

OGDEN CITY CORPORATION

Federal Single Audit, Report on Internal
Control and Compliance, and
Utah State Compliance Report

For the Year Ended June 30, 2024



COMMITTED. EXPERIENCED. TRUSTED.

OGDEN CITY CORPORATION

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PARTNERS

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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*

Independent Auditor's Report

To the Mayor and Members of the City Council
Ogden City Corporation

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Ogden City Corporation (the City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 27, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 City's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that

we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

HBME, LLC

December 27, 2024
Bountiful, Utah



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REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Independent Auditor's Report

To the Mayor and Members of the City Council
Ogden City Corporation

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Ogden City Corporation (the City) compliance with the types of compliance requirements identified as subject to audit in the described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2024. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Ogden City Corporation complied, in all material respects, with the 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, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 requirement 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Report on Schedule of Expenditures of Federal Awards by the Uniform Guidance

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 27, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is 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 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 awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Purpose of This Report

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 requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

HBME, LLC

December 27, 2024
Bountiful, Utah

OGDEN CITY CORPORATION
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

Federal Agency (Pass-Through Agency)	Federal Program	Assistance Listing Number	Other Award Number	Expenditures			
				From Pass-Through Awards	From Direct Awards	Total	Passed Through to Subrecipient
U.S. Department of Commerce							
Utah Broadband Center	Local Broadband Planning Grant under the Broadband Equity, Access and Deployment Program	11.035	GR230024	\$ 448	\$ -	\$ 448	\$ -
Total U.S. Department of Commerce				448	-	448	-
U.S. Department of Housing and Urban Development							
	Community Development Block Grant - 2021	14.218	B-21-MC-49-0001	-	37,841	37,841	-
	Community Development Block Grant - 2022	14.218	B-22-MC-49-0001	-	272,729	272,729	-
	Community Development Block Grant - 2023	14.218	B-23-MC-49-0001	-	1,761,097	1,761,097	-
	COVID-19 - Community Development Block Grant	14.218	B-20-MW-49-0001	-	167,750	167,750	-
	Home Investment Partnerships Program - 2021	14.239	M-21-MC-49-0216	-	43,319	43,319	43,319
	Home Investment Partnerships Program - 2022	14.239	M-22-MC-49-0216	-	532,273	532,273	-
	Home Investment Partnerships Program - 2023	14.239	M-23-MC-49-0216	-	743,286	743,286	-
	Home Investment Partnerships Program - 2024	14.239	M-24-MC-49-0216	-	12,080	12,080	-
	Home Investment Partnerships Program - American Rescue Plan	14.239	M-21-MP-49-0216	-	120,278	120,278	120,278
Total U.S. Department of Housing and Urban Development				-	3,690,653	3,690,653	163,597
U.S Department of the Interior							
Utah Division of Wildlife Resources	Sport Fish Restoration	15.605	GRSU078001	19,850	-	19,850	-
Total U.S. Department of the Interior				19,850	-	19,850	-
U.S. Department of Justice							
Utah Commission on Criminal and Juvenile Justice (CCJJ)	Crime Victim Assistance	16.575	GR200004	43,636	-	43,636	-
Utah Commission on Criminal and Juvenile Justice (CCJJ)	Violence Against Women Formula Grant - Police	16.588	GR200014	39,410	-	39,410	-
Utah Commission on Criminal and Juvenile Justice (CCJJ)	Violence Against Women Formula Grant - Prosecutor	16.588	GR200015 / GR200004	123,141	-	123,141	-
	Bullet Proof Vest Partnership Program - 2021	16.607	GR220012	-	2,488	2,488	-
	Bullet Proof Vest Partnership Program - 2023	16.607	GR240013	-	9,796	9,796	-
United Way of Northern Utah	Project Safe Neighborhoods - 2019	16.609	GR210005	602	-	602	-
United Way of Northern Utah	Project Safe Neighborhoods - 2020	16.609	GR220011	43,386	-	43,386	-
United Way of Northern Utah	Project Safe Neighborhoods - 2021	16.609	GR230020	61,071	-	61,071	-
United Way of Northern Utah	Project Safe Neighborhoods - 2022	16.609	GR230019	42,985	-	42,985	-
	Edward Byrne Memorial Justice Assistance Grant Program - 2019	16.738	GR210007	-	14,826	14,826	-
	Edward Byrne Memorial Justice Assistance Grant Program - 2020	16.738	GR210019	-	198	198	-
	Edward Byrne Memorial Justice Assistance Grant Program - 2021	16.738	GR230005	-	14,777	14,777	-
	Edward Byrne Memorial Justice Assistance Grant Program - 2022	16.738	GR230006	-	47,253	47,253	-
	Edward Byrne Memorial Justice Assistance Grant Program - 2023	16.738	GR240007	-	31,000	31,000	-
	Equitable Sharing Program	16.922	None	-	70,226	70,226	-
Total U.S. Department of Justice				354,231	190,564	544,795	-

(Continued)

OGDEN CITY CORPORATION
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2024

Federal Agency (Pass-Through Agency)	Federal Program	Assistance Listing Number	Other Award Number	Expenditures			
				From Pass-Through Awards	From Direct Awards	Total	Passed Through to Subrecipient
U.S. Department of Transportation							
Utah Department of Transportation	Highway Planning and Construction - Ogden Bike Share Program	20.205	CIPEN096	161,200	-	161,200	-
State of Utah	State and Community Highway Safety - Ogden Bike and Pedestrian Safety Grant - 2023	20.600	GR230018	400	-	400	-
State of Utah	State and Community Highway Safety - Ogden Bike and Pedestrian Safety Grant - 2024	20.600	GR240015	9,650	-	9,650	-
State of Utah	State and Community Highway Safety - DUI Enforcement Grant	20.600	None	14,706	-	14,706	-
State of Utah	State and Community Highway Safety - Distracted Driving Enforcement Grant	20.600	None	3,336	-	3,336	-
State of Utah	State and Community Highway Safety - Click-it-or-Ticket Enforcement Grant	20.600	None	5,170	-	5,170	-
Total U.S. Department of Transportation				194,462	-	194,462	-
U.S. Department of the Treasury							
	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	None	-	1,593,440	1,593,440	-
	Passed Through to Youth Impact	21.027	None	-	105,000	105,000	105,000
	Passed Through to Weber County	21.027	None	-	621,075	621,075	621,075
	Passed Through to Roads to Independence	21.027	None	-	73,925	73,925	73,925
	Passed Through to YCC Family Crisis Center	21.027	None	-	500,000	500,000	500,000
Total U.S. Department of the Treasury				-	2,893,440	2,893,440	1,300,000
Executive Office of the President							
	High Intensity Drug Trafficking Areas Program 2021/22	95.001	GR230013	-	202,509	202,509	-
	High Intensity Drug Trafficking Areas Program 2022/23	95.001	GR230014	-	126,148	126,148	-
Total Executive Office of the President				-	328,657	328,657	-
U.S. Department of Homeland Security							
United Way of Northern Utah	Emergency Food and Shelter National Board Program	97.024	GR240011	700	-	700	-
Utah Department of Public Safety - Division of Emergency Management	Emergency Management Performance Grants	97.042	GR240016	28,000	-	28,000	-
State of Utah	Homeland Security Grant Program - 2020	97.067	GR230009	100,485	-	100,485	-
State of Utah	Homeland Security Grant Program - 2021	97.067	GR230021	85,629	-	85,629	-
State of Utah	Homeland Security Grant Program - 2022	97.067	GR240018	15,861	-	15,861	-
State of Utah	Homeland Security Grant Program - 2023	97.067	GR240012	22,327	-	22,327	-
Total U.S. Department of Homeland Security				253,002	-	253,002	-
TOTAL FEDERAL AWARDS EXPENDED				\$ 821,993	\$ 7,103,314	\$ 7,925,307	\$ 1,463,597

OGDEN CITY CORPORATION
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

1. PURPOSE OF THIS SCHEDULE

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) is a supplementary schedule to Ogden City Corporation's (the City) basic financial statements and is presented for additional analysis. The Schedule is required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying schedule includes the federal grant activity of the City. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance.

Federal Financial Assistance Pursuant to the Single Audit Act of 1984; the Single Audit Act Amendments of 2015, and the Uniform Guidance, federal financial assistance is defined as assistance provided by a federal agency, either directly or indirectly, in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance, endowments, or direct appropriations. Federal financial assistance does not include direct federal cash assistance to individuals.

Assistance Listing Number (ALN) - The Uniform Guidance requires the Schedule to show the total expenditures for each of the City's federal financial assistance programs as identified in the Schedule. The Schedule is a government-wide summary of individual federal programs. Each program included in the Schedule is assigned a five-digit program identification number, or ALN, which is reflected in the Schedule. Federal financial assistance programs and contracts which have not been assigned an ALN number have been identified as *Unknown* in the ALN Column of the Schedule.

Type A and Type B Programs--The Single Audit Act of 1984 (as amended in 2015) and the Uniform Guidance establish the levels to be used in defining Type A and Type B federal programs. Type A programs for The City are those programs that exceeded \$750,000 in the federal awards expended for the fiscal year ended June 30, . All other programs are classified as Type B by the City.

Reporting Entity

The City's reporting entity is fully described in *Footnote 1* of the City's basic financial statements. The Schedule includes all federal financial assistance programs administered by the City for the year ended June 30, 2024.

OGDEN CITY CORPORATION
Notes to Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2024

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

Federal financial assistance programs included in the Schedule are reported in the City's basic financial statements as intergovernmental revenue in the General Fund and Special Revenue Funds. The Schedule is presented using the same basis of accounting used for each fund as described in Footnote 1 of the City's basic financial statements.

3. INDIRECT COST RATE

The City has not elected to use the 10% de minimis cost rate.

4. NON-CASH ASSISTANCE

No non-cash assistance is reported in the schedule for the year ended June 30, 2024.

5. REVOLVING LOAN – PROGRAM INCOME

The City has a revolving loan program for low income housing renovation. Under this federal program, repayments to the City are considered program revenues (income) and loans of such funds to eligible recipients are considered expenditures. The amount of loan funds disbursed to program participants for the year was \$990,313 and is presented in this Schedule. The amount of principal and interest received in loan repayments for the year was \$667,502.

OGDEN CITY CORPORATION
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024

A. Summary of Auditor's Results

1. Type of Report Issued:	Unmodified
2. Internal Control over Financial Reporting:	
Material Weaknesses Identified:	None
Significant Deficiencies Identified that were not Considered to be Material Weaknesses:	None
3. Non-compliance Material to Financial Statements Noted:	None
4. Internal Control over Major Programs:	
Material Weaknesses Identified:	None
Significant Deficiencies Identified that were not Considered to be Material Weaknesses:	None
5. Type of Auditor's Report Issued on Compliance: for Major Programs:	Unmodified
6. Any Audit Findings Disclosed That Are Required to be Reported in Accordance with the Uniform Guidance:	None
7. Federal Programs Tested as Major Programs: Coronavirus State and Local Fiscal Recovery Fund	ALN# 21.027
8. Dollar Threshold Used to Distinguish Between Type A and Type B Programs:	\$750,000
9. Auditee Qualification as High or Low Risk:	Low

B. Findings Related to the Financial Statements Required to be Reported in Accordance with
Government Auditing Standards:

No reportable conditions noted.

C. Findings and Questioned Costs Related to Federal Awards Required to be Reported in
Accordance with the Uniform Guidance:

No reportable conditions noted.

(Continued)

OGDEN CITY CORPORATION
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2024

- D. Prior Year Findings Related to the Financial Statements Required to be Reported in Accordance with *Government Auditing Standards*:

No reportable conditions noted.

- E. Prior Year Findings and Questioned Costs Related to Federal Awards Required to be Reported in Accordance with the Uniform Guidance:

No reportable conditions noted.



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

To the Mayor and Members of the City Council
Ogden City Corporation

Report on Compliance

We have audited Ogden City Corporation's (the City) compliance with the state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, for the year ended June 30, 2024.

State compliance requirements were tested for the year ended June 30, 2024 in the following areas:

Budgetary Compliance	Fund Balance
Justice Court	Restricted Taxes and Related Restricted
Fraud Risk Assessment	Revenues
Governmental Fees	Cash Management

Opinion on Compliance

In our opinion, Ogden City Corporation complied, in all material respects, with the state compliance requirements referred to above for the year ended June 30, 2024.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the *State Compliance Audit Guide* (Guide). Our responsibilities under those standards and the *State Compliance Audit Guide* are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management on Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's government programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the government program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide* but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Guide and which are described in the accompanying schedule of findings and recommendations as UT2024-1 and UT2024-2. Our opinion on compliance is not modified with respect to these matters.

Government Auditing Standards require the auditor to perform limited procedures on the City's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and recommendations. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses or significant deficiencies, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control and compliance and the results of that testing based on the requirements of the Guide. Accordingly, this report is not suitable for any other purpose.

NBME, LLC

December 27, 2024
Bountiful, UT

OGDEN CITY CORPORATION
Schedule of Findings and Responses
For the Year Ended June 30, 2024

CURRENT YEAR FINDINGS

UT2024-1 Fund Balance

Repeat Finding from Prior Year(s): No

Condition: As of June 30, 2024, the City's aggregate unassigned, assigned, and committed General Fund balance totaled 39.42% of the total revenue of the city general fund for the current fiscal period.

Criteria: State law, *Utah Code 10-6-116(2)*, stipulates that the maximum General Fund aggregate unassigned, assigned, and committed fund balance may not exceed 35% of the total revenues of the General Fund for the current fiscal year.

Cause: The City has a deficit of expenditures over revenues or transfers for appropriated projects in the current year to effectively reduce its required fund balance maximum limit.

Effect: The City is not in compliance with Utah Code for General Fund balance limitations.

Recommendation: Properly amend the General Fund's budget for fiscal year 2025, as needed, to ensure compliance with State Code.

Management's Response: Management concurs and will be reducing fund balance with a budget transfer in FY 2025. Management will be reviewing revenue and expenses monthly to ensure the fund balance does not exceed the allowable amount for the State of Utah. The monthly review will also include a review of unrealized gains/losses on investments.

OGDEN CITY CORPORATION
Schedule of Findings and Responses (Continued)
For the Year Ended June 30, 2024

UT2024-2 Budgetary Compliance

Repeat Finding from Prior Year(s): No

Condition: For the year ended June 30, 2024, we noted in the Weber Morgan Narcotics Strike Force Fund that actual expenditures exceeded final appropriated expenditures by \$53,698.

Criteria: State law, Utah Code 10-6-123 stipulates that City officers and employees may not make or incur expenditures in excess of total appropriations for any department or fund.

Cause: The departmental expenses were higher than anticipated and the corresponding budget was not amended prior to year-end.

Effect: The City is not in compliance with Utah Code regarding the incurrence of expenditures in excess of total appropriations which could result in improper purchases.

Recommendation: The City should monitor the status of expenditures compared to the budget throughout the year and amend the budget or limit spending, as necessary, to ensure compliance with State Code.

Management's Response: Management will monitor the status of expenditures throughout the year and will amend the budget as necessary to ensure compliance with State Code. Management will also monitor any new revenue sources such as grants and ensure that the revenue and expenditure budgets are updated.