerry Gibson	Weber County	YES
Mark Allen	Washington Terrace	YES
Mike Caldwell	Ogden	YES
UDOT & UTA		
Member - Carlos Braceras	UDOT	YES
Member - Jerry Benson	UTA	YES
NON-VOTING MEMBERS		
Jim Davis	Utah Association of Counties	NO
Beth Holbrook	Utah League of Cities & Towns	NO

WFRC Appointments from other organizations:		
Robert Grow	Envision Utah	NO
Stuart Adams	State Senate	NO
Mike Schultz	State House of Representatives	YES
Evan Curtis	State Planning Coordinator	NO
OTHERS IN ATTENDANCE		
Ivan Marrero, FHWA	David Beckhouse, FTA	
Devon Murphy, Representative Rob Bishop	Kelly Lund, FHWA	
Steve Call, FHWA	Kristin Kenyon, FTA	
Carlton Christensen, SL County	Nicole Martin, Deputy Mayor, Sandy City	
Wilf Sommerkorn, SL County	Annette Royle, UTA	
Mike Peterson, Cottonwood Heights	Robert M. Hale, Midvale City mayoral candidate	
Andrew Gruber, WFRC	Richard Miller, UTA	
Callie New, WFRC	Matthew Silski, WFRC	
Alex Roy, WFRC	Addison Jenkins, WFRC	
Loveit Baumgardner, WFRC	Jory Johner, WFRC	
Wayne Bennion, WFRC	Chad Worthen, WFRC	
Kip Billings, WFRC	Ted Knowlton, WFRC	
Andy Li, WFRC	Jon Larsen, WFRC	
Xiao Li, WFRC	Christy Dahlberg, WFRC	
LaNiece Davenport, WFRC	Andrea Pearson, WFRC	
Scott Festin, WFRC	Suzie Swim, WFRC	
Katie Gerard, WFRC	Megan Townsend, WFRC	
Amber Gonzales, WFRC	Ben Wuthrich, WFRC	
Ned Hacker, WFRC	Muriel Xochimitl, WFRC	
Scott Hess, WFRC		

Welcome [00:00:08]

Mayor Mike Caldwell welcomed Wasatch Front Regional Council members and guests and introductions were made.

[00:03:07] Mayor Caldwell turned to Andrew Gruber, WFRC, for an announcement regarding preparation for meetings in the future. The WFRC committees, including Council are moving towards a paperless process regarding materials for meetings. All information will continue to be emailed directly to each member prior to the meeting, and can be accessed online at www.wfrc.org as well. Printed packets will still be available upon request.

1. Consent Agenda [00:04:33]

1a. ACTION: Minutes

Mayor Tom Dolan moved to approve the minutes of the WFRC meeting held May 25, 2017 and Commissioner Bret Millburn seconded the motion. The minutes were accepted unanimously.

1b. ACTION: Financial Statements [00:04:47]

Mayor Tom Dolan moved to approve the Financial Statements and Check Registers for May, June, and July of 2017 and Budget/Expenditure Report as of July 31, 2017. Commissioner Bret Millburn seconded the motion and they were accepted unanimously.

2. Chairman's Report [00:05:06]

2a. Transportation Governance and Funding Task Force [00:05:16]

Utah State Representative Mike Schultz provided an update on the progress of this Task Force. The Task Force has three working groups dedicated to topics the task force is considering, including the Governance and Transit Working Group, the Funding Working Group, and the Economic Development, Land Use, Rural Issues, Active Transportation, and Aviation Working Group.

The Task Force and its respective working groups have met several times and will continue to meet through November. The Task Force is charged with providing recommendations to the Legislature regarding transportation-related governance, funding, and land use/economic development coordination.

2b. Population and Employment forecasts [00:16:13]

Scott Festin, WFRC, introduced Dr. Pam Perlich, with the Kem C. Gardner Policy Institute, who along with WFRC staff, explained the forecasts and projections that have been developed, based on broad demographic trends nationwide. The Kem C. Gardner Policy Institute produces the statewide and county-level population, household, and employment forecasts for statewide planning use. WFRC staff have been involved in this process since its inception, utilizing staff expertise and technical models to inform the process, provide input data, and review draft data products. Follow-up information, along with Dr. Perlich's presentation, will be sent out to Council members as requested.

2c. WFRC FY17 Activities and Accomplishments [00:38:35]

Andrew Gruber, WFRC, reviewed the WFRC FY17 Activities and Accomplishments Report, which was included in the packet materials provided at the meeting. This Report provides an overview of how WFRC met the 2017 goals adopted by the Council last year. Mr. Gruber recognized WFRC staff for all the hard work leading to agency growth that occurred over the past year.

2d. ACTION: Approval of WFRC FY18 Goals and Priorities [00:51:10]

Andrew Gruber, WFRC, presented the proposed WFRC FY18 Goals and Priorities to the Council. These goals are developed through review of the WFRC's adopted Mission & Roles, reflection on the agency activities and accomplishments for the previous year, and a collaborative and full discussion among the WFRC staff, in consultation with the WFRC Council leadership. The draft document includes three goals as follows:

- Collaboratively develop long- and short-range plans and programs, and assist local communities to implement those plans.
- Support transportation and related land use and economic development policy-making and projects.
- Strive for organizational excellence.

The FY18 goals are similar to the FY17 goals. This reflects the continuity in WFRC's organizational mission and roles, and the fact that most of the agency's activities are ongoing and span multiple years.

[00:58:00] Mayor JoAnn Seghini made a motion to approve the WFRC FY'18 Goals and Priorities, which was seconded by Commissioner Shawn Milne. The affirmative vote was unanimous.

2e. Overview of WFRC programs for local governments [00:58:20]

The Wasatch Front Regional Council administers six programs that provide resources for local governments. These programs include:

- Surface Transportation Program (STP)
- Congestion Mitigation Air Quality (CMAQ)
- Transportation Alternatives Program (TAP)
- Transportation and Land Use Connection (TLC)
- Community Development Block Grant (CDBG)
- Wasatch Front Economic Development District (WFEDD)

Presentations were given by LaNiece Davenport, Megan Townsend and Ben Wuthrich, all from WFRC, describing these programs. Submittal timelines were discussed and members were encouraged to coordinate within their local entities and with others in order to complete requests for these funds.

2f. US DOT Certification [01:08:22]

Mayor Mike Caldwell noted that the certification review of the transportation planning process in the Wasatch Front Region, conducted by the Federal Highway and Federal Transit Administrations has just concluded. Ivan Marrero with FHWA, Steve Call with FHWA, and David Beckhouse with FTA, discussed the preliminary findings determined during this certification process. No corrective actions were suggested. Several recommendations were suggested and WFRC staff will work to improve in the applicable areas. Commendations were also recognized in WFRC's processes. There were comments and group discussion.

3. Public Comment [01:25:39]

Mayor Mike Caldwell opened the meeting to public comment. There were no public comments.

4. Regional Growth Committee (RGC) [01:25:51]

Commissioner James Ebert, on behalf of Mayor Ben McAdams, briefly reviewed the outcomes of the Regional Growth Committee meeting held on August 17, 2017.

4a. ACTION: Regional Transportation Plan (RTP) 2015-2040 Amendment #4 [01:26:33]

Jory Johner, WFRC, briefly discussed the projects outlined in the 2015-2040 Regional Transportation Plan Amendment #4. More in-depth information has been provided in the packet material.

[01:35:30] Commissioner Bret Millburn motioned that the Wasatch Front Regional Council approve Amendment #4 to the 2015-2040 RTP and the Amendment's air quality conformity determination as found in Air Quality Memorandum 36 and Councilmember Brad Pratt seconded the motion. The voting was unanimous to approve.

4b. Wasatch Choice 2050 Vision and RTP update [01:36:47]

Ted Knowlton, WFRC, presented information about the Regional Transportation Plan. The process to develop the RTP spans four years and is a collaborative effort of communities, stakeholders, and transportation agencies that is convened and technically supported by WFRC. Wasatch Choice 2040 has been the region's shared vision for coordinated growth, infrastructure, and open space. The RTP anticipates key decisions will be solidified during the upcoming year.

5. Transportation Committee (Trans Com) [01:45:56]

Mayor Bill Applegarth, on behalf of Mayor Karen Cronin, informed the Council about items that were discussed in the Trans Com meeting held on August 17, 2017.

5a. Board Modification to the 2017-2022 Transportation Improvement Program (TIP) [01:46:28]

Ben Wuthrich, WFRC, informed the Council that WFRC received requests to modify the current 2017-2022 Transportation Improvement Program (TIP). The modification required action from the State Transportation Commission and Trans Com (since the Council was not meeting), but did not require a new air quality conformity analysis or a 30-day public comment period. Mr. Wuthrich briefly reviewed the project and referred members to the packet for more detailed information on the modification. There were no questions.

5b. ACTION: Board Modifications to the 2017-2022 TIP [01:47:10]

Mr. Wuthrich then presented further information regarding other requested modifications to the 2017-2022 Transportation Improvement Program (TIP). WFRC has received requests to modify the current 2017-2022 Transportation Improvement Program (TIP). This modification requires action from the State Transportation Commission and the Regional Council, but does not require a new air quality conformity analysis or a 30-day public comment period. The requested modifications, with the attached resolution, are included in the packet. Mr. Wuthrich referred members to the packet for more detailed information on the modifications. There were no questions.

[01:47:44] Mayor Bill Applegarth moved to approve the resolution to modify the 2017-2022 TIP as requested. Mayor Mark Allen seconded the motion and the voting was unanimous.

5c. ACTION: Approve the 2018-2023 Transportation Improvement Program and Air Quality Conformity Finding [01:48:02]

Mr. Wuthrich continued his report by discussing the draft 2018-2032 Transportation Improvement Program (TIP) and the request to approve and adopt the TIP. A draft 2018-2023 TIP was reviewed by Trans Com in June (as delegated by the Regional Council) and made available for public review. An analysis of the TIP completed by the WFRC staff shows that the 2018-2023 TIP conforms to the state air quality plans. The public comment period extended from July 1 through August 5, 2017. A summary of the comments with respective responses is included.

[01:56:10] Mayor Bill Applegarth moved to adopt the resolution approving the 2018-2023 Transportation Improvement Program (TIP) and the air quality conformity finding. Mayor Derk Timothy seconded the motion and the voting was unanimous.

5d. ACTION: Self-Certification of Planning Process [01:56:27]

Mr. Wuthrich then directed attention to the draft Resolution for the Urban Transportation Planning Process Certification exhibit included in the packet and stated that each year when the Regional Council approves the Transportation Improvement Program, WFRC and UDOT also need to certify that the transportation planning process meets all federal planning requirements. WFRC, UDOT, and UTA staff have worked together to confirm that federal requirements are being met.

[01:57:32] Mayor Bill Applegarth moved that the resolution be approved as requested. Mayor Kelvyn Cullimore seconded the motion and the voting was unanimous.

6. Air Quality Committee Report [01:57:50]

Mayor JoAnn Seghini provided an update on the Air Quality Committee. Mayor Seghini reported that, by all measures, the air quality along the Wasatch Front is improving, but there is still much to be done. The Division of Air Quality is working with WFRC to prepare a new State Implementation Plan to control PM2.5 pollution.

7. Active Transportation Committee Report [01:58:51]

Mayor Bill Applegarth noted the following item regarding the Active Transportation Committee. Governor Herbert announced plans to develop an additional 1,000 miles of family-friendly trails and bikes paths over the next 10 years to provide and promote active connections to school, work, and outdoor recreation in urban and rural communities throughout the state. This goal will make a great impact on our region's active transportation networks.

8. Executive Director's Report [01:59:37]

Andrew Gruber, WFRC, recognized the 20-year service of Ned Hacker, WFRC's Director of Operations and Special Projects. Mr. Gruber also acknowledged two new employees: Alex Roy, a member of the Transportation and Land Use Connection Program team, and Chad Worthen, the Travel Model Development Lead.

9. Other Business [02:01:58]

Wayne Bennion, WFRC, referred to a document in the packet that provides information about the Utah Communications Authority (UCA). During the 2017 legislative session, the UCA Board was restructured and has now designated that each Association of Government appoint a member for a Regional Advisory Committee. Mr. Bennion requested nominations from the Council members, should they know of someone who would serve well in that capacity. Information regarding criteria and an application will be emailed to members next week.

[02:03:08] Mayor Mike Caldwell asked if there were any other items to discuss. With no further business, Mayor Kelvyn Cullimore moved that the meeting be adjourned at 4:07 p.m. Mayor Mark Allen seconded the motion and the voting was unanimous.

Balance Sheet
As of 08-31-17

ASSETS

Cash	\$ 965,649.33		
			\$ 965,649.33
Accounts Receivable	1,142,196.83		
			\$ 1,142,196.83
Prepaid Expense	20,860.09		
			\$ 20,860.09
			\$ 0.00
			\$ 2,128,706.25
			=====

LIABILITIES & FUND BALANCE

Accounts Payable	29,521.83		
Accrued Payroll & Taxes	525.20		
Accrued Vacation/Sick Leave	266,636.00		
			\$ 296,683.03
Total Liabilities			
State and Local	1,297,041.06		
General Fund	2,665.59		
Special Projects Fund	532,316.57		
			\$ 1,832,023.22
Total Fund Balances			
			\$ 2,128,706.25
			=====

Check Register
(A) WELLS FARGO BANK
08-31-17

Check#	Date	Vendor	Amount
10974	08-10-17	COM004 COMFORT SYSTEMS USA	1092.35
10975	08-10-17	CRS001 CRSA	1500.00
10976	08-10-17	FRE001 FREGONESE ASSOCIATES	37653.87
10977	08-10-17	ICM001 ICMA RETIREMENT TRUST	880.15
10978	08-10-17	JIV001 JIVE COMMUNICATIONS INC	571.33
10979	08-10-17	LIN001 LINCOLN NATIONAL LIFE INS	1536.47
10980	08-10-17	PEH001 PEHP FLEX BENEFITS	1524.52
10981	08-10-17	PET001 SCOTT FESTIN	40.96
10982	08-10-17	REP001 REPUBLIC SERVICES #864	331.27
10983	08-10-17	RIV002 RIVERTON CITY	1819.00
10984	08-10-17	RRJ001 RRJ CONSULTING, LLC	2000.00
10985	08-10-17	SAL001 SLC CORPORATION - PUBLIC U	662.10
10986	08-10-17	STA001 STANDARD EXAMINER	151.73
10987	08-10-17	USL001 U S LAWNS	660.00
10988	08-10-17	UTA001 UTAH DEPT OF TRANSPORTATIO	25000.00
10989	08-10-17	UTA003 UTAH LOCAL GOVERNMENT TRUS	3065.26
10990	08-28-17	ADV001 ADVANTAGE UTAH	370.57
10991	08-28-17	AME001 AMERICAN PLANNING ASSOC -	85.00
10992	08-28-17	AMP001 AMPO	6127.46
10993	08-28-17	CIT001 CITILABS, INC.	21483.00
10994	08-28-17	CON001 CONSTRUCTION MONITOR	405.00
10995	08-28-17	ELE001 ELECTRIC LIGHTWAVE	1625.24
10996	08-28-17	ICM001 ICMA RETIREMENT TRUST	21040.99
10997	08-28-17	LIN001 LINCOLN NATIONAL LIFE INS	1914.60
10998	08-28-17	OFF001 OFFICE DEPOT	89.98
10999	08-28-17	OLS002 LES OLSON COMPANY	1650.09
11000	08-28-17	PEH001 PEHP FLEX BENEFITS	1524.52
11001	08-28-17	PEN001 PENNA POWERS	4076.76
11002	08-28-17	PEO001 PEOPLE & PLACE LLC	3500.00
11003	08-28-17	PSC001 PS COMMERCIAL CLEANING	600.00
11004	08-28-17	PUB001 PUBLIC EMPLOYEES HEALTH PR	34871.68
11005	08-28-17	ROC001 ROCKY MOUNTAIN POWER	1513.66
11006	08-28-17	SAL001 SLC CORPORATION - PUBLIC U	710.69
11007	08-28-17	SNE001 SNELL & WILMER LLP	396.00
11008	08-28-17	STA002 STAPLES ADVANTAGE DEPT DAL	1451.78
11009	08-28-17	TYC002 TYCO SIMPLEX GRINNELL	719.50
11010	08-28-17	UNU001 UNUM LIFE INSURANCE CO	323.85
11011	08-28-17	UTA003 UTAH LOCAL GOVERNMENT TRUS	415.66
11012	08-28-17	UTA016 UTAH MEDIA GROUP	361.16
11013	08-28-17	UTA019 UTAH DIV OF PURCHASING AND	7794.76
11014	08-28-17	WSP001 WSP USA, INC	1172.81

Total Of Register

192713.77
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Licensed User: ACCOUNTING DEPARTMENT

Balance Sheet
As of 09-30-17

ASSETS

Cash	\$ 744,882.75		
			\$ 744,882.75
Accounts Receivable	1,180,546.92		
			\$ 1,180,546.92
Prepaid Expense	19,523.86		
			\$ 19,523.86
			\$ 0.00
			\$ 1,944,953.53
			=====

LIABILITIES & FUND BALANCE

Accounts Payable	82,739.18		
Accrued Payroll & Taxes	-0.01		
Accrued Vacation/Sick Leave	275,833.71		
			\$ 358,572.88
Total Liabilities			
State and Local	1,052,146.49		
General Fund	1,917.59		
Special Projects Fund	532,316.57		
			\$ 1,586,380.65
Total Fund Balances			
			\$ 1,944,953.53
			=====

Check Register
(A) WELLS FARGO BANK
09-30-17

Check#	Date	Vendor	Amount
11015	09-13-17	AME001 AMERICAN PLANNING ASSOC -	1000.00
11016	09-13-17	ASS001 ASSOCIATED FIRE PROTECTION	126.70
11017	09-13-17	CIP001 CIPHER TECHNOLOGIES LLC	2725.25
11018	09-13-17	ESR001 ESRI	13221.49
11019	09-13-17	FEH001 FEHR & PEERS	5676.29
11020	09-13-17	FRE001 FREGONESE ASSOCIATES	3340.00
11021	09-13-17	ICM001 ICMA RETIREMENT TRUST	880.15
11022	09-13-17	JIV001 JIVE COMMUNICATIONS INC	571.33
11023	09-13-17	KAR001 KARREN HENDRIX STAGG ALLEN	1500.00
11024	09-13-17	MOU001 MOUNTAINLAND ASSN OF GOVTS	1002.21
11025	09-13-17	NAT002 NATIONAL ASSOC OF REG COUN	4000.00
11026	09-13-17	PAR001 PARAMETRIX	3873.59
11027	09-13-17	PEH001 PEHP FLEX BENEFITS	1524.52
11028	09-13-17	PEN001 PENNA POWERS	1281.79
11029	09-13-17	PSC001 PS COMMERCIAL CLEANING	600.00
11030	09-13-17	REP001 REPUBLIC SERVICES #864	208.11
11031	09-13-17	ROC001 ROCKY MOUNTAIN POWER	1335.09
11032	09-13-17	RRJ001 RRJ CONSULTING, LLC	2000.00
11033	09-13-17	SLI001 SLICCAMA	338.25
11034	09-13-17	STA002 STAPLES ADVANTAGE DEPT DAL	611.59
11035	09-13-17	TER001 TERMINIX	234.00
11036	09-13-17	USL001 U S LAWNS	561.00
11037	09-13-17	VOD001 VODA	4215.00
11038	09-27-17	CAR001 CARR PRINTING COMPANY, INC	60.00
11039	09-27-17	CIV001 CIVIL SOLUTIONS GROUP, INC	7400.00
11040	09-27-17	ELE001 ELECTRIC LIGHTWAVE	1625.22
11041	09-27-17	ICM001 ICMA RETIREMENT TRUST	21388.11
11042	09-27-17	LIN001 LINCOLN NATIONAL LIFE INS	1748.16
11043	09-27-17	MOU001 MOUNTAINLAND ASSN OF GOVTS	3591.06
11044	09-27-17	PEH001 PEHP FLEX BENEFITS	1524.52
11045	09-27-17	PEN001 PENNA POWERS	6160.79
11046	09-27-17	PEO001 PEOPLE & PLACE LLC	6627.50
11047	09-27-17	PET001 SCOTT FESTIN	35.49
11048	09-27-17	PUB001 PUBLIC EMPLOYEES HEALTH PR	34830.27
11049	09-27-17	SAL001 SLC CORPORATION - PUBLIC U	653.02
11050	09-27-17	SNE001 SNELL & WILMER LLP	2948.00
11051	09-27-17	STR001 STRINDBERG & SCHOLNICK, LL	1912.50
11052	09-27-17	TYC001 TYCO INTEGRATED SECURITY L	53.37
11053	09-27-17	UNU001 UNUM LIFE INSURANCE CO	323.85
11054	09-27-17	UTA003 UTAH LOCAL GOVERNMENT TRUS	511.63
11055	09-27-17	UTA019 UTAH DIV OF PURCHASING AND	7453.03

Total Of Register

149672.88
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Licensed User: ACCOUNTING DEPARTMENT

Wasatch Front Regional Council FY 2017
Budget/Expense Report

7/1/2017
6/30/2018

Expenditure by Function

Expenditure	Budget	Expended	Balance	%
	As approved May 25, 2017	9/30/2017	Unspent	Expended
Salaries/Employee Benefits	3,789,224	846,478	2,942,746	22%
Contractual	1,800,876	134,734	1,666,142	7%
Audit and Accounting	16,000	3,162	12,838	20%
Dues and Subscriptions	23,505	14,117	9,388	60%
Equipment Depreciation	30,100	7,038	23,062	23%
Equipment Maintenance	16,100	0	16,100	0%
Insurance	14,000	3,781	10,219	27%
Legal	5,000	6,828	-1,828	137%
Printing & Publication	3,650	1,783	1,867	49%
Rent	250,000	19,011	230,989	8%
Building Operation/R & M	90,000	14,904	75,096	17%
Supplies/Software & Licenses	90,900	29,764	61,136	33%
Telephone/Data	35,300	7,954	27,346	23%
Travel	70,050	14,071	55,979	20%
Training	42,000	16,446	25,554	39%
Equipment Purchase	45,000	748	44,252	2%
Amounts expected to carry forward into next F	23,726	0	23,726	0%
TOTAL EXPENDITURES	6,345,432	1,120,820	5,224,611	18%
Excluding Carry Forward	6,321,706	1,120,820	5,200,885	18%
% Time Expended				25%

Expenditure by Program

Program	Budget	Expended	Balance	%
	As approved May 25, 2017	9/30/2017	Unspent	Expended
Consolidated Transportation Planning Grant	3,941,100	832,772	3,108,328	21%
UTA Project Support	96,557	19,813	76,744	21%
Tooele Valley RPO	10,000	3,162	6,838	32%
Local Government Service	104,259	1,537	102,722	1%
SL Corridor Preservation	25,000	0	25,000	0%
Salt Lake County COG	73,015	0	73,015	0%
Community Impact Board \$2K	2,000	0	2,000	0%
Mobility Management	10,000	73	9,927	1%
Economic Development	140,000	31,590	108,410	23%
CDBG - Tooele	50,000	8,896	41,104	18%
Transportation and Land Use Connection	1,601,500	197,989	1,403,511	12%
WC2050 Consortium	50,000	0	50,000	0%
Utah State Legislative Consultant	50,000	6,000	44,000	12%
Model Development	147,000	18,240	128,760	12%
Equipment Purchases	45,000	748	44,252	2%
TOTAL EXPENDITURES	6,345,432	1,120,820	5,224,612	18%

Footnotes to the Budget/Expense Report

September 2017

In this report 25% of the fiscal year (time) has passed. Of the total amount budgeted for the year 18% was expended through the end of September 2017. The budget in this report is the budget that was approved on May 25, 2017 but excludes fiscal year end entries to the fund balance. At the fund level the Council records expenditures for equipment purchases and bank fees. The Council records revenue when depreciation is charged to the programs as rent and equipment usage fees and when interest is earned on funds not immediately needed for operations. At the end of the fiscal year the net effect of those transactions represent a change to the fund balance.

This information contained in this report is useful in that it shows rates of expenditure by line item and by program and allows the Council and staff to analyze rates of expenditure and progress of the various programs and address any areas of concern. It is not unusual for budget spent versus time to show variations. Some expenses such as association dues and software licenses are paid at the beginning of the fiscal year causing the percentage of budget spent versus time expended to go up. However, as the year progresses that percentage drops and the line item and program will finish the year within budget.

In this report Legal expense is shown as exceeding the budget. This is due to legal expenses for 1) the review of WFRC personnel policies and 2) legal review associated with the sale of the current office building and lease on the new office space that were budgeted in FY17 but were not expended prior to the end of that fiscal year. The work is ongoing and a budget amendment will be presented to the Council at its October 26, 2017 meeting that will move the budgeted funds from FY17 to FY18.

Variances in the rate of expenditure by program are considered normal and include some programs that are expected to carry forward into the next fiscal year.

DATE: October 19, 2017
AGENDA ITEM: 2a
SUBJECT: Morgan County - Ogden Valley Rural Planning Organization
PREPARED BY: Wayne Bennion

BACKGROUND:

In September 2017 Morgan City, Huntsville Township, Morgan County, Weber County and WFRC signed an interlocal agreement establishing the Morgan County – Ogden Valley Rural Planning Organization (RPO) in order to cooperatively plan transportation system improvements and priorities. UDOT is initially providing most of the funding for the work by WFRC staff to assist these local jurisdictions in developing plans and priorities.

Councilman John Barber, Morgan County, will share information about the RPO and the area it is intended to serve.

RECOMMENDATION:

This item is for information only.

CONTACT PERSON:

Wayne Bennion (801) 363-4250 x1112

DATE: October 26, 2017
AGENDA ITEM: 2b
SUBJECT: Transportation Governance and Funding Task Force
PREPARED BY: Muriel Xochimitl

BACKGROUND:

The [Transportation Governance and Funding Task Force](#) was created by [Senate Bill 174](#) during the 2017 State Legislative Session. The Task Force represents an opportunity to build on Utah's success in collaborative transportation planning. The Task Force is evaluating best practices for integrating transportation and land use decisions to promote economic development and enhance overall quality of life.

The Task Force is co-chaired by WFRC Member and Interim Transportation Committee Co-Chair Representative Mike Schultz, as well as Taylorsville City Economic Development Director and Interim Transportation Committee member Senator Wayne Harper. WFRC Chair and Ogden City Mayor Mike Caldwell serves on the Task Force as WFRC's appointee. Several other WFRC members also serve on the task force, including Salt Lake City Mayor Jackie Biskupski, Salt Lake County Mayor Ben McAdams, Davis County Commissioner Bret Millburn, and Envision Utah President/CEO Robert Grow.

The Task Force and its respective working groups have met several times this year and will continue to meet through November. **The next Task Force meeting is scheduled for Monday, October 23 at 8:00am.**

The working groups have provided preliminary recommendations to the Task Force for their consideration. The Funding Working Group's top recommendation is to maintain and enhance the state's commitment to transportation infrastructure investment while increasing flexibility in the use of those funds. [Here](#) is their list of preliminary recommendations.

The Economic Development and Land Use Working Group's recommendations include an enhanced focus on integrating transportation investment, land use decisions, and economic development considerations. [Here](#) is their list of preliminary recommendations.

The Governance Working Group is looking into whether there should be a greater role for the state in funding and delivering transit projects. [Here](#) are the three conceptual models of governance changes they submitted to the Task Force.

It is anticipated that the Legislature will consider potential legislation that incorporates elements of the Task Force recommendations. The 2018 Utah State Legislative Session will start on Monday, January 22nd and will end on Thursday, March 8th.

During the legislative session, **informal weekly meetings** will be held in which members of the Wasatch Front Regional Council, its committees, and friends are welcome to attend. These meetings will be held in the **Aspen Room of the Senate building on Thursdays from 8:00am-9:30am**. The meetings will provide a forum to discuss policy issues and bills being considered by the Legislature that are of interest to WFRC members. Staff will report on bills related to transportation funding and policy, land use, air quality, and other related topics.

RECOMMENDATION: This item is for information only.

CONTACT PERSON: Andrew Gruber, 801-824-0055, agruber@wfrf.org

DATE: October 19, 2017
AGENDA ITEM: 2c
SUBJECT: Reminder - WFRC Programs for Local Governments
PREPARED BY: Wayne Bennion

BACKGROUND:

The Wasatch Front Regional Council administers six programs that provide resources for local governments. These programs include:

- Surface Transportation Program (STP)
- Congestion Mitigation-Air Quality (CMAQ)
- Transportation Alternatives Program (TAP)
- Transportation and Land Use Connection (TLC)
- Community Development Block Grant (CDBG)
- Wasatch Front Economic Development District (WFEDD)

Please note that letters of intent for the STP, CMAQ, TAP, and TLC programs are due October 30, 2017. WFRC will award approximately \$35 million in funding and technical assistance to recipients.

RECOMMENDATION:

This is an information item only.

CONTACT PERSON:

Wayne Bennion (801) 363-4230, ext. 1112

DATE: October 26, 2017
AGENDA ITEM: 4a
SUBJECT: ACTION: Approve WFRC Personnel Policy
PREPARED BY: Loveit Baumgardner

BACKGROUND:

As part of our goal of promoting organizational excellence WFRC does periodic, proactive review of all our internal policies to ensure full compliance with applicable laws, regulations, and best practices.

The Council revised its Articles of Association and Bylaws in January 2014. In October 2015, the Council adopted updated Accounting and Administrative Policy. During this last year we have been reviewing our personnel policies.

Personnel policies compilation, updating, and legal review.

Over the course of many years the Council has adopted various personnel policy elements. WFRC staff compiled all of those individual policies into one policy document. We then did some technical cleanup that included organizing the policies into chapters, formatting, clarifying with examples, and updating various benefits providers. We also drafted some new policies that were (1) required by law such as the Family Medical Leave Act (FMLA) and the Fair Labor Standards Act and (2) recommended as best practice by the Office of the Legislative Auditor General for the State of Utah. The entire policy was then reviewed by outside legal counsel, who recommended some clarifications to our existing discipline and appeals process, non-harassment policy, and civil rights policy to ensure compliance with laws and regulations as well as a few other minor adjustments and clarifications. WFRC staff was also given the opportunity to review and comment on the draft policy.

Proposed modifications to benefits. This updated policy also proposes two benefit modifications:

(1) The Funeral Leave policy is modified to allow for “compassionate leave”. Compassionate leave is defined as paid time off for an employee to attend to an immediate family member in the case of grave illness *in lieu of* funeral leave. Compassionate leave has the same five-day limitation as funeral leave. If an employee uses only a portion of the allowed time they may use the remainder upon death of the family member as long as the total does not exceed five days.

(2) WFRC’s current policy provides employees with a benefit of receiving 2/3 pay for employees who experience a qualifying “short-term disability” (including maternity, surgical or medical recovery). However, there is a two-week waiting period before an employee is eligible for benefits, i.e., there is no benefit for the first two weeks of their “disability.” We are proposing to provide a new benefit of up to 80 hours (i.e., two weeks) at 2/3 pay for any FMLA-qualifying event. This benefit enhancement will provide a modest income for that waiting period as well as provide a small benefit for employees who would not otherwise be entitled to short-term disability (e.g. paternity leave and FMLA-qualifying care for sick children or elderly parents). This modest benefit enhancement will help WFRC offer a competitive benefits package to attract and retain talented employees.

RECOMMENDATION AND MOTION: The WFRC Budget Committee recommends that the Council take action “to approve the WFRC Personnel Policy as presented”.

EXHIBIT: Draft Personnel Policy

CONTACT INFORMATION: Loveit Baumgardner, (801) 363-4230 x 1102

WASATCH FRONT REGIONAL COUNCIL
PERSONNEL POLICY

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INTRODUCTION

The Personnel Practices of the Wasatch Front Regional Council (WFRC) are intended to:

- Establish and maintain personnel practices in regard to recruitment, classification, changes in employee status, placement, and employee benefits;
- Establish and maintain timekeeping and payroll practices; and
- Assist in planning for the personnel requirements of existing and future WFRC programs.

All personnel matters are a basic responsibility of the WFRC Executive Director, subject to this Policy and any other policies adopted by WFRC, and subject to the annual WFRC Budget and Unified Planning Work Program.

WFRC is committed to the principles of equal employment opportunity. It is WFRC's policy to hire qualified applicants, and with respect to all employment decisions to treat employees without regard to race, creed, color, religion, sex, age (if over 40 years of age), national origin, disability, sexual orientation, or gender identity.

CHAPTER I CLASSIFICATION PLAN

Section 1 – Position Classification

The classification plan comprises a list of classes supported by written specifications outlining the parameters of each class. A class shall comprise one or more positions that are nearly alike concerning the essential character of their duties and responsibilities in order that the same pay scale, title and qualification requirements can be applied and that the positions can be fairly and equitably treated under similar conditions.

Approved classifications will constitute official titles and pay ranges for all positions in the respective departments and shall be used in all relevant personnel records and forms. Employees may be classified as regular or temporary and full-time or part-time. The definition for full time regular, part-time regular, seasonal and temporary project employees is as follows:

Full-time Regular Employee--An employee who regularly works at his/her assigned duties for forty (40) hours or more a week is considered a full-time regular employee. Full-time regular employees are eligible for benefits as set forth in the personnel policies and procedures.

Part-time Regular Employee--An employee who regularly works at his/her assigned duties for less than forty (40) hours a week is considered part-time. Part-time regular employees are eligible for pro-rated benefits based on hours worked in a month or as specified by the benefits provider. To be eligible for the Utah State Retirement pension and the Group Health and Dental Insurance, an employee must average a minimum of 20 hours per week. To be eligible for disability and life insurance, the employee must work a minimum of 30 hours per week. Vacation, sick leave and holiday pay are calculated as a percentage of hours worked/full-time hours available in the month (e.g. If there are 172 full-time hours in a month and the employee works 86 hours, the percentage applied to leave is $86/172$ or 50%).

Seasonal or Temporary Employee--Seasonal and temporary appointments are made to carry out necessary seasonal or temporary work. Employees in this category may work full or part-time as may be required. Employment for seasonal and temporary employees is terminated no later than upon completion of the assignment for which the employee was hired. The employee will be told the anticipated ending date of seasonal or temporary employment. Seasonal and temporary employees may or may not be entitled to benefits dependent upon hours worked and length of the assignment.

Individuals employed through temporary employment agencies are employees of the temporary employment agency and not employees of WFRC.

No employee shall be appointed or promoted to any position until the position has been properly classified.

No salaries will be approved unless they conform to the approved classification and compensation plans.

Section 2 – Job Descriptions

A written description of duties, responsibilities, qualifications, skills, and knowledge will be maintained for each position.

Job descriptions will be used by the WFRC Executive Director for determining whether an applicant or employee meets the minimum requirements for a particular class of position. Job descriptions will be used by supervisory personnel as tools to orient new employees to their duties and responsibilities. They will also be used as a basis for performance evaluation of employees.

Job descriptions will be used to determine grade and salary levels as outlined in the compensation plan.

CHAPTER II COMPENSATION PLAN

Each fiscal year the Council approves an overall compensation budget for WFRC staff. Within that budget the Executive Director may allocate portions for cost of living adjustments, performance-based merit increases, performance awards, and promotions.

Section 1 – Salary Determination

The WFRC Council shall establish a salary schedule with pay grades for all positions and job titles based on a classification system and job descriptions. Salaries will be determined using the salary schedule for each position. WFRC shall conduct salary surveys on a periodic basis to keep the salary schedule and ranges for each position in line with comparable positions in other similar agencies or industries. The results of these surveys shall be used to update the salary ranges for all positions.

At the time of initial appointment of a new employee, a job description, pay grade, and corresponding salary range will be determined for the position. The employee must be paid within the established range for the specific position.

Performance-based merit increases may be awarded to individual employees on the basis of performance evaluation scores. At the beginning of each fiscal year, the employee and the employee’s Area Coordinator (AC) will agree on a performance plan that includes weighted performance factors. Performance standards for employees will be commensurate with their level of experience and pay grade. At the end of each fiscal year, each non-probationary employee will be evaluated by the employee’s AC and the employee will receive an overall score for their performance. The AC will discuss the review with the employee and both the employee and the AC will sign the performance evaluation. An employee may request a review with the Executive Director and the Area Coordinator of their performance evaluation within 30 days of the signed initial evaluation.

Performance will be scored on a scale of 0 to 5 with 3 being the level of minimal acceptable performance. Performance will be compensated according to the following schedule where “M” equals the merit allocation percentage as determined by the Executive Director within the Council-approved budget:

Performance Score	0.00 – 2.99	3.00 – 3.99	4.00 – 5.00
Base Rate Increase	0.0%	.5M	M

Performance-based salary increases are independent of any cost of living adjustments (COLA).

Employees performing below the minimal performance standard are not eligible for a performance-based rate increase. Employees receiving sub-standard performance evaluations are subject to disciplinary actions up to and including termination.

Section 2 – Cost of Living Increases

The Executive Director may allocate a percentage of approved salary increases as a cost of living increase for all employees. When cost of living increases are approved, salary ranges will be adjusted upward using the same percentage as the cost of living increase. Cost of living adjustments may only be awarded to all employees with six or more months of service.

Section 3 – Salary Adjustments

In the case of employees promoted or reassigned to a new position, if the employee's salary is lower than the minimum prescribed for the position, the salary will be increased automatically to the minimum of the new salary range. The employee may receive a salary increase in addition to the promotion even if their pre-promotion salary falls within their new pay range.

Upon reclassification of a position, the incumbent employee will be paid the same salary that he/she received prior to the reclassification if such salary coincides with the salary range of the class to which he/she is reclassified. If such salary does not coincide with the salary range of the class to which he/she is reclassified, his/her salary shall not be lowered.

Certain employees may be designated as Area Coordinators and as a result may receive additional special compensation for duties specific to that position. If the Area Coordinator designation is ended the special compensation shall also end.

Section 4 – Performance Awards

The WFRC recognizes an effective employee awards system is an important element of quality management. The WFRC Performance Awards System is designed to recognize and reward high performance and significant contributions to the WFRC Work Program tasks.

The source of funds for the WFRC Awards System is the annual employee compensation budget approved by the Council. Performance awards are discretionary, are determined by the Executive Director, and are subject to available funding and may not cause the expenditures on compensation to exceed the approved budget.

The System consists of three elements:

Performance Awards - Employees that consistently exceed performance standards or who take on and complete extra work will be eligible for a performance award. Two types of Performance Awards are available. The first is a one-time cash award of up to \$2000. The second is a Quality Increase (QI), which is a permanent increase in regular pay. A QI may be used to adjust salaries of long-term employees who have consistently exceeded performance standards but whose salaries do not reflect current market conditions. These awards are in addition to the annual salary increases provided for in Section 1.

Performance Awards will be based on Employee Performance Plans and Evaluations and on recommendations from Area Coordinators. The Executive Director may consider employees for Performance Awards for taking on added responsibilities, for taking the initiative to identify new projects for the WFRC to be involved in and the resources to complete these projects, and for other significant work efforts deemed worthy of an award.

Special Act Awards - The Special Act Award recognizes individual or team achievements that contribute significantly to the WFRC mission and goals or that increase Work Program efficiency and effectiveness. These one-time cash awards can range up to \$500.

Peer Award - The WFRC Peer Award is designed to allow an employee (or group of employees) to recognize another employee (employee-to-employee) in the office for "individual excellence." The Peer Award criteria include performance or service that excels, achievements in promoting teamwork, and recognition of a professional accomplishment or training/education milestone.

The initiator (employee) of the award develops a brief narrative justification for the award and submits the recommendation to the Executive Director and Area Coordinator(s) for review; the Executive Director may approve or modify the award. Employees may receive two Peer awards per year. The Peer award is a \$100 cash award.

Section 5 – Payroll

Pay periods are from the first (1st) to the fifteenth (15th) and from the sixteenth (16th) to the last day of the month. Employees are paid by direct deposit on the last working day of the pay period.

Section 6 – Time Records

All employees will turn in time records using the appropriate form to their Area Coordinators on the first working day of the new month. Area Coordinators will compare time records against Unified Planning Work Program work assignments, sign the time sheet indicating that it has been reviewed and forward time records to the Accounting office by the third working day of the month. Hourly employees will make their time records available to the Accounting office when requested, and a final time sheet will be submitted to their Area Coordinator on the first working day of the new month. Each employee must sign his/her time sheet. Employees will ensure that time reports are correct to the closest 15 minutes. Employees must be pre-approved to work any overtime if they are non-exempt employees.

CHAPTER III RECRUITMENT AND APPOINTMENT

Section 1 – Recruitment

When a position needs to be filled, the Executive Director may promote or hire from within the existing staff and/or publicize the position in a widely distributed or used media to ensure broad exposure to the public. Any WFRC employee may apply for any posted position.

Minimum requirements as outlined on the position job description will be the basis for recruiting, examining, and retaining all personnel.

Section 2 – Evaluation

When evaluating candidates (external or internal) for hire WFRC will use appropriate methods to determine the employee's suitability for the position. These methods may include verbal or written examinations and inquiry of former employers or other references. All candidates are evaluated on an open and competitive basis.

Section 3 – Appointment

The Executive Director will make the determination for employment based on the results of the evaluation process.

The employee will participate in a six (6) month probationary period, beginning on their first day of employment, to determine his/her abilities and values to the WFRC. During the probationary period, the employee will be closely monitored for adequacy of knowledge, skills, and ability to work effectively within the agency. The probationary period may be extended for up to an additional six (6) month period upon written notice given to the employee that includes the reason(s) for the extension. At the completion of the probation, the Executive Director will determine whether the employee will continue in the position. Probationary employees are at-will employees and not subject to the same rights and processes of regular employees.

Employees shall be designated full-time regular, part-time regular, seasonal, or temporary project.

CHAPTER IV

WORK STANDARDS AND HOURS

Section 1 – Working Hours and Rest Periods

Normal working hours are from 8:30 a.m. to 5:00 p.m., Monday through Friday, including unpaid one-half (1/2) hour for lunch.

The Executive Director may set other hours of work if such hours are deemed necessary or desirable that may include flex-time, compressed work week, or telecommuting. In order to be considered for flex-time, compressed work week, or telecommuting the employee must be able to demonstrate that the alternative work schedule will not adversely affect the employee's ability to complete the work or coordinate with other staff when needed. In the interest of equity and uniformity, hours shall total 40 hours a week for full time employees. (Temporary and part-time employees may have standard hours of fewer than forty (40)).

A minimum of ½ hour unpaid lunch break will be allowed to be taken each work day. Each employee is entitled to two paid fifteen-minute rest periods per day. Rest periods may be taken during the lunch period, thus increasing the lunch period to one hour. However, if this is done, additional rest periods shall not be taken at other times of the day.

Rest periods will be taken at such times as will not hinder the progress of the work of the agency.

Section 2 – Tardiness

An employee's workday begins at the exact starting time of his/her shift; therefore tardiness is not permissible and is grounds for disciplinary action. At the discretion of the supervisor, tardiness may be made up, preferable on the day on which the tardiness occurred. Tardiness must be made up during the week in which it occurs.

Supervisors will ensure that time reports are correct to the closest fifteen (15) minutes.

Section 3 – Reporting Absences

Employees should report absence to their Area Coordinator before the beginning of their regularly scheduled day and in no instance later than two hours after the beginning of their regularly scheduled day. Failure to report within this period can be considered justification for disallowing health care or vacation leave for that day. Unless otherwise determined by the Area Coordinator, employees are expected to call, text or email their Area Coordinator on each day of absence.

Section 4 – Overtime

Overtime will be paid to all non-exempt employees as defined by the Fair Labor Standards Act at the rate of one and one-half times their normal hourly rate for time worked in excess of forty (40) hours in any one week, which shall run from mid-day Friday to mid-day Friday the following week. Overtime should

be authorized in advance by the employee's Area Coordinator. Employees who work overtime without advance authorization may be subject to disciplinary action up to and including termination for repeat offenses.

Section 5 – Holidays

The following holidays shall be observed by the Council and shall be granted to all regular, full-time employees with pay, and to regular, part-time employees with hours pro-rated based on hours worked (e.g., if there are 172 full-time hours in a month and the employee works 86 hours, the percentage applied to leave is 86/172 or 50%).

- New Year's Day (January 1)
- Martin Luther King Day (3rd Monday in January)
- President's Day (3rd Monday in February)
- Memorial Day (Last Monday in May)
- Independence Day (July 4)
- Pioneer Day (July 24)
- Labor Day (First Monday in September)
- Thanksgiving Day (4th Thursday in November)
- Christmas Day (December 25)
- 3 Personal Holidays – (as requested by employee)

Additional legal holidays, when designated by the Governor of Utah or the President of the United States, shall also be recognized for Council employees.

Section 6 – Outside Employment

Outside employment is permitted, subject to Executive Director review, only if it does not represent a conflict of interest, does not conflict with WFRC work schedules, does not interfere with employee's performance in service to WFRC, and does not utilize WFRC resources or assets.

Section 7 – Political Activity by Employees

The Wasatch Front Regional Council is a voluntary association of local governments providing services to members. To maintain this service function, WFRC must remain non-partisan. Certain forms of political activity on the part of employees would threaten the non-partisan status of the WFRC. Employees must, as a condition of employment, understand and agree to refrain from political activity of this nature during work hours or while representing WFRC, and may never utilize work assets (e.g., computers, email) for partisan political activity. Political activity by an employee that violates this section may be subject to discipline, up to and including termination. Employees who engage in political activity outside of work must never hold themselves out as acting on behalf of WFRC. (The Hatch Act will apply.)

Section 8 – Drug Free Workplace Policy

It is the policy of WFRC to provide a drug free, healthy, and safe work environment. The unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on the premises. The term “controlled substance” is defined in Schedules I through V of Section 202 of the Controlled Substance Act. A copy is available from the Accounting Office.

The presence of any detectable amount of any controlled substance on WFRC premises or in the possession of any employee while performing any business for WFRC is prohibited and is in violation of this policy and may result in disciplinary action up to and including termination.

Employees are required by federal law (Drug Free Workplace Act, 1988) to notify the Executive Director of any criminal drug statute conviction for a violation occurring in the workplace no later than 5 business days after such conviction. As a condition of employment, all WFRC employees are required to sign an agreement acknowledging that they received a copy of this policy and agree to abide by all terms of this policy.

Section 9 – Equal Employment Opportunity and Discrimination Prevention

Equal Employment Opportunity Policy

WFRC is an equal employment opportunity employer. WFRC prohibits any discrimination based on race, color, creed, sex, sexual orientation, gender identity, religion, disability, age, national origin, veteran status, genetic information and any other characteristic protected by applicable law. Discrimination is prohibited throughout all phases of your employment, including being interviewed, hired, promoted, compensated, bonuses, benefits, hours of work, issuance of discipline, promotion, transfer, work assignments, and termination.

WFRC prohibits retaliation against anyone for reporting or participating in an investigation of prohibited discrimination or harassment. WFRC’s policy is to investigate any complaints of unlawful discrimination and to take any necessary corrective action, up to and including termination, against employees who harass, embarrass, or retaliate in any respect against one who has made a complaint regarding unlawful discrimination or harassment.

These policies apply to all applicants and employees, and prohibit harassment, discrimination and retaliation whether engaged in by fellow employees, by a supervisor or manager or by someone not directly connected to WFRC (*e.g.*, an outside vendor, consultant or customer). Conduct prohibited by these policies is unacceptable in the workplace and in any work-related setting outside the worksite, such as during business trips, business meetings and business-related social events.

Sexual Harassment

As set forth in WFRC’s Equal Employment Opportunity Policy, WFRC prohibits any form of harassment in the workplace, including sexual harassment. Sexual harassment is generally

defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature, where:

- Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment;
- Submission to or rejection of such conduct by an individual issued as the basis for employment decisions affecting such individual; or
- Such conduct has the purpose of interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Sexual harassment may include a wide variety of behaviors and occurs on various levels, including harassment perpetrated by or against supervisors, co-employees, customers, and any business invitees or guests. Sexual harassment can occur by and between individuals of the opposite or same sex, and may be perpetrated by both males and females. Examples of conduct that may constitute sexual harassment include, but are not limited to, the following:

- Unwelcome physical contact of a sexually suggestive nature such as patting, pinching, unnecessary touching, or brushing against another's body.
- Overt or implied threats against an individual to induce him or her to perform sexual favors or to engage in an unwelcome sexual relationship.
- Verbal harassment or abuse of a sexual nature including hints of a desire for sexual relations, explicit sexual propositions, sexual innuendos, sexually suggestive jokes, jokes about gender-specific traits, or foul or obscene language or gestures to or in front of a person who finds them offensive.
- Use of sexually suggestive terms or gestures to describe a person's body, clothing, or sexual activity.
- Displaying, forwarding, or posting in the workplace any printed or visual material (including material on computer monitors and e-mails) which is foul, obscene, or otherwise contains sexually suggestive pictures, videos, or jokes.
- Gender stereotyping. For example: making jokes or derogatory comments about individuals who do not conform to prevailing standards of masculinity or femininity, or who otherwise express their gender differently from prevailing societal standards for their biological sex.
- Offensive remarks including unwelcome comments about appearance.
- Leering or staring at a person's body.
- Questions about a person's sexual activity.

Other forms of Discrimination and Harassment

As set forth in WFRC's Equal Employment Opportunity Policy, discrimination and harassment in the workplace is not limited to sexual harassment. Discrimination and harassment may take many different forms, all of which are prohibited by WFRC. The conduct may include, but is not limited to:

- Verbal harassment, innuendos, suggestive jokes, racial or ethnic slurs or epithets, or offensive language or gestures about an individual's race, religion, disability, age, gender (even if it is not sexual), sexual orientation, or gender identity.

- Displaying, forwarding, or posting in the workplace any printed or visual material (including material on computer monitors and e-mails) about an individual's race, religion, age, gender, sexual orientation, gender identity, or disability which is obscene or offensive or might be viewed as such by other individuals.

Procedure for Reporting Harassment and Discrimination

All employees of WFRC are responsible for helping to enforce this policy against harassment/discrimination. While it is expected that all employees will act responsibly to establish a pleasant and respectful work environment, any employee who feels he or she has been subjected to any form of discrimination or harassment should advise the offending individual that the conduct should be stopped. While addressing the issue with the offending individual may often bring a quick resolution to a complaint, employees are not required to confront the offending individual before reporting concerns to a supervisor or Administration.

WFRC cannot help you if you do not take the steps necessary to inform WFRC of the issue.

Any employee who feels that he or she has been subjected to harassment or discrimination should immediately report the incident to his or her immediate supervisor. Any employee who learns about or observes conduct which he or she feels constitutes harassment or discrimination should immediately report the incident to his or her immediate supervisor. If reporting an incident to an immediate supervisor would make any employee uncomfortable, or if the employee's immediate supervisor is the individual whom the employee believes is engaging in the offending conduct, the employee should report the incident to a manager or Administration.

Any supervisor (or other employee) who receives a report of, information concerning, or otherwise observes conduct which may constitute harassment or discrimination should immediately report the same to a manager or Administration regardless of whether or not the supervisor believes the incident or conduct involved constitutes harassment or discrimination. The manager should immediately report the incident to Administration. Any supervisor who fails to report any such incident or conduct to a manager or Administration may be subject to disciplinary action as set forth in this policy, up to and including termination.

In reporting alleged harassment or discrimination, the employee must provide such information as is necessary for WFRC to promptly investigate and remedy the alleged harassment or discrimination. WFRC will endeavor to investigate each complaint of harassment and discrimination and take appropriate action as warranted by each situation, including possible disciplinary steps or termination.

WFRC will not tolerate retaliation or adverse employment action against any individual who reports any alleged incident of or participates in the investigation of harassment or discrimination and will take corrective action, up to and including termination, against any individual who harasses, embarrasses, demeans, or retaliates in any respect against any individual who reports or participates in the investigation of any alleged incident of harassment or discrimination.

Americans with Disabilities Act

It is WFRC's intent to fully comply with the Americans with Disabilities Act and thus to provide reasonable accommodations to allow qualified people with disabilities to apply for and perform their jobs. If you have a disability that affects your job performance, let your manager know as soon as possible. We will then discuss with you the reasonable accommodations we may be able to provide to enable you to perform the essential functions of your job. If you become unable to perform your essential job functions, even with reasonable accommodation, we will assist you in identifying other jobs that may become available and for which you may be otherwise qualified. As with other aspects of WFRC's Equal Employment Opportunity Policy, you should report any harassment or discrimination based on disability through the policy reporting procedures.

Section 10 – Acceptable Use Policy for Information Technology Resources

The purpose of the information technology resources (e.g. E-Mail, Voice Mail, Computer Equipment, Facsimile, the Internet) provided by WFRC is to assist staff in achieving the mission and goals of WFRC. Effective use of these resources is of primary concern. Incidental and occasional personal use is permitted, as long as such use occurs on the employee's personal time and does not violate existing rules and policies, involve a for-profit personal activity, involve lewd or distasteful activities which may create a hostile environment for other employees, involve illegal activities, or have the potential to harm WFRC. Any costs incurred for personal use must be reimbursed to WFRC.

Privacy and Confidentiality Implications

WFRC is committed to respecting the rights of its employees, including a reasonable expectation of privacy, however, it is also responsible for servicing and protecting its electronic communication networks. WFRC has the right to access and disclose the contents of electronic files, as required for legal, audit or legitimate operational or management purposes. There is **NO** guarantee of privacy or confidentiality and it is therefore recommended that employees do not store or transmit personal information on WFRC equipment. E-mail or other electronic files may be accessible through the discovery process in the event of litigation. Each of these technologies create a 'record' and may be subject to judicial use or a Governmental Records Access Management Act (GRAMA) request for information.

Responsibilities for employees

1. Access only files or data that are your own, that are publicly available or to which you have been given authorized access.
2. Use resources efficiently and productively. Refrain from monopolizing systems, overloading networks with excessive data, playing games or wasting supplies.
3. Keep passwords confidential and change them from time to time.
4. Use of virus detection software is required on all WFRC equipment and all disks, drives, and files brought in from outside sources should be scanned.
5. Adhere to copyright law regarding use of software.

6. DO NOT distribute offensive, abusive or harassing statements, emails, jokes, or the like which disparage others based on race, national origin, sex, age, disability, sexual orientation, or political or religious beliefs. DO NOT distribute incendiary statements which might incite violence or promote the use of weapons or devices associated with terrorist activities. DO NOT view or distribute or solicit sexually oriented messages or images. DO NOT distribute any materials in violation of federal, state or local law.

Unacceptable Use of Information Resources

- Illegal use.
- Religious or partisan political lobbying.
- Copyright infringement.
- Unnecessary use of resources.
- Viewing, distributing or soliciting sexually oriented material.
- Security violations, accessing records or data that you are not authorized to access.
- Knowingly or inadvertently spreading computer viruses.
- Distributing junk mail such as advertisements, chain letters or unauthorized solicitations.
- Unauthorized distribution of confidential information.

Section 11 – Ethics

WFRC employees are expected to maintain high standards of personal and professional integrity, truthfulness, and honesty. WFRC employees are subject to the provisions of Title 67, Chapter 16, Utah Public Officers' and Employees' Ethics Act. WFRC employees must not engage in any behavior on behalf of or while representing WFRC that is considered fraudulent, wasteful or abusive. The following are examples of prohibited behavior:

- Improper disclosure of private, protected or controlled information.
- Use of official position to secure special compensation, gifts (valued over \$50) or privileges.
- Engagement in other employment that would impair independence or good judgement in the performance of his/her duties.
- Engagement in any activity which is, or appears to be, in conflict with his/her public duties.
- Failure to comply with public disclosure and transparency regulations.
- Destruction or obfuscation of public records and information.

Employees are encouraged to report any violations or suspected violations to anyone in management, the Chair of WFRC, or the Council's independent external auditor. Reports may be made anonymously if warranted. No adverse action will be taken against an employee who makes such a report in good faith.

Violation of this policy is subject to disciplinary action up to and including termination.

CHAPTER V LEAVE

Leave is an authorized absence during regularly scheduled work hours. Leave may be authorized by the Executive Director with or without pay. An employee who is absent without permission is considered unauthorized absence, and shall be subject to disciplinary action up to and including dismissal. The Executive Director or Area Coordinators shall approve all leave requests except their own; Executive Director leave requests will be reviewed by the WFRC Chair or, in the absence of the Chair, the Vice-Chair.

Section 1 – Vacation Leave

Employees earn vacation for each full calendar month of employment. The amount earned is based on years of service as follows:

- 1 – 5 years – 8 hours per month or 96 hours per year
- 6 – 10 years – 10 hours per month or 120 hours per year
- 11 -15 years – 12 hours per month or 144 hours per year
- 16 years and over – 13.33 hours per month or 160 hours per year

Regular part-time employees earn vacation pro-rated based on hours worked (e.g., an employee who works 24 hours per week would earn vacation at the rate of 60% of the schedule shown above). No vacation accrual is made for unpaid time.

Employees of WFRC may carry forward into the next calendar year accrued vacation leave up to a maximum of 40 days or 320 hours. Once an employee has reached the maximum accrual, no further monthly accrual will be made until the employee has taken vacation leave. Vacation leave lost as a result of the employee reaching the maximum accrual may not be recovered in subsequent months regardless of the number of vacation hours used later in the year. For example: if an employee has an accrued vacation balance of 315 hours at the end of the month and during the subsequent month does not use any vacation and would normally accrue an additional 8 hours, in this instance they would only accrue 5 hours that subsequent month bringing them to the maximum accrual of 320 hours. If that same employee uses 40 hours the following month, they would only accrue 8 hours and the 3 hours lost as a result of reaching the maximum accrual would not be recovered at the later date.

Upon termination of employment an employee shall be paid for the unused portion of his/her accumulated vacation leave up to 40 days, provided he/she has completed six consecutive months of service and has terminated without cause.

No employee may be allowed vacation leave with pay for any period of time beyond, or in advance of, time already accrued.

Taking any vacation leave without authorization may be reason for disciplinary action.

Section 2 –Sick Leave

Sick leave may be used when employee, employee's spouse, employee's child, or employee's parent are incapacitated by sickness or injury; for medical, dental, or optional diagnosis or treatment; to avoid

exposure to a contagious disease when the attendance at duty jeopardizes the health of others; for well care health screenings or examinations, and fitness related activity by the employee. False or fraudulent use of health care leave shall be cause for disciplinary action and may result in dismissal. Reasonable limits may be imposed by the Executive Director.

All employees holding full-time and permanent positions accumulate sick leave at the rate of one day per month. Regular part-time employees accumulate sick leave pro-rated based on hours worked.

1. Employees are allowed to convert unused sick leave to paid health insurance benefits or cash payments upon termination of employment.
2. At the end of each fiscal year any amount of sick leave over 80 hours will be paid to the employee. The employee may contribute this to a deferred savings plan or be paid in cash for the unused leave over 80 hours.
3. A doctor's certificate may be required for sick leave in excess of three working days.
4. Sick leave must be reported by the employee at the same time sick leave is needed.
5. Except as herein provided, all employees will be able to convert twenty-five (25) percent of the unused sick leave accumulated during the previous twelve (12) month period into vacation. The remaining seventy-five (75) percent of the unused sick leave accumulated during the previous twelve (12) month period will be carried over for use in the next year, if needed. In calculating the unused sick leave under this section, any sick leave used will be considered as coming from the current twelve (12) month period and not from accrued sick leave.

Section 3 – Family Medical Leave (FMLA leave)

1. WFRC employees who have been employed by WFRC for at least one year and for at least 1,250 hours during the preceding 12-month period are eligible for FMLA leave. Employees claiming FMLA leave will be returned to the same or equivalent position at the end of the leave period granted pursuant to this policy.
2. FMLA leave will consist of appropriate paid leave or unpaid leave. WFRC will provide the first 80 hours at 2/3 pay for any employee with a qualifying FMLA event. After the first 80 hours at 2/3 pay the employee must use all of his or her accrued paid leave, including vacation leave and sick leave. In some cases, short-term disability may also be available. The remainder of the leave period will then consist of unpaid leave.
3. Employees who meet the applicable time of service may be granted FMLA leave consisting of appropriate accrued paid leave and unpaid leave for a period of 12 weeks, or 26 weeks pursuant to paragraph 5, during the 365 days following the invocation of FMLA leave. Leave may be taken intermittently as long as the total does not exceed 480 hours or 12 weeks. FMLA leave may be taken for the following reasons:
 - a. The birth of the employee's child and in order to care for the child;
 - b. The placement of a child with the employee for adoption or foster care;

- c. To care for a spouse, child or parent who has a serious health condition; or
 - d. A serious health condition that renders the employee incapable of performing the functions of his or her job.
 - e. Because of any qualifying exigency (as the Secretary of Defense shall, by regulation, determine) arising out of the fact that the spouse, or a son, daughter, or parent of the employee is on active duty (or has been notified of an impending call or order to active duty) in the Armed Forces in support of a contingency operation.
4. The entitlement to leave for the birth or placement of a child for adoption or foster care will expire 12 months from the date of birth or placement.
 5. An eligible employee who is the spouse, son, daughter, parent or next of kin of a covered military service member shall be entitled to a total of 26 work weeks of leave during a 12-month period to care for the service member. The leave described in this paragraph shall only be available during a single 12-month period.
 6. During the single 12-month period described in paragraph 5, an eligible employee shall be entitled to a combined total of 26 work weeks of leave under paragraphs 3 and 5. Nothing in this paragraph shall be construed to limit the availability of leave under paragraph 3 during any other 12-month period.
 7. In all cases, an employee requesting leave under this policy must complete an "Application for Family Medical Leave" and return it to their supervisor with a copy to the human resource department. The completed application must state the reason for the leave, the duration of the leave, and the starting and ending dates of the leave.
 8. An employee intending to take FMLA leave because of an expected birth or placement, or because of a planned medical treatment, must submit an application for leave at least 30 days before the leave is to begin. If leave is to begin within 30 days, an employee must give notice to the supervisor and human resource department as soon as the necessity for the leave arises.
 9. An application for leave based on a serious health condition of the employee or the employee's spouse, child or parent must also be accompanied by a "Medical Certification Statement" completed by a health care provider. The certification must state the date on which the health condition commenced, the probable duration of the condition, and the appropriate medical facts of the condition. If the employee has a serious health condition, the certification must state that the employee cannot perform the functions of his or her job. In the case of a serious health condition, WFRC may, at its own expense, require a second medical opinion as a condition of approved leave. A "Medical Certification Statement" is not required for the birth of a child.
 10. If the employee is needed to care for a spouse, child or parent, the certification must so state, along with an estimate of the amount of time the employee will be needed.
 11. During a period of FMLA leave, an employee will be retained on WFRC's health plan under the same conditions that applied before leave commenced. To continue health coverage the employee must continue to make any contributions that he or she made to the plan before taking leave. Failure of the employee to pay his or her share of the health insurance premium may result

in loss of coverage. If the employee fails to return to work after the expiration of the leave, the employee will be required to reimburse WFRC for payment of health insurance premiums during the leave, unless the reason the employee fails to return is the presence of a serious health condition which prevents the employee from performing his or her job or for circumstances beyond the employee's control.

12. An employee is not entitled to the accrual of any seniority or other employment benefits, including, but not limited to, vacation and sick leave accrual and retirement contributions, during any period of unpaid FMLA leave. However, an employee who takes FMLA leave will not lose any employment benefits that accrued before the date leave began.
13. An employee eligible for FMLA leave will be restored to his or her former position or to an equivalent position with equal pay, benefits and other terms and conditions of employment. WFRC cannot guarantee that an employee will be returned to his or her original job.
14. An employee must complete a "Notice of Intention to Return from Family Medical Leave" before he or she can be returned to active status. If the employee was on FMLA leave for a serious health condition that prevented the employee from performing the duties of his or her job, the employee must submit a signed "Health Provider Release" form. If an employee wishes to return to work prior to the expiration of the FMLA leave of absence, written notice must be given to the employee's supervisor and the human resource department at least five business days prior to the employee's planned return.
15. The failure of an employee to return to work upon the expiration of FMLA leave will subject the employee to immediate termination unless an extension is granted. An employee who requests an extension of FMLA leave due to the continuation, recurrence or onset of her or his own serious health condition, or of the serious health condition of the employee's spouse, child or parent, must submit a request for an extension, in writing, to the employee's supervisor and the human resource department. This written request should be made as soon as the employee realizes that she or he will not be able to return at the expiration of the leave period. Approval of the request for extension will be considered on its merits and may be approved by the Executive Director
16. Application for FMLA leave, medical certification statements and other notices shall be on forms approved and prepared by the Human Resources department.

Section 4 – Leave of Absence without pay

The Executive Director may grant a leave of absence without pay in extraordinary circumstances.

Section 5 – Military Leave

Under the Uniformed Services Employment and Reemployment Rights Act (USERRA), WFRC is required to grant an unpaid military leave of absence to any employee who requests such leave in order to perform service in the uniformed services. It is the policy of WFRC to comply with USERRA and all other state,

federal and local laws. In case of any conflicts between this policy and federal, state or local laws, such applicable laws shall control, subject to conflict of law principles.

It is the employee's responsibility give notice of the need for military leave. It is the employee's responsibility to notify WFRC when they are ready for reemployment after military duty.

Contact the Human Resources Representative for more specifics.

Section 6 – Court Leave

Wasatch Front Regional Council employees shall not lose regular employment pay or time while serving on jury duty. If the dollar amount received for jury duty is less than an employee's WFRC salary, WFRC will pay the difference between the amount paid and full salary on receipt of a voucher showing the amount received for jury duty.

Section 7 – Funeral and Compassionate Leave

Time off with pay will be granted a regular (full or part-time) employee who suffers the loss of a member of his/her immediate family. Immediate family shall mean the employee's parents, step-parents, grandparents, brothers, sisters, wife, husband, children, grand-children, mother-in-law, father-in-law, grandparents-in-law, sister-in-law, and brother-in-law. In the event of a death of a member of the employee's immediate family, the employee will be paid his/her regular base pay for scheduled work time a maximum of five days. In the case of grave illness an employee may be granted compassionate leave to attend the ailing immediate family member in lieu of funeral leave. Compassionate leave will have the same time limitations as funeral leave. An employee who uses a portion of the five (5) day funeral leave for compassionate leave may use the remainder upon death of the immediate family member, however the total time may not exceed five days. If additional time is needed the employee may use Sick Leave or Vacation Leave, if available. If other paid leave is not available, the employee may request leave without pay.

CHAPTER VI

TERMINATIONS, DISCIPLINE, APPEALS AND PERFORMANCE EVALUATION

Section 1 – Resignations

All resigning employees shall present their reasons for resignation to their immediate supervisor, who will then forward the written resignation to the Executive Director. The letter of resignation will then be filed in the employee's personnel file.

Notification of at least two weeks is requested for all resignations.

Section 2 – Dismissals and Lay Offs

The Executive Director may dismiss or lay off an employee under the following conditions:

1. When the position in which the employee has been assigned is abolished.
2. When funds are no longer available for that particular position.
3. When the employee demonstrates unsatisfactory performance in his/her work.
4. When the employee violates state or federal law or WFRC rules, policies or procedures, including those set forth in this Personnel Policy.

All regular personnel subject to termination have the right to make appeals as outlined in the appeals section.

Section 3 – Discipline

The WFRC discipline policy provides a means of ensuring efficient and effective personnel practices. Both employees and supervisors must attempt to correct errors and faults which conflict with the rules and sound judgement of the WFRC management.

Disciplinary action serves two purposes; first, to redirect or correct an employee who has been delinquent, irresponsible, or has failed to perform in a satisfactory manner. Second, the action serves as a warning or to deter future misconduct. Under typical circumstances WFRC endorses a policy of progressive discipline in which it attempts to provide employees with notice of deficiencies and an opportunity to improve. Discipline will normally begin at the lowest level, unless circumstances dictate more severe discipline. Severe incidents may require a higher level of discipline, including termination, without being preceded by lesser forms of discipline.

1. **Step 1 – Oral Reprimand** – The employee's Area Coordinator (AC) will discuss the unsatisfactory areas of his/her work or behavior and provide instructions as to how improvement can be made. ACs will record name, date, and areas discussed as reference for future disciplinary problems and place that notation in the employee's personnel folder.

2. Step 2 – **Written Reprimand** – A written reprimand will include a detailed statement of the problem, situation and remedy sought by the employee’s AC. The AC will discuss the written reprimand with the employee and have the employee acknowledge by signature that they have received a copy of the written reprimand. Subsequent to receiving a written reprimand the employee’s performance and/or behavior while at work will be closely monitored to determine whether or not the problem has been rectified. A copy of the written reprimand will be retained in the employee’s personnel folder. A report of this action will be submitted to the Executive Director within five (5) business days of the action taken.
3. Step 3 – **Suspensions** – An employee may be suspended for violations of WFRC rules or regulations, for misconduct, or for unacceptable performance. The employee will be provided with written notice of the suspension and asked to acknowledge by signature that they have received a copy. The suspension is for a period not to exceed fifteen (15) business days and will be without pay. More than two suspensions per year is grounds for dismissal.

See number 6 below explaining how discipline involving suspensions, demotions or terminations will be handled.

4. Step 4 – **Demotion** – An employee may be demoted to a lesser position for serious violations of WFRC rules, continued misconduct, or other serious and detrimental misconduct.

See number 6 below explaining how discipline involving suspensions, demotions or terminations will be handled.

5. Step 5 – **Termination of Employment** – When steps 1 through 4 fail to rectify the problems and the employee continues to violate WFRC rules or for severe, serious, or flagrant misconduct, or for unacceptable performance, the employee’s employment may be ended.
6. In the case of a suspension without pay, or demotion, or termination, the employee will be given a written Pre-Disciplinary Notice setting forth the violation, including any policies, practices or regulations that have been violated; the conduct or unacceptable performance which violates those policies, practices or regulations; and the proposed discipline. The employee will then have five (5) business days to request a Pre-Disciplinary meeting with the Executive Director.

At the Pre-Disciplinary meeting, the employee will have the opportunity to present his or her explanation of what occurred, explain any mitigating factors that should be considered, and any other evidence that the employee wants the Executive Director to consider. The employee may not call witnesses but may ask someone to accompany him or her to the meeting.

Within five (5) business days of the pre-Disciplinary meeting, the Executive Director will issue a disciplinary letter setting forth: 1) the policies, practices or regulations the employee has violated or other misconduct or unacceptable performance the employee has engaged in; 2) a brief recitation of the facts supporting the violation; and 3) the discipline that the employee

will receive (i.e., a suspension, demotion, or termination). If the Executive Director decides not to issue any discipline, this will also be set forth in a letter to the employee. The employee will then have five (5) business days to appeal the discipline (if they choose) by following the steps outlined in Section 4.

Section 4 – Appeals Procedure

Oral or written reprimands may only be appealed to the Executive Director. An employee wishing to appeal a reprimand must submit a letter within five (5) business days of receiving the discipline to the Executive Director explaining their position and why they do not feel the discipline is warranted (or should be lessened.) The Executive Director will respond in writing within five (5) business days.

If a regular employee wishes to appeal a termination, demotion, or suspension without pay, the employee must submit a written request for an appeal to the Human Resources Department within five (5) business days of receiving the discipline. The written request should set forth: 1) the discipline being appealed (include a copy of the discipline); 2) a brief statement of what occurred; 3) the relief the employee would like; 4) witnesses, if known; and 5) information on how the employee may be contacted.

WFRC will retain a neutral hearing officer to conduct a full and fair hearing. The employee may retain a lawyer to represent them (at their own expense) and will be allowed to call witnesses, cross examine witnesses presented by WFRC, present documentary and other evidence, and make opening and closing statements. The hearing shall be held at a place and time determined by the WFRC within thirty (30) calendar days of the disputed action. The hearing officer will prepare a written decision within twenty (20) calendar days of the hearing and serve it on both WFRC and the employee by mail or email or both.

Section 5 – Performance Evaluation

The purpose of the performance evaluation is to provide both the employee and the Area Coordinator (AC) the opportunity to review the employee's work record and behavior. The evaluation may include both negative and positive aspects of the employee's work and the employee-AC relationship as deemed essential by either or both parties. Although the employee's views must be considered, the responsibility of the AC is to ensure efficient and effective work performance.

Evaluations may be given at any time to assist the employee in improving his/her situation. It is to the advantage of both the employee and AC to make the evaluation as effective as possible with well-defined expectations and steps for improving performance when needed.

An evaluation will be conducted at the discretion of the AC, but must be done at least once each year.

The employee may request an evaluation at any time in an effort to improve a situation in which the employee feels a problem exists.

A copy of the evaluation shall be given to the employee following the meeting and another copy will be placed in the personnel file of the employee.

CHAPTER VII

TRAVEL AND SUSTENANCE REIMBURSEMENT

Travel and sustenance expenses will be reimbursed to employees as follows:

Section 1 – Reimbursement for Travel by Private Automobile within the State

As authorized by the Executive Director, an employee may use his/her own automobile to accomplish the work of the Wasatch Front Regional Council. The employee shall be reimbursed for the use of his/her automobile at the GSA-published mileage rate. Mileage will be computed from the odometer reading or the latest official road map and will be limited to the most economical, usually traveled routes. Any staff member who is required to use his/her own automobile in the performance of Council business must carry automobile insurance to protect WFRC liability. It is recommended that such insurance be large enough to account for the increased risk due to increased use of the employee's automobile. WFRC may utilize a Driver Qualification standard that would require employees to provide their driver's license numbers to the Accounting Department for the purpose of obtaining monthly motor vehicle records.

Section 2 – Reimbursement for Travel by Common Carrier within the State

As authorized by the Executive Director, actual transportation costs of travel by common carrier for work purposes will be reimbursed.

Section 3 – Reimbursement for Travel Out-of-State

As authorized by the Executive Director, transportation costs for out-of-state travel by the most economical and feasible means will be paid. Travel time will be allowed for travel to and from the location of WFRC business. If additional travel time is taken, it will be deducted from annual leave. All air travel accommodations will be "coach" class.

Meals and incidental expenses for out-of-state travel will be reimbursed at the GSA-published per diem rate for the area of travel, except that if a meal is provided as part of a work event the employee will not be reimbursed for that portion of the per diem rate. Reimbursement for lodging will be made using the published GSA rate unless it can be demonstrated that a substitute rate should appropriately be used, e.g., if an employee attends an approved professional conference and stays at the hotel where the conference is being held.

Section 4 – Other Sustenance

Employees who are required to attend a meeting at which a meal is served that they have to pay for will be reimbursed for the cost of the meal. Employees who are required to attend a meeting outside a normal working day at which no meal is served may be allowed a meal expense. Prior approval for these expenses shall be obtained from the Executive Director.

CHAPTER VIII

EMPLOYEE BENEFIT PROGRAMS

Section 1 - Health Insurance

WFRC offers a group health and dental insurance plan for all regular full-time and regular part-time employees who work a minimum of 20 hours per week. Coverage is for the employee and his/her spouse and children subject to a 10% premium cost share. A description of specific benefits is available upon request.

Employees may purchase Retiree Health Insurance as allowed under the PEHP Group Health Insurance Plan. The full amount of the premium for Retiree Health Insurance is the responsibility of the employee.

Section 2 - Retirement

WFRC regular full-time and regular part-time employees who work a minimum of 20 hours per week are automatically enrolled in the Utah State Retirement System non-contributory, defined benefit (pension) plan and a Utah State Retirement System defined contribution 401(k) plan. WFRC pays the cost of the non-contributory pension and may also make contributions to the 401(k).

WFRC does not participate in the Social Security System. In lieu of a Social Security benefit, if an employee voluntarily makes up to a 7.65% of salary contribution to either a 457 or 401(k) deferred savings plan administered by the Utah State Retirement System, WFRC will match that contribution at 100%. The matching funds are contributed to the employee's 401(k) account. Employees may voluntarily elect to contribute more than 7.65%, up to the legal limit, to either or both a 401(k) or 457 plan, however WFRC will not match the contributions over 7.65%.

Employees are also able to voluntarily contribute to a ROTH IRA administered through the Utah State Retirement System.

A description of the retirement benefit programs is available from the Accounting Department.

Section 3 - Worker's Compensation, Disability, and Life Insurance

WFRC provides Worker's Compensation insurance for all of its employees. This insurance provides medical coverage and limited income for employees who are injured while on the job. WFRC will assist employees to return to a safe and productive work environment. Although an employee may not be able to perform his/her regular job, WFRC will work with the employee to provide light duty assignments, if possible, based upon the employee's medical restrictions.

The Council also provides life and disability insurance to all regular full-time and regular part-time employees who work a minimum of 30 hours per week. A description of the insurance benefits is available from the Accounting office.

Section 4 – Flexible Spending Plan

Employees may participate in a Flexible Spending Plan for dental and other insurance premiums, out-of-pocket medical expenses and dependent care expenses. Contributions for out-of-pocket medical expenses and dependent care expenses are subject to IRS limitations. All contributions are deducted pre-tax from the employee's payroll check.

Section 5 – Time Release for Fitness Activity

Employees may be eligible for up to 30 minutes 3 times per week to engage in fitness related activities as part of a Wellness Program during the work day. Employees who abuse the time release will lose the privilege for a period of not less than six months.

Section 6 – Staff Development and Educational Assistance Policy

WFRC will provide support for employee professional development activities, including related schooling up to fifty percent (50%) of the eligible school costs with a limit of \$1,500 available in any one calendar year, subject to policies established by the Executive Director.

DATE: October 26, 2017
AGENDA ITEM: 4b
SUBJECT: ACTION: Approve WFRC Accounting and Administrative Policy
PREPARED BY: Loveit Baumgardner

BACKGROUND:

As part of our goal of promoting organizational excellence WFRC does periodic, proactive review of all our internal policies to ensure full compliance with applicable laws, regulations, and best practices. In October 2015, the Council adopted the "Accounting and Administrative Policy" for the organization. Prior to Council action the policy was reviewed by the Utah State Auditor's office, Federal Highway Administration, Utah Department of Transportation and WFRC's independent auditor. The policy includes descriptions of staff assignments designed to ensure appropriate levels of separation of duties and internal control over the financial and administrative functions of the organization.

In June 2017, the Utah Office of the Legislative Auditor General prepared a report to the Utah Legislature titled "A Review of Best Practices for Internal Control of Limited Purpose Entities". Included in this report was a checklist of best practices for such entities. Staff reviewed the checklist and report and compared it with our existing policies. With a few exceptions, WFRC has already adopted policies and procedures that conform to the best practice standards as outlined in the report. The attached draft includes a few minor edits regarding procedure and a few new policies described below.

Appointment of a Treasurer and a Clerk.

The Council has a statutory duty to appoint a Treasurer (Utah Code 17B-1-633(1)) and a Clerk (Utah Code 17B-1-631(1)). The Treasurer is responsible for duties that relate to the custody and control of money including disbursement, deposit and investment of the cash. The Clerk is responsible for duties that relate to the accounting of money including bookkeeping and reporting. These positions must be held by different persons and neither person can be the Board Chair. In practice WFRC has already accomplished this separation of duties; however, this action will make the appointment official and more clearly define the duties assigned to these positions.

Staff is proposing that the Council appoint the Chair of the Budget Committee as the Treasurer and the Chief Financial Officer as the Clerk. Both the Treasurer and the Clerk may make appropriate delegations of duties as long as: (1) the principle of separation of duties is maintained; (2) they retain overall responsibility; and (3) they provide adequate oversight of the delegated duties.

Addition of Records Management and Retention policy.

WFRC is subject to the Public Records Management Act (Utah Code 63A-12) and the Governments Records Access and Management Act (Utah Code 63G-2). WFRC is already complying with the provisions of these laws; however, the draft updated policy includes language stating that WFRC will comply.

Appointment of a staff person to act as a Compliance Administrator.

The Board should verify that WFRC has complied with applicable state laws including: certification and filing of the annual budget (Utah Code 17B-1-614), notice of public meetings (Utah Code 52-4), notice of board member contact information (Utah Code 17-B-1-303), participation in the Utah public finance website (Utah Code 63A-3-405.4) and financial reporting requirements (Utah Code 51-2a-202). WFRC staff are already tracking compliance but this will formalize those duties by the appointment of a Compliance Administrator. The Compliance Administrator will keep a record

of all required reports or actions and will note when they have been completed. This record will be made available to the Council.

Addition of a statement on Ethics.

WFRC has an organizational culture of honesty, transparency and accountability with policies in place to ensure it. Adding this statement explicitly conveys that commitment.

RECOMMENDATION AND MOTION: The WFRC Budget Committee recommends that the Council take action “to approve the Accounting and Administrative Policy as presented”.

EXHIBITS: Draft Accounting and Administrative Policy

CONTACT INFORMATION: Loveit Baumgardner, (801) 363-4230 x 1102

**WASATCH FRONT REGIONAL COUNCIL/WASATCH FRONT ECONOMIC
DEVELOPMENT DISTRICT
ACCOUNTING AND ADMINISTRATIVE POLICY
10/26/2017 (revised)**

DESIGNATION OF THE TREASURER AND CLERK

In compliance with Utah Code 17B-1-633 (1) and Utah Code 17B-1-631 (1) the Wasatch Front Regional Council/Wasatch Front Economic Development District (WFRC) designates the Budget Committee Chair as its Treasurer and the Council's Chief Financial Officer as its Clerk.

The duties of the Treasurer include:

- Maintain custody of all money
- Deposit and invest all money in accordance with the Utah State Money Management Act
- Receive all public funds and money payable to the Council.
- Keep an accurate, detailed account of all money received.
- Issue a receipt for money received.

The Treasurer must be bonded in an amount not less than 5% of the annual budget.

The duties of the Clerk include:

- Attend meetings and keep a record of the proceedings
- Maintain financial records
- Prepare checks after determining that the claim:
 - o Was authorized by the board or financial officer
 - o Does not over expend the budget
- Present a financial report to the Council at least quarterly

The Treasurer and the Clerk may make appropriate delegations of duties as long as the principle of separation of duties is maintained AND the Treasurer and Clerk retain overall responsibility AND provide adequate oversight of the delegated responsibilities.

ETHICS

WFRC Council members and staff are subject to the Utah Public Officers' and Employees' Ethics Act (Title 67, Chapter 16). This Act prohibits: improper disclosure of private, protected or controlled information; use of official position to secure special compensation, gifts (in excess of \$50) or privileges; engage in activities that would impair independent or good judgement; engage in any activity which is, or appears to be, in conflict with public duties; failure to comply with public disclosure or transparency and; destruction of public records and information.

BUDGET

WFRC receives its revenues from member contributions and various granting agencies that contract with WFRC for specified work programs. Each year WFRC staff prepares a budget and a Unified Planning Work Program (UPWP) for the next fiscal year that begins on July 1. The budget includes prior year actual expenditures, current year estimated expenditures and anticipated budgeted expenditures for the next fiscal year. The budget also provides details of the sources of funds, expenditures by function and expenditures by work program. The UPWP describes the anticipated work to be accomplished. The budget and UPWP are

presented to Council at their regularly scheduled meeting held the 4th Thursday of March. Once the Council has reviewed the draft it is released to the member County Councils of Government for their review and comment. The draft budget is also posted on the WFRC website.

A final draft budget and UPWP are presented to the Council for approval at their regularly scheduled meeting held on the 4th Thursday of May. No less than ten days prior to this meeting the final draft budget is made available to the public. No less than 7 days prior to the Council meeting, notice is posted in at least one issue of a newspaper of general circulation and on the Utah Public Notice Website that a public hearing will be held before a call for a vote to approve the budget.

The budget may be amended during the year to include additional funds from grants or contracts for specific projects. These budget amendments are subject to the same notification and public hearing as is required during the initial adoption. The Council staff, with prior written approval from the Council Chair and the Budget Committee Chair, may move budgeted expenses from one budgeted line item to another without a public hearing or formal budget amendment as long as the adjustment does not increase total expenditures of the fund, create on-going additional payroll expenses or impact debt service. Any such changes shall be reported to the Council in the regularly provided financial reports.

ACCOUNTING

WFRC contracts with various granting agencies for specified projects. Once a project has been approved, the Chief Financial Officer (CFO) sets up the grant accounting framework and expenses can then be charged. The original signed contract is kept by the accounting department.

Each quarter the CFO prepares a report that compares year-to-date expenditures with the approved budget. This report, along with monthly check registers and balance sheets are provided to the Council prior to their regularly scheduled meetings.

All policies and procedure guidelines are designed to comply with federal and state accounting and administrative standards. The WFRC uses an outside auditing firm selected and directed by the Council for an annual audit of the Council's financial records. Copies of the annual audit are provided to the Council, Federal Clearinghouse, the Utah State Auditor's Office, and its funding agencies and to others upon request.

PROCUREMENT

The procurement policies are intended to ensure fair and equitable treatment for all persons who wish to do business with WFRC and to foster effective broad-based competition within the free enterprise system to ensure that WFRC will receive the best possible service or product at the lowest possible price. WFRC shall designate a Procurement Agent who shall be responsible for:

- 1) Ensuring that all procurement complies with federal and state regulations where applicable.
- 2) Ensuring that all procurement is allowed under the Council's approved budget.
- 3) Ensuring that all procurement complies with all terms and conditions of the grant for which the purchase is being made.
- 4) Overseeing the Small Purchase procedures.
- 5) Identifying and documenting single source procurements.
- 6) Soliciting bids, quotes and proposals for goods or services and preparing contracts for Executive Director's signature when needed.

There are generally four classes of procurement: small purchase less than \$5,000; purchases over \$5,000 but under \$25,000; single source; and competitive bid (over \$25,000).

Small Purchase – Purchases less than \$5,000 do not require bids or quotes however effort should be made to use assorted vendors who provide comparable merchandise/service at comparable prices. Purchases may not be artificially divided so as to constitute a small purchase. All small purchases must have a properly completed and approved purchase order prior to making the purchase. The purchase order may be signed by the Procurement Agent or his designee. A copy of the completed and signed purchase order is to be given to the accounting department. When possible WFRC should use providers who have contracted with the State of Utah in order to receive best prices and terms.

Purchases over \$5,000 and under \$25,000 – Purchases over \$5,000 and under \$25,000 will require three quotes that are to be documented. Requests for quotes shall include a description of the product or service and terms of the sale. Documentation shall include any written quotes and/or a completed quote form that includes the name of vendor, vendor contact name, vendor address and phone number, product/service description and total cost. Selection of a vendor will be made on the basis of quality of the service or product and cost. All quotes and/or quote forms shall be attached to the signed purchase order and given to the accounting department.

Single Source – This may be used when there is only one provider available or there is a clear advantage to WFRC for using the single source. This may also be used to resolve an emergency situation. A purchase shall be deemed an emergency purchase if it is required to maintain health and safety and/or to avoid an interruption in work activity such as a mechanical, structural, plumbing, or equipment malfunction. All single source procurement decisions must be documented by the Procurement Agent and approved by the Executive Director.

Competitive bid/proposal – Goods or services with an annual aggregate total price of more than \$25,000 must be procured through a competitive bid/proposal process. An invitation/request to bid/propose shall include a description of the goods or services and all terms and conditions that will apply. Public notice shall be placed in a general circulation publication not less than 15 days prior to close of bid/proposal solicitation. A committee shall be identified to make the selection based on the requirements set forth in the invitation/request to bid/propose. The sealed bids/proposals shall be opened publicly in the presence of one or more witnesses at the time and place designated in the invitation for bids/proposals. The names of the bidders/proposers, the amounts of the bids/proposals, and any other relevant information shall be recorded and available for public inspection. Bids/proposals shall be unconditionally accepted without alteration or correction. Price or cost may be considered in evaluating bids/proposals except in cases where such consideration is prohibited by Federal or State law or regulation. The bid/proposal shall be awarded to the bidder/proposal who best meets the requirements and criteria set forth in the invitation/request to bid/propose. All bid/proposal documentation shall be given to the WFRC accounting department.

In lieu of WFRC initiating a competitive bid/proposal process, the Procurement Agent may use contractors from the WFRC or UDOT Consultant Pool who have been pre-qualified and selected using a competitive bid/proposal process. If this method is used no more than \$150,000 in services per contract may be awarded to any single provider. Written explanation must be documented in writing and provided to the WFRC accounting department.

INTERNAL CONTROL: The Procurement Agent is separate from the accounting process and is responsible for ensuring all purchases are authorized by WFRC budget and made using the policy set forth in this section.

PURCHASING CARDS

The WFRC may issue Purchasing Cards to selected employees. Those employees are responsible for ensuring

that all purchases made using their card are properly pre-approved according to the Council's procurement policy (see above) or its approved travel policies contained within the WFRC Employee Handbook. The employee shall reconcile the statement for their card with receipts each month within 5 days of receiving the statement. Under no circumstances may the purchasing card be used for personal purchase. Upon termination, any purchasing card shall be surrendered immediately along with any receipts, purchase orders and other documentation.

INTERNAL CONTROL: The statements and documentation are given to the Procurement Agent who reviews the material and provides approval. The accounting department reviews the statements and receipts for proper pre-approval before entering the expense into the Accounts Payable system. When the statement is selected for payment the material and the Accounts Payable check is given to the Executive Director and the Council Chairperson for their review and signature.

ACCOUNTS PAYABLE

Vendor invoices (accompanied by purchase orders and receiving documentation when necessary) are entered into the Accounts Payable system by the accounting department as they are received. Invoices are selected by the CFO for payment according to due date and cash availability. At no time shall checks be disbursed that create an overdraft on the bank account. Checks are printed by the accounting department and given, along with all supporting documentation, to the Executive Director or Deputy Director for review and signature. Once reviewed and signed by Executive Director or Deputy Director the checks and supporting documentation are presented to the WFRC Chairperson or WFRC Vice-Chairperson or Budget Committee Chairperson for review and signature. All checks require two of the following signatures: WFRC Chairperson, WFRC Vice Chairperson, WFRC Budget Committee Chairperson, the Executive Director or the Deputy Director. At least one signature must be an elected official. The signed checks are returned to the Administrative Assistant for mailing. The invoices and supporting documentation along with check stubs containing appropriate information are filed alphabetically by vendor and kept together by fiscal year. This alphabetical file contains a record of all A/P disbursements.

Each month the CFO prints a copy of the check register that provides a numerical record of all Accounts Payable disbursements and is used to reconcile the bank account. The bank reconciliation and bank statement are provided to the Executive Director, the Treasurer, and the WFRC Chairperson for review each month.

INTERNAL CONTROL: Invoices are reviewed for approval prior to generating a check. Checks are pre-numbered and accounted for (void checks are marked as such and filed with accounting working papers). The accounting software also generates a check number that must match the pre-printed check number. If the software generated numbers do not match up with the numbers on the pre-printed checks it would indicate a missing check or a check voided through the software and would trigger investigation. All checks are issued through the Accounts Payable software system (no manual checks) and require two authorized signatures. The bank statement is reconciled to the general ledger each month, and a copy of the bank statement and reconciliation is provided to the Executive Director, Treasurer and WFRC Chair for review and approval.

PAYROLL

Direct deposit payroll is prepared semi-monthly by an outside payroll processing vendor. Hours worked by hourly employees are gathered by the accounting department for payroll and reconciled monthly to timesheets that are signed by the employee and the employee's supervisor. Any salary changes are documented by a memo signed by the Executive Director and kept in the personnel files. The payroll journal is printed and reviewed by the CFO before being given to the Executive Director and the Chairperson or Vice-Chairperson for review and approval. The payroll processing vendor also generates an electronic transfer for payment of all payroll taxes and guarantees accuracy and timeliness. The payroll processing vendor also

prepares and electronically files quarterly and year end payroll tax returns and W-2's, copies of which are delivered to WFRC for review.

INTERNAL CONTROL: Payroll is reviewed and approved by the CFO, Executive Director and the WFRC Chairperson. Salary amounts are documented and signed by the Executive Director. Hours reported for payroll are verified by timesheets signed by the employee and the employee's supervisor. A third party guarantees accuracy and timeliness of payroll tax payment (subject to WFRC's ability to meet cash requirements) and returns.

COST ALLOCATION

Labor costs represent the majority of total expenditures. Each employee keeps a timesheet that records how much time is spent on each work item. All time worked is accounted for on the timesheets. These timesheets are signed by the employee and submitted to the appropriate supervisors monthly for review and signature and are then given to the accounting department for payroll cost allocation. A spreadsheet is prepared that totals gross salary and benefits and arrives at a cost per hour for each employee. Using the time sheets the accounting department allocates the cost per hour per employee to the various work programs in the general ledger.

When a cost can be determined to benefit a specific program, it is expensed directly to that program. Fixed asset costs are charged to the programs by way of depreciation. Travel expenses are reimbursed as per the personnel policy using GSA rates and guidelines based on actual expense receipts. Every effort is made to assign costs accurately and fairly to each program. Those shared expenses that benefit several or all programs are accounted for as indirect expense and allocated to each program based on hours worked each month (as per time sheets). Further detail on cost allocation is provided in WFRC's Cost Allocation Plan

INTERNAL CONTROL: Each fiscal year the CFO prepares a Cost Allocation Plan that is reviewed by the Executive Director and submitted to the Utah Department of Transportation's Director of Fiscal Audit (WFRC's federal cognitive agency designee). The UDOT Director of Fiscal Audit issues a letter approving the plan that is kept on file with the accounting department and made available to funding agencies upon request. The allocation of charges can be monitored using the budget to actual expense reports provided quarterly to the Council.

GENERAL LEDGER

Each month the CFO transfers the entries from the Accounts Payable, Accounts Receivable, and Payroll (used for allocating payroll costs generating the payroll summary entry) software systems to the general ledger. General journal entries are made for depreciation, bank reconciliation, payroll, closing and recurring allocations. The CFO keeps a 'working papers' file by month that contains supporting documentation for entries made to the general journal. General ledger accounts are reviewed for accuracy using external documentation where available. The general ledger work should be completed no later than twenty-five days following the end of the month. Any exceptions to this are discussed with the Executive Director.

INTERNAL CONTROL: All entries to the general ledger are made by the CFO. Supporting documentation for general journal entries is maintained. The general ledger detail is provided monthly to the Executive Director for review. Where possible, real accounts are verified with external documentation (bank statements,

inventories, etc.). EDP files are backed up daily and hard copies are generated monthly.

ACCOUNTS RECEIVABLE

Each month or on a quarterly basis (as determined by the funding agency) the CFO requests reimbursement from the funding agencies for WFRC's actual expenses for the prior month(s). Some local contributions are requested in advance and held as deferred revenue until needed for matching requirements or other approved expenditures. Requesting reimbursements should occur no later than twenty-five days following the end of the month. Any exceptions to this are discussed with the Executive Director. At no time should reimbursement requests exceed actual costs incurred. Some requests for reimbursement must be accompanied by progress reports, product samples, etc. These are prepared by individuals other than the CFO.

Checks for A/R remittances are received by the Administrative Assistant who date stamps the check (or stub), endorses them 'for deposit only', makes a photo copy of each check, and prepares a two copy bank deposit form. WFRC receives all remittances by either check or electronic deposit. Supporting documentation for electronic deposits is kept in the monthly working papers file. Any cash deposited is negligible (postage or copies paid for by employees). The original deposit form is submitted to the bank with the deposit. The copy remains in the book as a chronological record of checks received. The Administrative Assistant makes the deposit and obtains a dated receipt from the bank. Checks are deposited daily when received. The Administrative Assistant gives the bank receipt and check copies to the accounting department for posting to accounts receivable and filing.

Any funds not received within six weeks of the date of reimbursement request are followed up with a phone call or written note and any problems are noted and addressed.

INTERNAL CONTROL: The Administrative Assistant is responsible for the custody of the cash receipts and the CFO is responsible for the accounting function only. Any write offs of accounts receivable must be approved by the Executive Director. Exception may be made for amounts under \$10.00.

OTHER ASSETS

Office equipment is purchased by the WFRC General Fund. Usage allocations for equipment costs are assigned to individual programs using straight-line depreciation. All equipment having a useful life of more than one year is included in the fixed asset group of accounts however purchases which are less than \$1,000 are expensed in the month of purchase. When fixed assets are purchased they are assigned an inventory number and placed on a fixed asset list that records original cost, accumulated depreciation, net book value and the employee in possession of the asset. At least once every two years a physical inventory is taken and compared with fixed asset list. When equipment is determined by the Equipment Committee to be beyond its useful life a list of said equipment is given to the Director of Operations who is charged with overseeing the sale or disposal of the asset by the Equipment Committee. Retired assets are disposed of on a highest bid basis.

Personnel policy prohibits the personal use of WFRC resources by employees. Employees may purchase incidental postage or copies at WFRC cost however they have been advised not to use WFRC assets or open account arrangements with WFRC vendors for personal use. WFRC will not advance money to employees other than pre-approved travel advances that must be returned and/or accounted for within one month of the travel for which the advance was given. All travel expense reports and advances must be approved by

the Executive Director or Area Coordinators.

INTERNAL CONTROL: The Director of Operations reviews and approves of any disposition of fixed assets and is advised of any missing assets. The purchase order process prohibits employees from charging personal purchases to WFRC open accounts with vendors. Inventory of fixed assets is maintained.

RECORDS MANAGEMENT AND RETENTION

WFRC is committed to proper maintenance and retention of records and will comply with all applicable record retention laws. The Public Records Management Act (PRMA), mandates state ownership of government records and requires their effective management (Utah Code 63A-12). Additionally, WFRC is committed to following the Government Records Access and Management Act (GRAMA), the comprehensive law dealing with management of government records and access to those records (Utah Code 63G-2).

Falsifying records, deliberately concealing records, destroying records in bad faith, exploiting confidential information, or otherwise mishandling records is not acceptable. Employees must take steps to ensure potentially relevant information is not inadvertently destroyed pursuant to document retention schedules or by routine computer operations or common computer settings, such as the automated deletion of emails.

As a public agency, WFRC will also adhere to the Utah State General Records Retention Schedule. It can be found on the Utah Division of Archives and Records Services website. <https://archives.utah.gov/recordsmanagement/grs/stgrslist.html>

WFRC will, at a minimum:

- 1) establish and maintain a records management system on a continuing and active basis;
- 2) create and maintain records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions, designed to furnish information to any agency or person affected by the activities of WFRC;
- 3) identify and take adequate steps to protect confidential and vital records;
- 4) ensure that all information potentially relevant to any GRAMA request, internal or government investigation or lawsuit filed or reasonably anticipated to be filed against WFRC is preserved and provided upon request in a timely manner; and
- 5) cooperate with the Utah Division of Archives and Records Services and all other State Agencies in the conduct of agency records management requirements and requests.

PERSONNEL

Personnel policies are established by the Council and made available to all employees. The Executive Director is responsible for administering the personnel policies. All changes to personnel policy require Council approval.

MANAGEMENT REPORTS

Each month the WFRC CFO prepares and distributes to the Executive Director and the management team an expense/budget comparison report for each active program. This report is used to monitor the monthly and accumulated expenses charged to each program and relates this information to both time and budget completion and allows management to direct WFRC resources appropriately.

Each month the CFO reviews the outstanding accounts payable and accounts receivable and discusses any cash flow or collection problems that exist with the Executive Director and the management team. In addition, the CFO prepares a projection of cash flow and cash requirements and requests management input for future planning of cash needs.

Interim verbal and written reports regarding accounts receivable and accounts payable are made when significant changes in status occur.

COMPLIANCE

WFRC will comply with all applicable state and federal laws and regulations regarding financial reporting, budget, public notice, records management and retention, and transparency.

Council members and staff are subject to the Utah Public Officers' and Employees' Ethics Act (Title 67, Chapter 16).

INTERNAL CONTROL: The WFRC Executive Director, in consultation with the WFRC Chair and Budget Committee Chair, will appoint a Compliance Administrator responsible for verifying compliance with applicable laws and regulations, including but not limited to: certification and filing of annual budget (Utah Code 17B-1-614), notice of public meetings (Utah Code 52-4), notice of board member contact information (Utah Code 17B-1-303), participation in Utah public finance website (Utah Code 63A-3-405.4), and financial statement reporting requirements (Utah Code 51-2a-202), and other applicable laws and regulations referenced in this policy. The Compliance Administrator will maintain such verification information and provide it as requested to the Council members and employees.

DATE: October 26, 2017
AGENDA ITEM: 4c
SUBJECT: **PUBLIC HEARING AND ACTION:** Approve FY'18 Budget and Unified Planning Work Program (UPWP) Amendments
PREPARED BY: Loveit Baumgardner

BACKGROUND:

As WFRC completed FY'17 and we reviewed the final expenditures, actual spending came in lower than budgeted by \$939,801. This resulted mainly from spending on some contractual items that occurred more slowly than was anticipated or from items that were added to the FY'17 budget in the later months but did not begin work until FY'18. As a result, the amount of funds that carried forward from FY'17 into FY'18 was higher than was anticipated, resulting in an increase in the FY'18 budget as some spending shifts from FY'17 to FY'18.

There are also two new funding sources reflected in the proposed amended FY'18 budget including:

- \$30,000 in additional State and local funding for the Morgan County-Ogden Valley Rural Planning Organization (RPO).
- \$50,000 from Economic Development Administration and CDBG funds to conduct a feasibility study for a revolving loan fund for the Wasatch Front Economic Development District.

The adjustments described above, along with a few minor changes in estimated expenditures, are reflected in the line items on the Expenditure by Function page. The adjustments also impact the projected carry-forward into FY'19, again reflecting on-going programs or multi-year projects that bridge the FY'18 and FY'19 years.

This budget also proposes to set aside \$250,000 to be used to furnish and equip (capital outlay) the new office space. To do this, the Council needs to transfer \$189,683 from undesignated, carried forward Special Projects funds in addition to using \$60,317 from FY'18 funds. Capital outlay is shown as an expense at the fund level at the time of purchase. Capital outlay is recovered over a period of 3-5 years through depreciation expense charged to the programs. To illustrate how this \$250,000 affects the budget at the fund level we have included two tables: General Fund and Special Projects Fund.

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

RECOMMENDATION AND MOTION:

The WFRC Budget Committee and staff recommend that the Council take action "to amend the WFRC FY'18 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 FY'18 with Footnotes
Draft Amendment to FY'18 Unified Planning Work Program

**Draft Amended
Wasatch Front Regional Council FY 2018 Budget**

Source of Funds

	FY 2018 As approved May 25, 2017	FY 2018 As proposed	FY 2018 Difference	
Federal Sources:				
Federal Highway Administration - PL	2,138,261	3,114,381	976,119	46% 1
Federal Highway Administration - STP	1,600,000	1,768,718	168,718	11% 1
Federal Transit Administration	646,026	646,026	0	0%
Dept. of Housing and Urban Development	50,000	50,000	0	0%
Economic Development Administration	70,000	120,000	50,000	71% 2
Total Federal Sources	4,504,287	5,699,124	1,194,837	27%
State Sources:				
Utah GOMB (CPG match)	140,000	140,000	0	0%
Community Impact Board	2,000	2,000	0	0%
UDOT - TLC	300,000	300,000	0	0%
UDOT - Model Development	72,000	72,000	0	0%
UDOT - Morgan RPO	0	20,000	20,000	3
UDOT - Corridor Preservation SL County	25,000	0	-25,000	-100% 4
Total State Sources	539,000	534,000	-5,000	-1%
Local Sources:				
Dedicated Project Funds	709,515	849,964	140,449	20% 5
UTA - TLC	100,000	140,000	40,000	40% 1
UTA - Transit Sales Tax	139,615	152,798	13,182	9% 1
Local Contribution	308,014	348,578	40,565	13% 1
Total Local Sources	1,257,144	1,491,340	234,196	19%
TOTAL SOURCES	6,300,432	7,724,464	1,424,033	23%

**Draft Amended
Wasatch Front Regional Council FY 2018 Budget**

Expenditure by Function

Expenditure	FY 2018 As approved May 25, 2017	FY 2018 As proposed	FY 2018 Difference	
Salaries/Employee Benefits	3,789,224	3,789,224	0	0%
Contractual	1,800,877	2,402,847	601,970	33% 6
Equipment Maintenance	16,100	16,100	0	0%
Equipment Depreciation	30,100	30,100	0	0%
Rent	250,000	250,000	0	0%
Building Operation/R & M	90,000	90,000	0	0%
Travel	70,050	70,050	0	0%
Training	42,000	42,000	0	0%
Printing and Publication	3,650	8,650	5,000	137% 7
Supplies/Software & Licenses	90,900	90,900	0	0%
Telephone/Data	35,300	35,300	0	0%
Audit and Accounting	16,000	16,000	0	0%
Dues & Subscriptions	23,505	23,505	0	0%
Insurance	14,000	14,000	0	0%
Legal	5,000	50,000	45,000	900% 8
			0	
Total Expenditures	6,276,705	6,928,675	651,970	10%
Amounts expected to carry into next FY	23,726	795,789	772,063	1
TOTAL BUDGET	6,300,432	7,724,464	1,424,033	23%

**Draft Amended
Wasatch Front Regional Council FY 2018 Budget**

Expenditure by Program

Program	FY 2018 As approved May 25, 2017	FY 2018 As proposed	FY 2018 Difference		
Consolidated Transportation Planning Grant	3,941,100	4,988,101	1,047,001	27%	1
Transportation & Land Use Connection	1,601,500	2,025,333	423,833	26%	1
Economic Development	140,000	190,000	50,000	36%	2
Local Government Service	104,260	43,943	-60,317	-58%	9
UTA Project Support	96,557	109,739	13,182	14%	1
Salt Lake County Council of Governments	73,015	0	-73,015	-100%	4
Model Development	147,000	147,000	0	0%	
Utah State Legislative Consultant	50,000	50,000	0	0%	
CDBG - Tooele	50,000	50,000	0	0%	
Corridor Preservation - Salt Lake County	25,000	0	-25,000	-100%	4
Mobility Management	10,000	10,000	0	0%	
Tooele Valley RPO	10,000	8,031	-1,969	-20%	1
Morgan RPO	0	30,000	30,000		3
Community Impact Board	2,000	2,000	0	0%	
WC2050 Consortium	50,000	50,000	0	0%	
GPI Decision Support	0	1,757	1,757		1
Oquirrh Connection	0	18,561	18,561		1
TOTAL EXPENDITURES	6,300,432	7,724,464	1,424,033	23%	

**Draft Amended
Wasatch Front Regional Council FY 2018 Budget**

Local Contributions

County	FY 2018 <small>As approved May 25, 2017</small>	FY 2018 <small>As proposed</small>	FY 2018 <small>Difference</small>	FY 2019 <small>Projected</small>	
Box Elder, 1 voting member	12,533	12,533	0	12,658	1%
Davis, 4 voting members	66,842	66,842	0	67,510	1%
Morgan, 1 voting member	12,533	12,533	0	12,658	1%
Salt Lake, 8 voting members	133,682	133,682	0	135,019	1%
Tooele, 1 voting member	12,533	12,533	0	12,658	1%
Weber, 4 voting members	66,842	66,842	0	67,510	1%
TOTAL	304,965	304,965	0	308,015	1%

**Draft Amended
Wasatch Front Regional Council FY 2018 Budget**

General Fund

	FY 2018 <small>As approved May 25, 2017</small>	FY 2018 <small>As proposed</small>	FY 2018 <small>Difference</small>	
Revenue				
Federal Sources	44,342	44,342	0	
State Sources	4,155	4,155	0	
Local Sources	11,603	71,920	60,317	9
Interest	6,000	6,000	0	
Total revenue	<u>66,100</u>	<u>126,417</u>	<u>60,317</u>	
Expenditures				
Operating expenses	1,700	1,700	0	
Capital outlay	45,000	295,000	250,000	9
Total expenditures	<u>46,700</u>	<u>296,700</u>	<u>250,000</u>	
Excess of revenue over expenditures (usage of fund balance)	19,400	-170,283	-189,683	
Other sources				
Transfers in		189,683	189,683	9
Transfers out			0	
Net change in fund balance	<u>19,400</u>	<u>19,400</u>	<u>0</u>	

Special Projects Fund

	FY 2018 <small>As approved May 25, 2017</small>	FY 2018 <small>As proposed</small>	FY 2018 <small>Difference</small>	
Revenue				
Federal Sources	4,459,945	5,654,782	1,194,837	1,2
State Sources	534,845	529,845	-5,000	1,3
Local Sources	1,245,541	1,419,420	173,879	1,4
Total revenue	<u>6,240,332</u>	<u>7,604,047</u>	<u>1,363,716</u>	
Expenditures				
Planning	6,240,332	7,604,047	1,363,716	1,2,3,4
Total expenditures	<u>6,240,332</u>	<u>7,604,047</u>	<u>1,363,716</u>	
Excess of revenue over expenditures (usage of fund balance)	0	0	0	
Other sources				
Transfers in			0	
Transfers out		189,683	189,683	9
Net change in fund balance	<u>0</u>	<u>-189,683</u>	<u>-189,683</u>	

Wasatch Front Regional Council

Draft FY'18 Amended Budget – October 26, 2017

Footnotes

1. These changes include amounts budgeted in FY'17 but not spent prior to fiscal year end or changes in estimated amounts that were anticipated to be carried forward from FY'17. These changes reflect the multi-year nature of ongoing projects, most of which are expected to be completed in FY'18 or FY'19.
2. The increase in funds from Economic Development Administration reflects potential additional funding to conduct a feasibility study for a revolving loan fund under the Wasatch Front Economic Development District (WFEDD). In this budget, the funding source is shown as Economic Development Administration although it is anticipated that some funding may be provided through the CDBG program and other sources.
3. The additional \$20,000 in funds from UDOT are for the support of the Morgan County Regional Planning Organization (RPO). An additional \$10,000 in local funds are also included below under "Dedicated Project Funds" (footnote 5). The total new funding for this effort will be \$30,000 in FY'18.
4. The previously approved FY'18 budget included funds for administrative support for the Salt Lake County Council of Governments and Salt Lake County Corridor Preservation. Subsequently it was agreed that Salt Lake County would take over those tasks associated with these two programs. This budget amendment removes those programs and associated funding.
5. The change to Dedicated Project Funds includes funds carried forward from FY'17 and the addition of new funding for the Morgan County RPO. The funding shown here includes:
 - \$8,031 for Tooele Valley RPO
 - \$75,000 for Model Development (MAG)
 - \$50,000 for Wasatch Choice 2050 Consortium
 - \$10,000 for Morgan County RPO
 - \$18,561 for Oquirrh Connection Feasibility Study
 - \$1,757 for GPI Demographic Data Support
 - \$686,615 for Transportation and Land Use Connection
6. The bulk of the increase in contractual expenditures results from projects budgeted in FY'17 that are ongoing and expected to be completed in FY'18 and FY'19. The increase also includes new contractual expense for the WFEDD and additional contractual expense for Communications. The increase in the Communications contract is to assist with the personnel transition as a result of the resignation of the Council's Communications Director and to assist WFRC in updating its communications plan. Anticipated contractual expenditures include:
 - \$77,000 for travel model development
 - \$100,000 for communications and public outreach
 - \$50,000 for Wasatch Choice 2050 Consortium

- \$5,000 for accounting system update
- \$6,586 for Oquirrh Connection Feasibility Study
- \$7,500 for key travel model enhancements
- \$4,993 for Provo/Orem BRT Study
- \$30,000 for Unified Transportation Plan Financial Model Update
- \$100,000 for I-15 Front Runner Corridor/Central Corridor
- \$5,000 for National Scenario Planning
- \$2,500 for Effect of Compact Development on Traffic Study
- \$3,000 for community organization outreach
- \$10,000 for Core Routes study
- \$5,000 for Greenbike reorganization analysis
- \$3,750 for High-level transit scenario analysis tool
- \$10,000 for WC2050 Centers Research
- \$50,000 for Access to Opportunity application assistance
- \$141,480 for Planning Studies, undesignated
- \$30,000 for Fiscal Impact Model
- \$40,000 for Parking Best Practices for Wasatch Front
- \$1,621,038 for Transportation and Land Use Connection projects
- \$50,000 for WFEDD Revolving Loan Feasibility Study
- \$50,000 for Legislative Consulting

7. The increase in Printing and Publication is for expenses associated with new social media public outreach efforts.
8. The increase in Legal expense is for costs associated with two specific projects: 1) legal review of the Council's updated personnel policy to ensure compliance with applicable law, and 2) legal review of documents associated with the sale of the office building and lease of new office space. In May 2017, the Council amended the FY'17 budget to include funds for these projects however the funds were not spent in FY'17 and are being carried forward to FY'18.
9. The decrease in the Local Government Services line item is to facilitate a transfer from the Special Projects Fund to the General Fund for the purpose of equipping and furnishing the new office space. This budget reserves \$250,000 in local funds which includes \$189,683 in funds carried forward from FY'17 and \$60,317 from FY'18 funds. Purchasing furniture and equipment represents an expense at the fund level but not at the program/grant level. The cost of furniture and equipment is recovered by way of depreciation (equipment rental) expense that is charged to the various programs over the course of 3 – 5 years at the program/grant level. The first four pages of this budget are prepared at the program/grant level and the last page shows the budgeted changes to the General and Special Projects funds.

**AMENDMENT TO THE
WASATCH FRONT REGIONAL COUNCIL
UNIFIED PLANNING WORK PROGRAM**

**FOR THE OGDEN-LAYTON AND
SALT LAKE-WEST VALLEY URBANIZED AREAS**

FISCAL YEAR 2018

OCTOBER, 2017

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

G.6 MORGAN COUNTY - OGDEN VALLEY RURAL PLANNING ORGANIZATION

OBJECTIVES:

To work with local governments and UDOT to provide a structured transportation planning process for Morgan County and Upper Ogden Valley.

To develop a Long Range Transportation Plan and transportation priorities for Morgan County and Upper Ogden Valley.

To provide a public involvement process.

ANTICIPATED PRODUCTS:

- A Long Range Transportation Plan for Morgan County and Upper Ogden Valley
- Updated priorities for consideration in the STIP development process
- A public involvement process

WORK STATEMENT:

In September, 2017 Morgan City, Huntsville Township, Morgan County, Weber County and WFRC signed an interlocal agreement establishing the Morgan County – Ogden Valley Rural Planning Organization (RPO) in order to cooperatively plan transportation system improvements and priorities. UDOT is initially providing most of the funding for the work by WFRC staff to assist these local jurisdictions in developing these plans and priorities. The RPO will help facilitate UDOT consultation with local officials.

Initial stages in developing a Long Range Transportation Plan will occur during this fiscal year. The plan will address capital roadway needs and also active transportation.

Coordination

WFRC staff will provide technical support for the Morgan County - Ogden Valley RPO. The RPO will meet about six times a year. Local governments, UDOT, and WFRC staff will raise and discuss transportation issues of importance to the area.

Long Range Plan

The WFRC staff will work with the RPO and UDOT in gathering and analyzing information about existing and future transportation needs in and between the two valleys. This will include items such as evaluating existing and future traffic volumes, consideration of economic development plans, review of previous studies, collection of bicycle compatibility index data, and other work. The initial stages may also include an opportunity for public input on transportation needs.

Near and Mid-Term Priorities

The WFRC staff will gather information and evaluate it with the RPO in order to assist in identifying near and mid-term priorities. WFRC will also participate in efforts to move highway and active transportation projects forward.

RESPONSIBLE AGENCIES:

WFRC, UDOT, UTA

LEVEL OF EFFORT FY 2018:

Agency	Months	Non-Federal	Total
WFRC	2.5	30,000	30,000

DATE: October 26, 2017
AGENDA ITEM: 4d
SUBJECT: **ACTION:** Acceptance of the FY'17 Audit Report
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 with this memo.

The auditors have issued an *unqualified opinion with no findings*. A summary of the audit results may be found on page 44 of the report. Tim Rees from the auditing firm of Karren Hendrix Stagg & Allen will be present at the Council meeting to address any questions regarding the audit.

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 AND MOTION:

The WFRC Budget Committee makes a motion that the Council take action "to accept the WFRC FY'17 Audit Report as presented."

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, 2017.

WASATCH FRONT REGIONAL COUNCIL

**Financial Statements
With Independent Auditors' Report
For the Year Ended June 30, 2017**





Mission Statement

The Wasatch Front Regional Council builds consensus and enhances quality of life by developing and implementing visions and plans for a well-functioning multi-modal transportation system, livable communities, a strong economy, and a healthy environment.



**WASATCH FRONT REGIONAL COUNCIL
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FOR THE YEAR ENDED JUNE 30, 2017**

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INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the governmental activities and each major fund, of the Wasatch Front Regional Council, Utah, as of and for the year ended June 30, 2017, 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.

Auditors' 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 and each major fund of the Wasatch Front Regional Council, Utah, as of June 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension schedules on pages 3 through 8 and 29 through 34, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Wasatch Front Regional Council's basic financial statements. The schedule of revenue and expenditures by program on pages 46 through 48 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of revenue 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 revenue and expenditures by program have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them. The schedule of expenditures of federal financial awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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

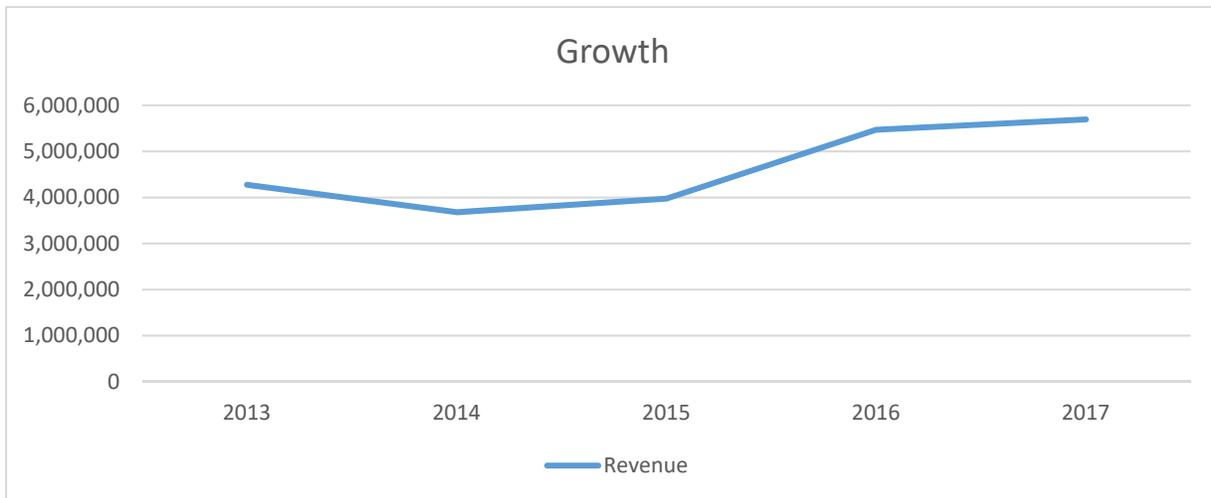
In accordance with *Government Auditing Standards*, we have also issued our report dated October 3, 2017, on our consideration of the Wasatch Front Regional Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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's internal control over financial reporting and compliance.

**WASATCH FRONT REGIONAL COUNCIL
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2017**

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, 2017.

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 to 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 twenty-one voting members, 19 elected officials representing local governments from Box Elder, Davis, Morgan, Salt Lake, Tooele and Weber counties, and one representative each from the Utah Department of Transportation and the Utah Transit Authority. The Council also includes six non-voting members representing the Utah State Senate, the Utah House of Representatives, the Utah State Planning Director, the Utah League of Cities and Towns, the Utah Association of Counties, and Envision Utah.

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.

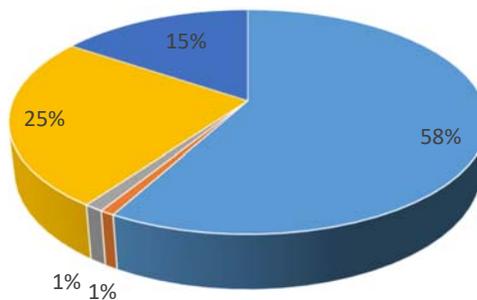
Transportation plans are also part of the comprehensive planning for the overall development of the region.

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, 2017, Wasatch Front Regional Council received funding from the following sources:

U.S. Department of Transportation	\$ 3,457,439	58.0%
U.S. Department of Housing/Urban Development	50,000	0.8%
U.S. Department of Commerce	66,000	1.1%
State of Utah	1,465,686	24.6%
Local Governments	926,902	15.5%
Total	\$ 5,966,027	100.0%

Revenue



- Dept Transportation
- Housing Urban Development
- Dept of Commerce
- State of Utah
- Local Governments

Financial Highlights

The following table summarizes changes in the Council's assets, liabilities, deferred outflows and deferred inflows:

	<u>2017</u>	<u>2016</u>	<u>Change</u>
Current assets	\$ 1,431,028	\$ 3,105,574	\$(1,674,546)
Pension assets	-	94	(94)
Capital Assets	<u>273,281</u>	<u>333,295</u>	<u>(60,014)</u>
Total assets	<u>\$ 1,704,309</u>	<u>\$ 3,438,963</u>	<u>\$(1,734,654)</u>
Deferred outflows	<u>\$ 669,444</u>	<u>\$ 531,328</u>	<u>\$ 138,116</u>
Current liabilities	819,092	2,312,269	(1,493,177)
Non-current liabilities	<u>1,339,026</u>	<u>1,404,373</u>	<u>(65,347)</u>
Total liabilities	<u>\$ 2,158,118</u>	<u>\$ 3,716,642</u>	<u>\$(1,558,524)</u>
Deferred inflows	<u>\$ 154,584</u>	<u>\$ 104,403</u>	<u>\$ 50,181</u>
Net position			
Net investment in capital assets	273,281	(42,706)	315,987
Restricted net position	-	94,633	(94,633)
Unrestricted net position	<u>(212,230)</u>	<u>97,320</u>	<u>(309,550)</u>
Total net position	<u>\$ 61,051</u>	<u>\$ 149,247</u>	<u>\$ (88,196)</u>

Management considers the fluctuation in cash, receivables, prepaid expenses, and accrued payroll liabilities to be normal for this organization. Unearned revenue is 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 lease revenue bonds were paid off 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 \$15,865 for the year.

There was an 8% increase in revenue and expenditures for the year. The bulk of this is due to new projects that included: Mountain Accord Phase II Project Management; Oquirrh connection feasibility study, GPI demographic data support and several joint planning projects with Utah Department of Transportation, Utah Transit Authority, and Mountainland Association of Governments. 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 and support. For this fiscal year those included work on Transit Support, Salt Lake County Corridor Preservation, Salt Lake County Council of Governments administrative support, Community Impact Board, Economic Development planning, CDBG Small Cities support, Transportation and Land Use Connection Program, Tooele Valley Rural Planning Organization, Mobility Management, Transportation Model Development, and several joint planning projects.

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, Economic Development planning, and other planning.

Government-wide Financial Statements. The government-wide *financial* 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 revenue is 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 (revenue, 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.

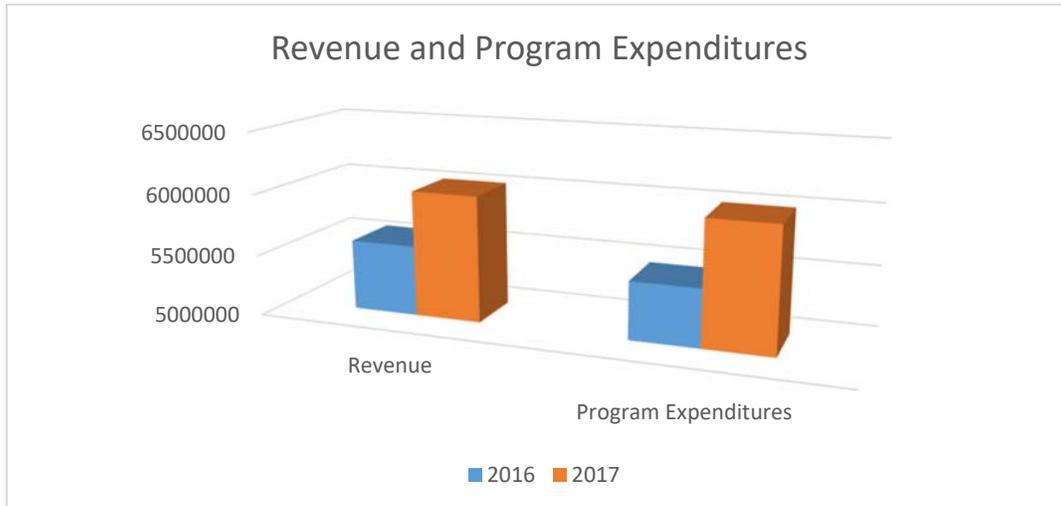
Governmental Funds. Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the *government-wide financial statements*. However, for accounting and reporting purposes, government fund numbers are determined with a different approach. At the fund 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 \$61,050 at the close of the fiscal year ended June 30, 2017. 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 \$272,779. The Council records depreciation on the building using a straight-line method over the same seventeen-year period. The remaining fixed assets, including leasehold improvements and furniture and equipment, have a value net of depreciation of \$273,281 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 Council's net position decreased by \$88,179 during the fiscal year due to interest earned on cash balances and differences in pension expense from implementing GAS B 68.



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

	<u>2017</u>	<u>2016</u>
Revenue		
Federal sources	\$ 3,573,438	\$ 3,453,520
State sources	1,465,686	1,141,234
Local sources	972,841	972,987
Interest income	15,856	8,133
Total revenue	<u>\$ 6,027,821</u>	<u>\$ 5,575,874</u>
Expenses		
Program	\$ 6,065,772	\$ 5,472,495
Interest	5,747	7,823
Total expenses	<u>\$ 6,071,519</u>	<u>\$ 5,480,318</u>
Increase in net position	\$ (88,179)	\$ 95,557
Net position, beginning	<u>149,246</u>	<u>53,689</u>
Net position, ending	<u>\$ 61,067</u>	<u>\$ 149,246</u>

The Council has two funds that are deemed major funds. The general fund is the fund that pays for the administration of the council and activities not accounted for in the special projects fund. The special projects fund accounts for the major projects of the Council. At the end of June 2017, the general fund showed a decrease of \$67 and the special projects fund showed a decrease of \$366,760. The major

reason for the decrease was to pay off the lease revenue bonds and for completion of projects.

Debt

The Council paid off the lease revenue bonds in 2017.

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

	2017	2016
Revenue bonds	\$ -	\$ 376,000

Use of Reserved 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.

Cash	\$ 456,543
Restricted cash	555,878

Budgetary Highlights

The Council approved its fiscal year 2017 budget on May 26, 2016. During the year the 2017 budget was amended to include \$2,112,847 in additional funding for projects such as GPI demographic data support, Oquirrh connection feasibility study, Transportation and Land Use Connection Program, and to account for funds carried forward from the previous year that was 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, 2017, amounts to \$273,281, 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 18%. During the year the Council purchased furniture and equipment and leasehold improvements in the amount of \$29,504. The Council uses the straight-line method of depreciation over the estimated useful life of the assets.

Property and Equipment
(Net of Depreciation)

	<u>2017</u>	<u>2016</u>
Land	\$ 105,889	\$ 105,888
Buildings	112,118	168,176
Improvements	17,185	19,954
Furniture and equipment	<u>38,089</u>	<u>39,277</u>
Total	<u>\$ 273,281</u>	<u>\$ 333,295</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, 2017

ASSETS

CURRENT ASSETS

Cash	\$ 456,542
Cash - restricted	555,878
Accounts receivable	411,432
Prepaid expenses	7,176
Total current assets	<u>1,431,028</u>

NON-CURRENT ASSETS (Net of depreciation)

Pension asset	
Capital assets	
Land	105,889
Building	112,118
Leasehold improvements	17,185
Furniture and equipment	38,089
Total capital assets	<u>273,281</u>

Total assets 1,704,309

Deferred outflows of resources
Deferred outflows relating to pensions 669,444

Total assets and deferred outflows of resources 2,373,753

LIABILITIES

CURRENT LIABILITIES

Accounts payable	163,214
Unearned revenue	555,878
Compensated Absences (due within one year)	100,000
Total current liabilities	<u>819,092</u>

Noncurrent Liabilities

Pension Liability	1,186,281
Compensated Absences (due after one year)	152,745
Total noncurrent liabilities	<u>1,339,026</u>

Total liabilities 2,158,118

Deferred Inflows of resources
Deferred inflows relating to pensions 154,584

Total deferred inflows of resources 154,584

NET POSITION

Investment in capital assets, net of related debt	273,281
Restricted net position	-
Unrestricted net position	<u>(212,230)</u>

Total net position \$ 61,051

Total liabilities, deferred inflows and net position 2,373,753

The accompanying notes are an integral part of this statement.

WASATCH FRONT REGIONAL COUNCIL

Statement of Activities

For the Year Ended June 30, 2017

		Net (Expense) Revenue and Changes in Net Position		
		Program Revenue		Primary Government
<u>Functions and Programs</u>	<u>Expenses</u>	<u>Operating Grants and Contributions</u>	<u>Other Grants and Contributions</u>	<u>Government Activities</u>
PRIMARY GOVERNMENT				
Government activities				
General government	\$ 6,065,771	\$ 5,966,527	\$ -	\$ (99,244)
Interest on long term debt	5,747	-	-	(5,747)
Total government activities	6,071,518	5,966,527	-	(104,991)
Total primary government	\$ 6,071,518	\$ 5,966,527	\$ -	\$ (104,991)
General revenue				
Investment earnings				16,795
Total general revenue				16,795
Changes in net assets				(88,196)
NET POSITION, JULY 1				149,247
NET POSITION, JUNE 30				\$ 61,051

The accompanying notes are an integral part of this statement.

WASATCH FRONT REGIONAL COUNCIL
Balance Sheet
Governmental Funds
June 30, 2017

	<u>General</u>	<u>Special Projects</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>			
ASSETS			
Cash	\$ 95,367	\$ 361,176	\$ 456,543
Cash - restricted	-	555,878	555,878
Accounts receivable	-	411,432	411,432
Prepaid expenses	-	7,176	7,176
Total assets	<u>\$ 95,367</u>	<u>\$ 1,335,662</u>	<u>\$ 1,431,029</u>
<u>LIABILITIES AND FUND BALANCES</u>			
LIABILITIES			
Accounts payable	\$ -	\$ 163,214	\$ 163,214
Unearned revenue	-	555,878	555,878
Total liabilities	<u>-</u>	<u>719,092</u>	<u>719,092</u>
FUND BALANCES			
Assigned - compensated absences	-	292,786	292,786
Assigned - special projects	-	323,784	323,784
Restricted	-	-	-
Unassigned	95,367	-	95,367
Total fund balances	<u>95,367</u>	<u>616,570</u>	<u>711,937</u>
Total liabilities and fund balances	<u>\$ 95,367</u>	<u>\$ 1,335,662</u>	<u>\$ 1,431,029</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, 2017

Total fund balance		\$ 711,937
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	\$ 105,889	
Building	952,993	
Leasehold improvements	44,263	
Furniture and equipment	315,196	
Less accumulated depreciation	<u>(1,145,060)</u>	
Total capital assets	<u>273,281</u>	273,281
Liability for compensated absences is not recognized at the fund level but is recognized for the government wide statement of net assets.		(252,746)
Pension liability is not recognized on the funds statement but is recorded on the government wide statement.		(1,186,281)
Deferred outflows is not recognized on the funds statement but is recorded on the government wide statement.		669,444
Deferred inflows is not recognized on the funds statement but is recorded on the government wide statement.		<u>(154,584)</u>
Total net assets of governmental activities		<u><u>\$ 61,051</u></u>

The accompanying notes are an integral part of this statement.

WASATCH FRONT REGIONAL COUNCIL
Statement of Revenue, Expenditures,
and Changes in Fund Balances - Governmental Funds
For the Year Ended June 30, 2017

	<u>General</u>	<u>Special Projects</u>	<u>Totals</u>
REVENUE			
Federal sources	\$ 82,182	\$ 3,491,256	\$ 3,573,438
State sources	4,049	1,461,637	1,465,686
Local sources	185,274	742,567	927,841
Interest	15,856	-	15,856
Total revenue	<u>287,361</u>	<u>5,695,460</u>	<u>5,982,821</u>
EXPENDITURES			
Administration	1,659	-	1,659
Planning	-	5,937,306	5,937,306
Capital outlay	28,937		28,937
Debt service			
Principal	376,000	-	376,000
Interest	5,746	-	5,746
Total expenditures	<u>412,342</u>	<u>5,937,306</u>	<u>6,349,648</u>
Revenue and other sources (under) over expenditures and other uses	<u>(124,981)</u>	<u>(241,846)</u>	<u>(366,827)</u>
Other sources			
Transfers	124,914	(124,914)	-
Total other sources	<u>124,914</u>	<u>(124,914)</u>	<u>-</u>
Total revenue under (over) expenditures and other sources	(67)	(366,760)	(366,827)
FUND BALANCE, JULY 1	<u>95,434</u>	<u>983,330</u>	<u>1,078,764</u>
FUND BALANCE, JUNE 30	<u>\$ 95,367</u>	<u>\$ 616,570</u>	<u>\$ 711,937</u>

The accompanying notes are an integral part of this statement.

WASATCH FRONT REGIONAL COUNCIL
Reconciliation of the Statement of Revenue, Expenditures, and Changes in
Funds Balances - Governmental Funds to the Statement of Activities
June 30, 2017

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (366,827)
<p>The change in net assets reported for governmental activities in the statement of activities is different because:</p> <p>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 (\$29,504) is less than depreciation expense (\$89,520).</p>	
	(60,019)
The increase in compensated absences is reported in the statement of activities but the liability is not recorded at the fund level.	56,944
Pension expense is reduced by deferred outflows on the government wide statement.	(94,294)
Repayment of principal is an expenditure in the governmental funds but reduced the liability in the statement of net assets.	376,000
	<hr/>
Change in net position of governmental activities	<u><u>\$ (88,196)</u></u>

The accompanying notes are an integral part of this statement.

**WASATCH FRONT REGIONAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

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.

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 revenue 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, revenue is recorded when earned, and expenses are recorded at the time liabilities are incurred or the economic asset is used. Revenue, 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 revenue of a given activity supports direct expense. Direct expenses are those that can clearly be associated with a particular activity or program. Program revenue is grants or other contributions that are restricted to operations or a specific activity. General revenue is investment earnings.

The *Governmental Fund Balance Sheet*, and the *Statement of Governmental Fund Revenue, and Expenditures and Changes in Fund Balance* use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenue is recognized when susceptible to accrual (i.e., when it becomes 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 the 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 \$1,000 and values the assets at historical

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

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. 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 revenue includes 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, revenue, and expenses or expenditures reported in 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.

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

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

Governmental Funds – Major individual funds are reported in separate columns in the governmental fund's 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 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.

Prepays – Payments made for goods and services that will benefit periods beyond June 30, 2017, are recorded as prepaid.

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. Restricted sources are used before unrestricted sources.

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. 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.

Deferred Inflows and Outflows

In addition to assets, financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represent a consumption of net position that applies to future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, Wasatch Front has only one deferred outflow relating to pensions.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement, deferred inflows of resources, represent an acquisition of net position that applies to future period(s) and will not be recognized as an inflow of resources (revenue) until that time. Wasatch Front has only one deferred inflow related to pensions.

Pensions

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

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 the 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, 2017, the Council had the following deposits and investments:

<u>Deposit and Investment Type</u>	<u>Fair Value</u>
Cash on deposit	\$ 459,531
State Treasurer's investment pool	<u>552,587</u>
Total	<u>\$ 1,012,118</u>

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, 2017, the Utah Public Treasurer's Investment Fund was unrated.

As of June 30, 2017, 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	\$ 552,557	\$ 552,557	\$ -	\$ -
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total investments	<u>\$ 552,557</u>	<u>\$ 552,557</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, 2017, \$354,619 of the Council's deposits were 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, 2017, are as follows:

Cash on hand	\$ 300
Cash on deposit	459,231
Utah State Treasurer's investment pool	<u>552,587</u>
Total	<u>\$ 1,012,118</u>

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

Cash on deposit	\$ 456,542
Restricted cash	<u>555,878</u>
Total	<u>\$ 1,012,420</u>

NOTE 3—ACCOUNTS RECEIVABLE

Accounts receivable from all sources as of June 30, 2017, consisted of the following:

There is no allowance for uncollectable accounts.

UDOT Consolidated Planning Grant	\$ 289,079
UDOT Corridor Preservation	1,347
Department of Workforce Services CDBG	17,440
UDOT TLC SL	31,763
UDOT TLC WD	42,766
UTA Mobility Management	3,487
Mountainland Association of Governments	<u>25,550</u>
Total	<u>\$ 411,432</u>

NOTE 4—PROPERTY AND EQUIPMENT

A summary of changes in property and equipment for the year ended June 30, 2017, is as follows:

	Balance June 30, 2016	Additions	Retirement	Balance June 30, 2017
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	298,572	29,507	(12,881)	315,198
Total depreciated assets	<u>1,295,827</u>	<u>29,507</u>	<u>(12,881)</u>	<u>1,312,453</u>
Less accumulated depreciation				
Building	784,817	56,058	-	840,875
Leasehold improvements	24,308	2,769	-	27,077
Equipment, furniture, and fixtures	259,295	30,693	(12,880)	277,108
Total accumulated depreciation	<u>1,068,420</u>	<u>89,520</u>	<u>(12,880)</u>	<u>1,145,060</u>
Net property and equipment	<u>\$ 333,295</u>	<u>\$ (60,013)</u>	<u>\$ (25,761)</u>	<u>\$ 273,281</u>

Depreciation expense was \$89,520 for general government.

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 year. 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 coincides with the payments due on the Lease Revenue Bonds. The lease was paid in 2017, and the Council will receive title to the property.

A summary of changes in long-term debt for the year ended June 30, 2017, is as follows:

	Balance June 30, 2016	Additions	Reductions	Balance June 30, 2017	Due Within Within One Year
Lease revenue bond	\$ 376,000	\$ -	\$ 376,000	-	\$ -
Compensated absences					
Pension liability	1,004,144	182,137	-	1,186,281	-
Sick leave	121,243	-	(4,762)	116,481	50,000
Vacation	188,444	15,021	(67,201)	136,264	50,000
Total	1,313,831	197,158	(71,963)	1,439,026	100,000
Total long-term liabilities	<u>\$ 1,689,831</u>	<u>\$ 197,158</u>	<u>\$ 304,037</u>	<u>\$ 1,439,026</u>	<u>\$ 100,000</u>

NOTE 6—NET POSITION

The unrestricted net position of the special projects fund on June 30, 2017, was designated by the Council for future programs, local matching for Federally-funded projects and compensated absences, and unemployment compensation.

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

General Information About the Pension Plan

Plan description: Eligible plan participants are provided with pensions through the Utah Retirement Systems. Utah Retirement Systems are comprised of the following Pension Trust Funds:

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

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

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in title 49 provides for the administration of the Systems under the direction of the Utah State Retirement

Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms. URS issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 East 200 South, Salt Lake City, Utah 84102 or visiting the website: www.urs.org.

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

System	Final Average Salary	and/or Age Eligible For Benefits	Per Year of Service	COLA**
Noncontributory System	Highest 3 years	30 Years any age 25 Years any age* 20 Years age 60* 10 Years age 62* 4 Years age 65	2.0% Per year all years	Up to 4%
Tier 2 Public Employees System	Highest 5 years	35 Years any age 20 Years age 60* 10 Years age 62* 4 Years age 65	1.5% Per year all years	Up to 2.5%

* With actuarial reductions

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

Contributions: As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the Utah State Retirement Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable) is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of June 30, 2017, are as follows:

	Employee Paid	Employer Contribution Rate	Employer Rate for 401(k) Plan
Contribution System			
111 Local Government Div Tier 2	N/A	14.91	1.78
Noncontributory System			
15 Local Government Div. Tier 1	N/A	18.47	N/A
Tier 2 DC Only	N/A	6.69	10.00
211 Local Government			

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

For fiscal year ended June 30, 2017, the employer and employee contributions to the Systems were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory system	\$ 282,809	N/A
Tier 2 Public Employees System	72,155	-
Tier 2 DC Only System	5,968	N/A
Total contributions	<u>\$ 360,931</u>	<u>-</u>

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

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

At June 30, 2017, we reported a net pension asset of \$0 and a net pension liability of \$1,186,281.

	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share Dec. 31, 2015	Change (Decrease)
Noncontributory System	\$ -	\$ 1,180,234	0.1838020%	0.1774581%	0.0063499%
Tier 2 Public Employees System	-	6,047	0.0542080%	0.0430644%	0.0111436%
Total	<u>\$ -</u>	<u>\$ 1,186,281</u>			

The net pension asset and liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2017, and rolled forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2017, we recognized pension expense of \$455,151.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 25,636	\$ 37,134
Changes in assumptions	163,330	38,965
Net difference between projected and actual earnings on pension plan investments	264,580	78,485
Changes in proportion and differences between contributions and proportionate share of contributions	39,477	-
Contributions subsequent to the measurement date	176,421	-
Total	\$ 669,444	\$ 154,584

\$176,421 was reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year-end, but subsequent to the measurement date of December 31, 2016. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year.

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

<u>Year Ended December 31,</u>	Deferred Outflows (Inflows) of Resources
2017	\$ 104,096
2018	105,119
2019	125,795
2020	1,399
2021	165
Thereafter	1,865

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

Inflation	2.60 Percent
Salary increases	3.35 - 10.35 Percent, average, including inflation
Investment rate of return	7.20 Percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used on January 1, 2017, the valuation was based on the results of an actuarial experience study for the five-year period ending December 31, 2013.

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

Asset Class	Target Asset Allocation	Annual Return Arithmetic Basis	Expected Portfolio Real Rate of Return
Equity securities	40%	7.06%	2.82%
Debt securities	20%	0.80%	0.16%
Real assets	13%	5.10%	0.66%
Private equity	9%	11.30%	1.02%
Absolute return	18%	3.15%	0.57%
Cash and cash equivalents	0%	0%	0%
	100%		5.23%

The 7.20% assumed investment rate of return is comprised of an inflation rate of 2.60%, a real return of 4.60% that is net of investment expense.

Discount rate: The discount rate used to measure the total pension liability was 7.20%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employees will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of currently active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced to 7.20% from 7.50% from the prior measurement period.

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate: The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.20%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20%) or 1- percentage-point higher (8.20%) than the current rate:

System	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
Non-contributory System	\$ 2,444,664	\$ 1,180,234	\$ 125,136
Tier 2 Public Employees System	41,159	6,047	(20,665)
Total	\$ 2,485,823	\$ 1,186,281	\$ 104,471

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

Defined Contribution Savings Plans

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

Wasatch Front Regional Council participates in the following Defined Contribution Savings Plans with Utah Retirement Systems:

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

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

	2017	2016	2015
401(k) Plan			
Employer contributions	\$ 17,535	\$ 15,086	\$ 14,046
Employee Contributions	48,287	52,913	43,502
457 Plan			
Employer contributions	-	-	-
Employee contributions	137,664	164,779	130,912
Roth IRA Plan			
Employer contributions	N/A	N/A	N/A
Employee contributions	N/A	N/A	N/A

NOTE 9— ECONOMIC DEPENDENCY

The Council receives a substantial amount of its revenue from the U.S. Department of Transportation. This agency provides 60% of the Council's total revenue. Loss of this support could adversely affect the Council's activities.

NOTE 10— RESTRICTED CASH

The Council has restricted cash in the amount of \$555,878 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 81 Irrevocable Split-Interest Agreements

GASB 82 Pension Issues and Amendment OF GASB Statements NO 67, No 68, and No 73

GASB 83 Certain Asset Retirement Obligations

GASB 84 Fiduciary Activities

GASB 85 Omnibus 2017

GASB 86 Certain Debt Extinguishment Issues

GASB 87 Leases

The statements should 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.

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 11). 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

The Council had fund transfers of \$124,914 from the special projects fund to the general fund to pay off the lease revenue bonds.

REQUIRED SUPPLEMENTARY INFORMATION

WASATCH FRONT REGIONAL COUNCIL
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	Budgetary Basis	
REVENUE				
Federal sources	\$ 82,182	\$ 82,182	\$ 82,182	\$ -
State sources	4,049	4,049	4,049	-
Local sources	37,569	183,910	185,274	1,364
Interest	4,500	15,000	15,856	856
Total revenue	<u>128,300</u>	<u>285,141</u>	<u>287,361</u>	<u>2,220</u>
EXPENDITURES				
Operating expenses	1,300	1,300	1,659	359
Capital outlay	45,000	45,000	28,937	(16,063)
Principal	76,000	376,000	376,000	-
Interest	6,000	6,000	5,746	(254)
Total expenditures	<u>128,300</u>	<u>428,300</u>	<u>412,342</u>	<u>(15,958)</u>
Excess of revenue over expenditures (usage of fund balance)	-	(143,159)	(124,981)	18,178
Other sources				
Transfers in	-	124,914	124,914	-
Transfers out	-	-	-	-
Net change in fund balance	-	(18,245)	(67)	18,178
FUND BALANCE, JULY 1	<u>95,434</u>	<u>95,434</u>	<u>95,434</u>	<u>-</u>
FUND BALANCE, JUNE 30	<u>\$ 95,434</u>	<u>\$ 77,189</u>	<u>\$ 95,367</u>	<u>\$ 18,178</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, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	Budgetary Basis	
REVENUE				
Federal sources	\$ 4,210,653	\$ 4,830,550	\$ 3,491,256	\$ (1,339,294) ^a
State sources	1,163,579	1,519,154	1,461,637	(57,517)
Local sources	925,833	1,458,603	742,567	(716,036)
Total revenue	<u>6,300,065</u>	<u>7,808,307</u>	<u>5,695,460</u>	<u>(2,112,847)</u>
EXPENDITURES				
Planning	6,300,065	7,808,307	5,937,306	(1,871,001)
Total expenditures	<u>6,300,065</u>	<u>7,808,307</u>	<u>5,937,306</u>	<u>(1,871,001)</u>
Excess of revenue over expenditures (usage of fund balance)	<u>-</u>	<u>-</u>	<u>(241,846)</u>	<u>(241,846)</u>
Other sources				
Transfers out	-	(124,914)	(124,914)	-
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	124,914	(116,932)	(241,846)
FUND BALANCE, JULY 1	<u>983,330</u>	<u>983,330</u>	<u>983,330</u>	<u>-</u>
FUND BALANCE, JUNE 30	<u>\$ 983,330</u>	<u>\$ 1,108,244</u>	<u>\$ 866,398</u>	<u>\$ (241,846)</u>

Footnote revenue variance

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.

Wasatch Front Regional Council
Schedule of Required Supplementary Information
Schedule of the Proportionate Share of the Net Pension Liability
December 31, 2017
Last 10 Fiscal Years*

	<u>Noncontributory System</u>	<u>Tier 2 Public Employees System</u>
Proportion of the net pension liability (asset)		
2015	0.1707007%	0.0407256%
2016	0.1774581%	0.0430644%
2017	0.1838020%	0.0542080%
Proportionate share of the net pension liability (asset)		
2015	\$ 741,223	\$ (1,234)
2016	1,004,144	(94)
2017	1,180,234	6,047
Covered employee payroll		
2015	\$ 1,402,300	\$ 199,888
2016	1,449,896	278,274
2017	1,507,181	444,548
Proportionate share of the net pension liability (asset as a percentage of its covered employee payroll)		
2015	52.9%	-0.06%
2016	69.3%	-0.03%
2017	78.3%	1.36%
Plan fiduciary net pension as a percentage of the total pension liability		
2015	90.2%	103.5%
2016	87.8%	100.2%
2017	87.3%	95.1%

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

The accompanying notes are an integral part of this statement.

WASATCH FRONT REGIONAL COUNCIL
Schedule of Required Supplementary Information
Schedule of Contributions
Utah Retirement Systems

	<u>As of Fiscal Yea Ended June 30</u>	<u>Actuarial Determined Contributions</u>	<u>Contributions in Relation to the Contractually Required Contribution</u>	<u>Contribution Deficiency (excess)</u>	<u>Covered Employee Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
Noncontributory system	2015	\$ 252,255	\$ 252,255	\$ -	\$ 1,365,759	18.47%
	2016	275,203	275,203	-	1,489,997	18.47%
	2017	282,809	282,809	-	1,531,176	18.47%
Tier 2 Public employees system *	2015	33,858	33,858	-	226,625	14.94%
	2016	52,322	52,322	-	350,920	14.91%
	2017	72,155	72,155	-	483,938	14.91%
Tier 2 Public Employees DC only system *	2015	6,728	6,728	-	100,120	6.72%
	2016	5,914	5,914	-	88,400	6.69%
	2017	5,968	5,968	-	89,203	6.69%

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

Paragraph 81.b of GASB 68 requires employers to disclose a 10-year history of contributions in RSI. Contributions as a percentage of covered-payroll may be different than the board certified rate due to rounding and other administrative issues.

The accompanying notes are an integral part of this statement.

WASATCH FRONT REGIONAL COUNCIL

Notes to Required Supplementary Information For the Fiscal Year Ended June 30, 2017

Changes of Assumptions

The following actuarial assumptions changes were adopted January 1, 2016. The assumed investment return assumption was decreased from 7.50% to 7.20% and the assumed inflation rate was decreased from 2.75% to 2.60%. With the decrease in the assumed rate of inflation, both the payroll growth and wage inflation assumption were decreased by 0.15% from the prior year's assumption.

SUPPLEMENTARY INFORMATION

INDEPENDENT AUDITORS' 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, 2017. The general compliance requirements applicable to the Council are identified as follows:

Cash Management	Fund Balance
Budgetary Compliance	Utah Retirement Systems Compliance
Utah Public Website	Treasure Bond
Restricted Cash and Related Revenue	Open and Public Meetings Act

The Council did not receive any major state grants during the year ended June 30, 2017.

Management's Responsibility

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

Auditors' 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 on General State Compliance Requirements

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, 2017.

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.

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
Salt Lake City, Utah
October 3, 2017

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, 2017, and the related notes to the financial statements, which collectively comprise Wasatch Front Regional Council, basic financial statements and have issued our report thereon dated October 3, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Wasatch Front Regional Council'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, 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, 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

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
Salt Lake City, Utah
October 3, 2017

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE REQUIREMENTS

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 Compliance Supplement* that could have a direct and material effect on each of the Wasatch Front Regional Council, major federal programs for the year ended June 30, 2017. Wasatch Front Regional Council, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Wasatch Front Regional Council, 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 the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Those standards and the Uniform Guidance 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, 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's compliance.

Opinion on Each Major Federal Program

In our opinion, the Wasatch Front Regional Council, 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, 2017.

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, 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 the Uniform Guidance, 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.

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 a material weakness. However, martial 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Karren Hendrix Stagg Allen and Company
Salt Lake City, Utah
October 3, 2017

**WASATCH FRONT REGIONAL COUNCIL
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2017**

U.S. Department	Description	Federal CFDA Number	2015-2016 Expenditures (Accrual Basis)
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Federal Highway Administration	Consolidate Planning Grant (through Utah Department of Transportation)	20.205	\$ 3,045,597
Federal Highway Administration	Consolidated Planning Grant (through UDOT, through Mountainlands AOG)	20.205	62,990
Federal Highway Administration	STP Funds (through Utah Department of Transportation) Local	20.205	206,507
Federal Highway Administration	STP Funds (through Utah Department of Transportation) Local Planning Resource Program Weber & Davis Counties	20.205	138,858
Total Federal Highway Administration			<u>3,453,952</u>
Federal Transit Administration	Mobility Management Study (through Utah Transit Authority)	20.513	3,487
Total Federal Transit Administration			<u>3,487</u>
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			<u>3,457,439</u>
<u>U.S. Department of Commerce</u>			
Department of Economic Development	Support for Planning Organizations	11.302	66,000
TOTAL DEPARTMENT OF COMMERCE			<u>66,000</u>
<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	50,000
TOTAL FEDERAL FINANCIAL ASSISTANCE			<u><u>\$ 3,573,439</u></u>

The accompanying notes are an integral part of this statement.

**WASATCH FRONT REGIONAL COUNCIL
NOTES TO FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017**

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, revenue, 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 Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards.

Federal Awards.

Pursuant to Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* assistance is defined 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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements Cost Principles, and Audit Requirements for Federal Awards* 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 \$750,000 in federal expenditures, distributions, or issuances for the fiscal year ended June 30, 2017.

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, 2017.

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 the Uniform Guidance, 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.

10% de minimis indirect cost rate

The entity did not choose to use the 10% minimis cost rate.

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, 2017**

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 are 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 \$750,000.
9. Wasatch Front Regional Council was determined to be a low-risk auditee as defined by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards.

FINDINGS - FINANCIAL STATEMENT AUDIT

None

FINDING 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

FINDING 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, 2017**

DESCRIPTION	CPG GRANT	TRANSIT SUPPORT	TOOELE VALLEY RPO	LOCAL GOVT SERVICE	CORRIDOR PRESERVATION
REVENUES					
Federal sources:	3,045,596.84	-	-	-	-
Total federal sources	3,045,596.84	-	-	-	-
State sources:					
State funds	140,000.00	-	-	-	8,114.07
Total state sources	140,000.00	-	-	-	8,114.07
Local sources:					
Cities and counties	38,100.63	-	2,484.46	101,291.49	-
Transfer between funds					
Other	43,058.76	64,905.81	-	-	-
Total local sources	81,159.39	64,905.81	2,484.46	101,291.49	-
TOTAL REVENUE	3,266,756.23	64,905.81	2,484.46	101,291.49	8,114.07
EXPENDITURES					
Salaries and employee benefits	2,356,307.42	51,101.15	2,093.12	70,916.13	6,786.81
Contractual services	192,634.59	-	-	-	-
Equipment - purchase	-	-	-	-	-
Equipment - rental	17,927.66	-	-	-	-
Equipment - repair/maintenance	-	-	-	-	-
Rent - building	46,093.14	1,122.84	32.95	1,349.93	107.90
Rent - building operating exp	48,815.95	1,213.19	31.01	857.26	104.77
Travel	49,008.81	-	-	4,418.85	23.55
Training	27,396.15	-	-	-	-
Publications	5,420.41	-	-	-	-
Supplies & software	33,017.74	-	-	5,407.60	-
Telephone & data	23,680.56	453.94	12.91	464.18	42.50
Accounting	-	-	-	-	-
Dues and subscriptions	8,380.00	-	-	4,000.00	-
Insurance	-	-	-	-	-
Legal	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Bank charges and other	-	-	-	-	-
Debt service - principal	-	-	-	-	-
Debt service - interest	-	-	-	-	-
Indirect cost	458,073.80	11,014.69	314.47	13,877.54	1,048.54
TOTAL EXPENDITURES	3,266,756.23	64,905.81	2,484.46	101,291.49	8,114.07
OTHER REVENUE/(EXPENSE)					
Interest income	-	-	-	-	-
TOTAL OTHER REV/(EXP)	-	-	-	-	-
Excess of revenue over (under) expenditures	(0.00)	(0.00)	-	0.00	(0.00)

DESCRIPTION	SALT LAKE COG	CIB \$2K GRANT	ECONOMIC DEVELOPMENT	CDBG TOOELE	TLC ADMIN
REVENUES					
Federal sources:	-	-	66,000.00	50,000.00	-
Total federal sources	-	-	66,000.00	50,000.00	-
State sources:					
State funds	-	2,000.00	-	-	-
Total state sources	-	2,000.00	-	-	-
Local sources:					
Cities and counties	64,820.64	-	66,000.00	-	-
Transfer between funds					
Other	-	-	-	-	-
Total local sources	64,820.64	-	66,000.00	-	-
TOTAL REVENUE	64,820.64	2,000.00	132,000.00	50,000.00	-
EXPENDITURES					
Salaries and employee benefits	52,060.01	1,639.26	96,342.94	38,974.91	-
Contractual services	-	-	-	-	-
Equipment - purchase	-	-	-	-	-
Equipment - rental	-	-	-	-	-
Equipment - repair/maintenance	-	-	-	-	-
Rent - building	874.81	32.19	2,361.51	711.04	315.25
Rent - building operating exp	949.25	20.32	2,467.23	831.98	318.10
Travel	978.07		2,542.17	2,006.19	-
Training	-	-	-	473.40	-
Publications	-	-	521.71	146.12	-
Supplies & software	1,234.26	-	2,535.84	-	-
Telephone & data	347.68	12.13	1,449.16	307.41	123.66
Accounting	-	-	-	-	-
Dues and subscriptions	-	-	-	-	-
Insurance	-	-	-	-	-
Legal	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Bank charges and other	-	-	-	-	-
Debt service - principal	-	-	-	-	-
Debt service - interest	-	-	-	-	-
Indirect cost	8,376.56	296.10	23,779.44	6,548.95	(757.01)
TOTAL EXPENDITURES	64,820.64	2,000.00	132,000.00	50,000.00	-
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, 2017**

DESCRIPTION	TLC SL	TLC WD	TOOELE VALLEY RTP UPDATE	MOBILITY MGMT	LEGISLATIVE CONSULTANT
REVENUES					
Federal sources:	206,507.06	138,857.72	-	3,486.61	-
Total federal sources	<u>206,507.06</u>	<u>138,857.72</u>	<u>-</u>	<u>3,486.61</u>	<u>-</u>
State sources:					
State funds	-	-	3,196.54	-	-
Total state sources	<u>-</u>	<u>-</u>	<u>3,196.54</u>	<u>-</u>	<u>-</u>
Local sources:					
Cities and counties	235,259.46	31,998.69	-	-	50,000.00
Transfer between funds					
Other	-	-	-	-	-
Total local sources	<u>235,259.46</u>	<u>31,998.69</u>	<u>-</u>	<u>-</u>	<u>50,000.00</u>
TOTAL REVENUE	<u>441,766.52</u>	<u>170,856.41</u>	<u>3,196.54</u>	<u>3,486.61</u>	<u>50,000.00</u>
EXPENDITURES					
Salaries and employee benefits	34,772.15	38,466.67	2,691.72	2,962.19	-
Contractual services	395,185.64	118,233.84	-	-	50,000.00
Equipment - purchase	-	-	-	-	-
Equipment - rental	-	-	-	-	-
Equipment - repair/maintenance	-	-	-	-	-
Rent - building	711.71	1,094.43	41.48	40.23	-
Rent - building operating exp	896.28	1,293.58	33.37	44.75	-
Travel	-	-	-	-	-
Training	-	-	-	-	-
Publications	-	-	-	-	-
Supplies & software	-	-	-	-	-
Telephone & data	301.56	465.58	18.08	16.80	-
Accounting	-	-	-	-	-
Dues and subscriptions	-	-	-	-	-
Insurance	-	-	-	-	-
Legal	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Bank charges and other	-	-	-	-	-
Debt service - principal	-	-	-	-	-
Debt service - interest	-	-	-	-	-
Indirect cost	9,899.18	11,302.31	411.89	422.64	-
TOTAL EXPENDITURES	<u>441,766.52</u>	<u>170,856.41</u>	<u>3,196.54</u>	<u>3,486.61</u>	<u>50,000.00</u>
OTHER REVENUE/(EXPENSE)					
Interest income	-	-	-	-	-
TOTAL OTHER REV/(EXP)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenue over (under) expenditures	<u>(0.00)</u>	<u>0.00</u>	<u>0.00</u>	<u>-</u>	<u>-</u>

DESCRIPTION	MAG MODEL DEVELOPMENT	GPI DECISION SUPPORT	MTN ACCORD PROJECT MGMT	STREET CONNECTIVITY	OQUIRRH CONNECTION
REVENUES					
Federal sources:	54,989.90	-	-	8,000.00	-
Total federal sources	<u>54,989.90</u>	<u>-</u>	<u>-</u>	<u>8,000.00</u>	<u>-</u>
State sources:					
State funds	-	-	1,281,073.32	31,301.71	-
Total state sources	<u>-</u>	<u>-</u>	<u>1,281,073.32</u>	<u>31,301.71</u>	<u>-</u>
Local sources:					
Cities and counties	-	-	-	-	181,439.03
Transfer between funds					
Other	-	47,542.90	-	-	-
Total local sources	<u>-</u>	<u>47,542.90</u>	<u>-</u>	<u>-</u>	<u>181,439.03</u>
TOTAL REVENUE	<u>54,989.90</u>	<u>47,542.90</u>	<u>1,281,073.32</u>	<u>39,301.71</u>	<u>181,439.03</u>
EXPENDITURES					
Salaries and employee benefits	-	10,078.49	-	-	7,179.79
Contractual services	54,989.90	34,995.33	1,281,073.32	39,301.71	172,720.74
Equipment - purchase	-	-	-	-	-
Equipment - rental	-	-	-	-	-
Equipment - repair/maintenance	-	-	-	-	-
Rent - building	-	209.03	-	-	128.55
Rent - building operating exp	-	141.61	-	-	147.14
Travel	-	-	-	-	-
Training	-	-	-	-	-
Publications	-	-	-	-	-
Supplies & software	-	-	-	-	-
Telephone & data	-	91.16	-	-	50.90
Accounting	-	-	-	-	-
Dues and subscriptions	-	-	-	-	-
Insurance	-	-	-	-	-
Legal	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Bank charges and other	-	-	-	-	-
Debt service - principal	-	-	-	-	-
Debt service - interest	-	-	-	-	-
Indirect cost	-	2,027.28	-	-	1,211.91
TOTAL EXPENDITURES	<u>54,989.90</u>	<u>47,542.90</u>	<u>1,281,073.32</u>	<u>39,301.71</u>	<u>181,439.03</u>
OTHER REVENUE/(EXPENSE)					
Interest income	-	-	-	-	-
TOTAL OTHER REV/(EXP)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenue over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

DESCRIPTION	ALLOCABLE			TOTAL
	INDIRECT	SPECIAL PROJ/ GENERAL FUND		
REVENUES				
Federal sources:	-	-	-	3,573,438.13
Total federal sources	-	-	-	3,573,438.13
State sources:				
State funds	-	-	-	1,465,685.64
Total state sources	-	-	-	1,465,685.64
Local sources:				
Cities and counties	-	-	-	771,394.40
Transfer between funds				-
Other	-	-	1,364.73	156,872.20
Total local sources	-	-	1,364.73	928,266.60
TOTAL REVENUE	-	-	1,364.73	5,967,390.37
EXPENDITURES				
Salaries and employee benefits	-	430,369.40	65,978.85	3,268,721.01
Contractual services	-	-	-	2,339,135.07
Equipment - purchase	-	-	28,938.03	28,938.03
Equipment - rental	-	12,198.37	(30,126.03)	-
Equipment - repair/maintenance	-	17,428.08	-	17,428.08
Rent - building	-	9,580.72	(64,572.96)	234.75
Rent - building operating exp	-	9,967.08	-	68,132.87
Travel	-	4,568.49	-	63,546.13
Training	-	1,920.00	-	29,789.55
Publications	-	-	-	6,088.24
Supplies & software	-	23,616.69	-	65,812.13
Telephone & data	-	5,198.51	-	33,036.72
Accounting	-	15,016.92	-	15,016.92
Dues and subscriptions	-	-	-	12,380.00
Insurance	-	14,370.83	-	14,370.83
Legal	-	3,284.00	-	3,284.00
Miscellaneous	-	-	-	-
Bank charges and other	-	-	1,659.13	1,659.13
Debt service - principal	-	-	376,000.00	376,000.00
Debt service - interest	-	-	5,745.60	5,745.60
Indirect cost	-	(547,519.09)	-	329.20
TOTAL EXPENDITURES	-	-	383,622.62	6,349,648.26
OTHER REVENUE/(EXPENSE)				
Interest income	-	-	15,856.32	15,856.32
TOTAL OTHER REV/(EXP)	-	-	15,856.32	15,856.32
Excess of revenue over (under) expenditures	-	-	(366,401.57)	(366,401.57)

DATE: October 19, 2017
AGENDA ITEM: 5a
SUBJECT: Wasatch Choice 2050 Update
PREPARED BY: Ted Knowlton

In collaboration with member communities and transportation partners, WFRC is developing the Wasatch Front's Regional Vision, known as Wasatch Choice 2050 (WC2050). WC2050 creates a vision for coordinated transportation infrastructure, land development, and economic development. One element of WC2050 is the 2019-2050 Regional Transportation Plan - the formal long range plan for regional roads, transit, and active transportation.

At the Council meeting, staff will provide an update on Wasatch Choice 2050. This will touch on the following key elements:

1. The Wasatch Front Preferred Scenario – the map of Wasatch Choice 2050, reflects plans for transportation, land use and economic development in our region.
2. Process steps for the next six months. An outline will be provided of opportunities for input into the development of the region's vision. Detailed review of the draft preferred scenario will be conducted through preferred scenario workshops held in early 2018 (among other forums).
3. Decision-making criteria that relate to the Council-adopted Wasatch Front Regional Goals. In the process of preparing a Regional Transportation Plan, the following steps are followed:
 - System design – creating an effective overall transportation/ land use system
 - Selecting transportation projects for inclusion in the plan
 - Phasing projects – prioritizing them into approximately 10-year phases
 - WFRC also occasionally receives requests for amendments to the plan
 - Implementation of the plan is then partially addressed through programming/allocating WFRC funds.

Each of these steps is informed by criteria. Criteria tie back to adopted Council goals for the region. In October 2016, the Council adopted new goals for the region.

http://www.wfrc.org/new_wfrc/index.php/regional-transportation-plan/future-plan/goals

Staff has been seeking guidance from the Regional Growth Committee on updates to these criteria. An update on this process will also be outlined in the Council meeting.

RECOMMENDATION:

This item is for information and discussion.

CONTACT PERSON:

Ted Knowlton (801) 363-4250 x1201 or ted@wfrc.org

DATE: October 19, 2017
AGENDA ITEM: 5a
SUBJECT: Wasatch Choice 2050 Update
PREPARED BY: Ted Knowlton

In collaboration with member communities and transportation partners, WFRC is developing the Wasatch Front's Regional Vision, known as Wasatch Choice 2050 (WC2050). WC2050 creates a vision for coordinated transportation infrastructure, land development, and economic development. One element of WC2050 is the 2019-2050 Regional Transportation Plan - the formal long range plan for regional roads, transit, and active transportation.

At the Council meeting, staff will provide an update on Wasatch Choice 2050. This will touch on the following key elements:

1. The Wasatch Front Preferred Scenario – the map of Wasatch Choice 2050, reflects plans for transportation, land use and economic development in our region.
2. Process steps for the next six months. An outline will be provided of opportunities for input into the development of the region's vision. Detailed review of the draft preferred scenario will be conducted through preferred scenario workshops held in early 2018 (among other forums).
3. Decision-making criteria that relate to the Council-adopted Wasatch Front Regional Goals. In the process of preparing a Regional Transportation Plan, the following steps are followed:
 - System design – creating an effective overall transportation/ land use system
 - Selecting transportation projects for inclusion in the plan
 - Phasing projects – prioritizing them into approximately 10-year phases
 - WFRC also occasionally receives requests for amendments to the plan
 - Implementation of the plan is then partially addressed through programming/allocating WFRC funds.

Each of these steps is informed by criteria. Criteria tie back to adopted Council goals for the region. In October 2016, the Council adopted new goals for the region.

http://www.wfrc.org/new_wfrc/index.php/regional-transportation-plan/future-plan/goals

Staff has been seeking guidance from the Regional Growth Committee on updates to these criteria. An update on this process will also be outlined in the Council meeting.

RECOMMENDATION:

This item is for information and discussion.

CONTACT PERSON:

Ted Knowlton (801) 363-4250 x1201 or ted@wfrc.org

DATE: October 18, 2017
AGENDA ITEM: 6a
SUBJECT: ACTION - Board Modifications to the 2018-2023 Transportation Improvement Program (TIP)
PREPARED BY: Ben Wuthrich

BACKGROUND:

The Wasatch Front Regional Council (WFRC) has received a request from UDOT to modify the current 2018-2023 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:

WFRC staff recommend that the Regional Council make a motion “to approve the attached resolution to modify the 2018-2023 TIP as requested.”

CONTACT PERSON:

Ben Wuthrich (801) 363-4230 ext 1121

EXHIBITS:

Resolution adopting Amendment One to the 2018-2023 TIP

RESOLUTION OF THE WASATCH FRONT REGIONAL COUNCIL
AMENDING THE 2018 - 2023
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 2018-2023 Transportation Improvement Program (TIP) to include and / or modify the projects on the attached project description list, and
- WHEREAS, the U.S. Department of Transportation Metropolitan Planning Regulations Paragraph 450.326(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 are not regionally significant, or are included in the 2018-2023 TIP or are exempt projects that do not need to be reviewed for air quality 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 26, 2017, and all comments were carefully considered,

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

- (1) Approves Amendment One to the 2018-2023 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.

Mayor Mike Caldwell, Chairman
Wasatch Front Regional Council

Andrew S. Gruber
Executive Director
Wasatch Front Regional Council

Date: October 26, 2017

2018-2023 Transportation Improvement Program (TIP) (Amendment One)

Board Modification

New Project

Ogden/ Layton Urban Area

County	Sponsor	Facility	PIN	Project Location	Concept/ Type of Improvement	Funding Source	Project Estimated Cost	Currently Funded Amount	Action	Funding Amount	Year
Davis	UDOT	I-15	16124	I-15; 200 North Kaysville Southbound Ramp Meter	Installation of the Ramp Meter	STP_FLX_ST (STP Flexible (Any Area) Statewide)	\$500,000	\$0	<i>New Funding</i>	\$500,000	2018

Due to project constraints, the Region was only able to place the northbound ramp meter with the auxiliary lane project completed last year. The lack of the ramp meter in the southbound location is causing operational issues with I-15 and the 200 North Interchange. The additional funds come from the Transportation Solutions program for the region.

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	Little Cottonwood Canyon	16092	Little Cottonwood Canyon EIS	Environmental Impact Study	Recreational Hot Spot Studies Program	\$2,000,000	\$0	<i>New Funding</i>	\$2,000,000	2018

The Utah State Legislature has requested that UDOT use \$100 million in bond funding on projects prioritized by the Transportation Commission that have a significant economic development impact associated with recreation and tourism and alleviate congestion. In order to determine the most effective use of these funds, UDOT intends to conduct studies to identify the most effective solutions. In addition to Little Cottonwood Canyon, the other three areas include; Zion National Park / St. George, Arches National Park / Moab, Bear Lake / Garden City.

Additional Funding

Ogden/ Layton Urban Area

County	Sponsor	Facility	PIN	Project Location	Concept/ Type of Improvement	Funding Source	Project Estimated Cost	Currently Funded Amount	Action	Funding Amount	Year
Davis	UDOT	I-15	13823	Layton I-15 Crossing	New Construction of I-15 Crossing between SR-126 (Main Str) and Hill Field Road	ST_TIF (State Transportation Investment Fund)	\$24,000,000	\$22,000,000	<i>Additional Funding</i>	\$2,000,000	2018

The additional funds are to cover unexpected costs to settle right of way acquisitions to the Layton crossing project. Several of the impacted parcels of right of way had appraisals that were higher than anticipated and some damage to these properties was higher than initially estimated. The additional funds come from the State TIF Program.

DATE: October 19, 2017
AGENDA ITEM: 8a
SUBJECT: Local Government Air Quality Strategies
PREPARED BY: Kip Billings

BACKGROUND:

Air quality is one of the ten regional goals that WFRC has identified as part of the Wasatch Choice 2050 Vision. There are a number of air quality improvement strategies available to local government officials seeking opportunities to lead their communities in improving air quality.

Kip Billings of WFRC will present a brief review of air quality trends for the Wasatch Front Region, followed by some suggestions for air quality improvement strategies that can be implemented at the local government level. The "Provo Clean Air Toolkit" will also be highlighted. With a grant from Utah Clean Air (UCAIR), Provo City worked with Envision Utah and Alta Planning to develop the Provo Clean Air Toolkit. This user-friendly public website contains numerous strategies for improving air quality that can be applied at various levels by local government, businesses, or residents.

RECOMMENDATIONS:

This item is for information only.

CONTACT PERSON:

Kip Billings (WFRC) (801) 363-4230 ext. 1115, kip@wfr.org

DATE: October 19, 2017
AGENDA ITEM: 8b
SUBJECT: Air Quality Committee direction
PREPARED BY: Kip Billings

BACKGROUND:

The WFRC Air Quality Committee (AQC) has been successful at integrating air quality concerns into the process and goals of transportation planning efforts at WFRC (see the discussion below). AQC was created by action of the Council on August 28, 2008 as a sub-committee to the Regional Growth Committee for the purposes of informing the Council about air quality issues particularly as they relate to transportation plans, and of promoting transportation related air quality strategies.

RECOMMENDATION:

Based on the success of the AQC as described below, and rather than duplicate the effort of groups such as Utah Clean Air Partnership (UCAIR) and Governor's Clean Air Action Team (CAAT), it is recommended that the WFRC Air Quality Committee be suspended and that air quality matters be communicated regularly to the Council or its committees as needed or requested.

This proposal is not intended to diminish the role of air quality planning, but rather to emphasize the importance of air quality as an integral part of the transportation planning process by taking a more comprehensive approach to air quality issues involving a larger audience of elected officials.

There was support for this approach among members of the Air Quality Committee, and there was also discussion about the opportunity to communicate more broadly about air quality matters. WFRC has a unique opportunity to reach out to local government to promote air quality strategies. One suggestion is to hold an annual workshop on air quality matters with all Council members and other local leaders invited.

DISCUSSION:

Improving Air Quality

The AQC was instrumental as a forum for local leaders and air quality experts in a collaborative effort to identify and prioritize transportation-related air quality strategies. Many of those strategies have been implemented or are still being considered in future planning efforts. As a result of these efforts and others to promote clean air in the region, the Utah Division of Air Quality has documented real improvements to air quality in the Wasatch Region. While much remains to be done, the AQC has been effective in bringing diverse partners together for the shared purpose of improving air quality.

Fulfillment of Air Quality Committee Goals

Here is a review of the AQC efforts regarding the intended purposes of this committee as approved by the Air Quality Committee on August 20, 2009.

1. Focus on improving air quality by recommending effective transportation strategies for inclusion in the Plans and Programs adopted by the Council.
Mechanisms are in place including evaluation of air quality impacts as part of the development of WFRC Plans and Programs.

2. Keep up to date and inform the Council on emerging air quality issues and ever changing state and federal air quality rules and regulations.
Reporting air quality issues directly to the Council and its committees will reach a broader audience as new air quality issues or regulations emerge.
3. Cooperate with Utah Division of Air Quality to develop the State Implementation Plans and any transportation control strategies.
WFRC staff continues to work closely with the Utah Division of Air Quality to prepare State Implementation Plans and to evaluate transportation control strategies.
4. Inform and respond to the public on transportation related air quality improvement activities of the Council and other agencies.
Reporting transportation related air quality improvement activities directly to the Council and its committees will reach a broader audience.
5. Keep informed on air quality issues and control strategies that are not directly related to transportation.
WFRC staff will continue to track and analyze air quality issues and control strategies and report directly to the Council or its committees as needed or requested.

Air Quality Planning at WFRC

Another success from the creation of the AQC was to formally incorporate air quality considerations into the WFRC transportation planning process. WFRC has been and continues to be committed to complying with State and Federal air quality regulations, in particular the “conformity” requirement, for transportation plans and programs.

In addition to meeting conformity requirements, WFRC now includes air quality impacts in all aspects of transportation planning. The Council identified ten goals as part of the Wasatch Choice 2050 Vision, and one of those goals is Clean Air. The Regional Transportation Plan adheres to this goal by identifying a preferred transportation scenario based on a careful analysis of planning goals including regional air quality. The RTP emphasizes centered development and alternatives to single occupant vehicle travel such as transit, cycling, and walking all of which contribute to reducing vehicle emissions.

The Council will also continue to program Congestion Mitigation Air Quality funds to assist local governments, UDOT, UTA, and others in implementing transportation improvements that reduce emissions.

Expanded Air Quality Organizations

Since the time that the AQC was established, other groups focused on improving air quality have been created including Utah Clean Air Partnership (UCAIR) and the Governor’s Clean Air Action Team (CAAT) which is facilitated by Envision Utah. Both groups are composed of leaders from government, healthcare, industry, business, research, and advocacy groups. Both groups have a broader approach to air quality strategies in contrast to the AQC which was focused on vehicle emissions. UCAIR is a statewide clean air partnership with access to grants to finance implementation of air

quality strategies. The CAAT has resources to research and recommend the most effective air quality strategies appropriate for Utah.

WFRC staff is also an active participant of the Interagency Consultation Team (ICT) consisting of the Wasatch Front Regional Council, Mountainland Association of Governments, Cache MPO, Utah Department of Transportation, Utah Transit Authority, Utah Division of Air Quality, Federal Highway Administration, Federal Transit Administration, and the Environmental Protection Agency. The purpose of the ICT is to provide a forum for these agencies to address technical and regulatory issues related to fulfilling requirements of the Clean Air Act.

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RESOLUTION OF THE WASATCH FRONT REGIONAL COUNCIL
SUSPENSION OF THE AIR QUALITY COMMITTEE,
A SUB-COMMITTEE OF THE REGIONAL GROWTH COMMITTEE

WHEREAS, the Air Quality Committee of the Wasatch Front Regional Council has been successful in achieving its intended purposes in helping WFRC to include air quality improvements in all aspects of the planning process, and

WHEREAS, the WFRC has undertaken a comprehensive approach to air quality rather than a single sub-committee by adopting Clean Air as one of its ten Wasatch Choice 2050 Goals, and

WHEREAS, air quality conditions in the Wasatch Front region are improving, and

WHEREAS, air quality remains a challenge for the Wasatch Front region requiring further improvement, and

WHEREAS, the Wasatch Front region now has additional forums for addressing air quality improvements that did not exist when the Air Quality Committee was created that have a broader approach to air quality improvement not limited to the transportation sector, and

WHEREAS, the Wasatch Front Regional Council addresses air quality impacts in the regional transportation planning process, and

WHEREAS, the Wasatch Front Regional Council desires to continue to address air quality improvements and this can be accomplished most effectively by reporting directly to all members of the Council, and

WHEREAS, the Wasatch Front Regional Council participates with other MPO's, state, and federal agencies as members of the Interagency Consultation Team to address technical and regulatory issues related to the Clean Air Act,

NOW, THEREFORE BE IT RESOLVED that the Wasatch Front Regional Council, meeting on October 26, 2017 approves the suspension until further notice of the Air Quality Committee, a sub-committee to the Regional Growth Committee and will henceforth request that WFRC staff report directly to the Council or its committees on issues related to air quality as needed or requested.

Mike Caldwell
Chairman
Wasatch Front Regional Council

Andrew Gruber
Executive Director
Wasatch Front Regional Council