



ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

FISCAL YEAR ENDING
JUNE 30, 2024



CITY OF DRAPER

State of Utah

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**PREPARED BY:
DRAPER CITY FINANCE DEPARTMENT**

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INTRODUCTORY SECTION

Troy Walker, *Mayor*
Mike Green, *Council Member*
Bryn Johnson, *Council Member*
Tasha Lowery, *Council Member*
Fred Lowry, *Council Member*
Cal Roberts, *Council Member*



1020 East Pioneer Road Draper, Utah 84020
Phone: (801) 576-6500 Fax: (801) 576-6389
Website: www.draperutah.gov

November 19, 2024

To the Honorable Mayor, Members of the City Council and Citizens of City of Draper:

The Annual Comprehensive Financial Report (ACFR) of the City of Draper, Utah, for the fiscal year ended June 30, 2024, is hereby submitted. This report has been prepared by the City's Finance Department in accordance with generally accepted accounting principles (GAAP) and audited in accordance with government auditing standards by a firm of licensed certified public accountants. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures and supplementary information, rests with the City's management.

State law requires that general-purpose local governments publish a complete set of financial statements in accordance with GAAP within six months of the close of each fiscal year. State law also requires the report be audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

As required by State law, Draper City's financial statements have been audited by HBME, LLC, a firm of certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements for the fiscal year ended June 30, 2024 are free of material misstatements. The audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.

The independent auditors concluded there was a reasonable basis for rendering an unmodified opinion of the City's financial statements for the fiscal year ended June 30, 2024. Their report is included in the financial section of this report.

GAAP requires management to provide a narrative, introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A immediately follows the independent auditor's report.

To provide a reasonable basis for making these representations, the management of Draper City has established a comprehensive internal control framework designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of Draper City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, Draper City's framework of internal controls is designed to provide reasonable, rather than absolute, assurance the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge, this financial report is complete and reliable in all material respects.

City's Profile

The City of Draper, Utah, was incorporated on February 22, 1978. The City has a population of approximately 50,731, making it the 17th largest city in the state and a city of the third class, as defined by the State of Utah. At build-out, the City is projected to have a population of 75,000. Draper City is mainly located within the Salt Lake metropolitan area with a portion overlapping into northern Utah County. The City is approximately 30.12 square miles in size.

The City provides a full range of services to its businesses and residents. These include police and fire protection, culinary water, storm drain, solid waste and recycling collection and disposal, construction and maintenance of roadways, parks and recreation facilities, street lighting, and Draper Days, along with other community and cultural events.

Draper City operates under the six-member council form of municipal government. The City Council is the legislative branch of the city government and is composed of the Mayor and five council members. The term for each of these elected offices is four years. The City Council is responsible for passing ordinances, adopting the budget, appointment of the City Manager and provides its advice and consent to the appointment of city officials required through state or local policy. The Council is also responsible for appointing committees.

The City Manager serves as the chief administrative officer responsible for directing the day-to-day operations of city affairs, and the implementation of City Council ordinances and policies as adopted. As the City Council's chief advisor, the City Manager prepares a recommended budget for Council's consideration and recruits, hires and supervises city staff.

Utah state law requires the City to adopt a budget for all funds on an annual basis, and requires that all funds maintain a balanced budget, with some limited exceptions. State law also requires that departmental expenditures do not exceed appropriate funding levels, except in cases of emergency (such as a natural disaster). Authority to revise the approved budget rests with the City Council, which may be accomplished following the completion of noticing and hearing requirements.

Economic Condition

Draper continues to have a strong economy. During the current fiscal year several new businesses opened representing a variety of industries. IKEA began a significant expansion of their store that will drive more retail sales. Two new office buildings were completed, which was very unusual given the excess of office space available in the valley. Pelion opened a 100,000 square foot building and a new 125,000 square foot medical/office building opened on the corner of Highland and Bangerter. New restaurants opened including Hash Kitchen and Mo' Bettahs. The area around Trader Joe's saw new redevelopment, including the opening of an Ariat store.

Relevant Financial Policies

Cash during the year was invested in the Public Treasurer's Investment Fund and with both Moreton Asset Management and Meeder. The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. The City's bank deposits are uncollateralized and insured

up to \$250,000 per institution by the FDIC. Utah operates under state statute allowing investments to be uncollateralized if state guidelines are followed.

The City is self-insured for unemployment costs. The City is also self-insured to \$7,500 for general liability. The City is a member of the Utah Risk Management Association, which provides general liability coverage for claims in excess of the self-insured amount up to \$6,000,000.

The City pays unused vacation, holiday, a portion of sick, and compensatory time balances at termination.

Long-term Financial Planning

The City has taken and will continue to take significant steps to address long-term financial stability. Some of these are:

- Revenue diversification
- Reviewing fees for service to reflect the cost of that service's delivery
- Continuing the funding of infrastructure maintenance programs
- Continuing the funding of reserve accounts
- Targeting expenditure reductions to match community priorities
- Continuing to follow conservative financial practices and policies
- Supporting innovation to promote continuous improvement

All of these were accomplished while continuing to focus on the City's long-term strategic vision and priorities.

The City has been judicious in the use of debt financing, and as such has positioned itself to be able to take advantage of low interest rates and low construction costs to fund infrastructure and other City facilities if needed.

Acknowledgements

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated service of the entire staff of the Finance Department. Each member of the Department has our sincere appreciation for the contributions made in the preparation of this report. In closing, without the leadership and support of the City Council, preparation of this report would not have been possible.

Respectfully submitted,



Mike Barker
City Manager



John Vuyk
Finance Director

LIST OF ELECTED AND APPOINTED OFFICIALS

ELECTED OFFICIALS

Mayor	Troy Walker
City Council Member	Mike Green
City Council Member	Tasha Lowery
City Council Member	Fred Lowry
City Council Member	Bryn Johnson
City Council Member	Cal Roberts

APPOINTED OFFICIALS AND DEPARTMENT HEADS

City Manager	Mike Barker
Assistant City Manager	Kellie Chalburg
City Attorney	Mike Barker
City Recorder	Laura Oscarson
City Treasurer	Lourdes Ramos
Communications Director	Linda Peterson
Community Development Director	Jennifer Jastermsky
Finance Director	John Vuyk
Human Resources Director	Malena Murray
Justice Court Judge	Lisa Garner
Police Chief	Rich Ferguson
Public Works Director/City Engineer	Scott Cooley
Recreation Director	Rhett Ogden

OTHER BODIES UNDER THE DIRECTION OF THE CITY COUNCIL

BOARDS

Appeals Board
Board of Adjustment
Emergency Preparedness Executive Committee
Arena Board
Municipal Building Authority Board
Redevelopment Agency Board
Youth Council Advisory Board
Traverse Ridge Special Service District Administrative Control Board (TRSSDACB)

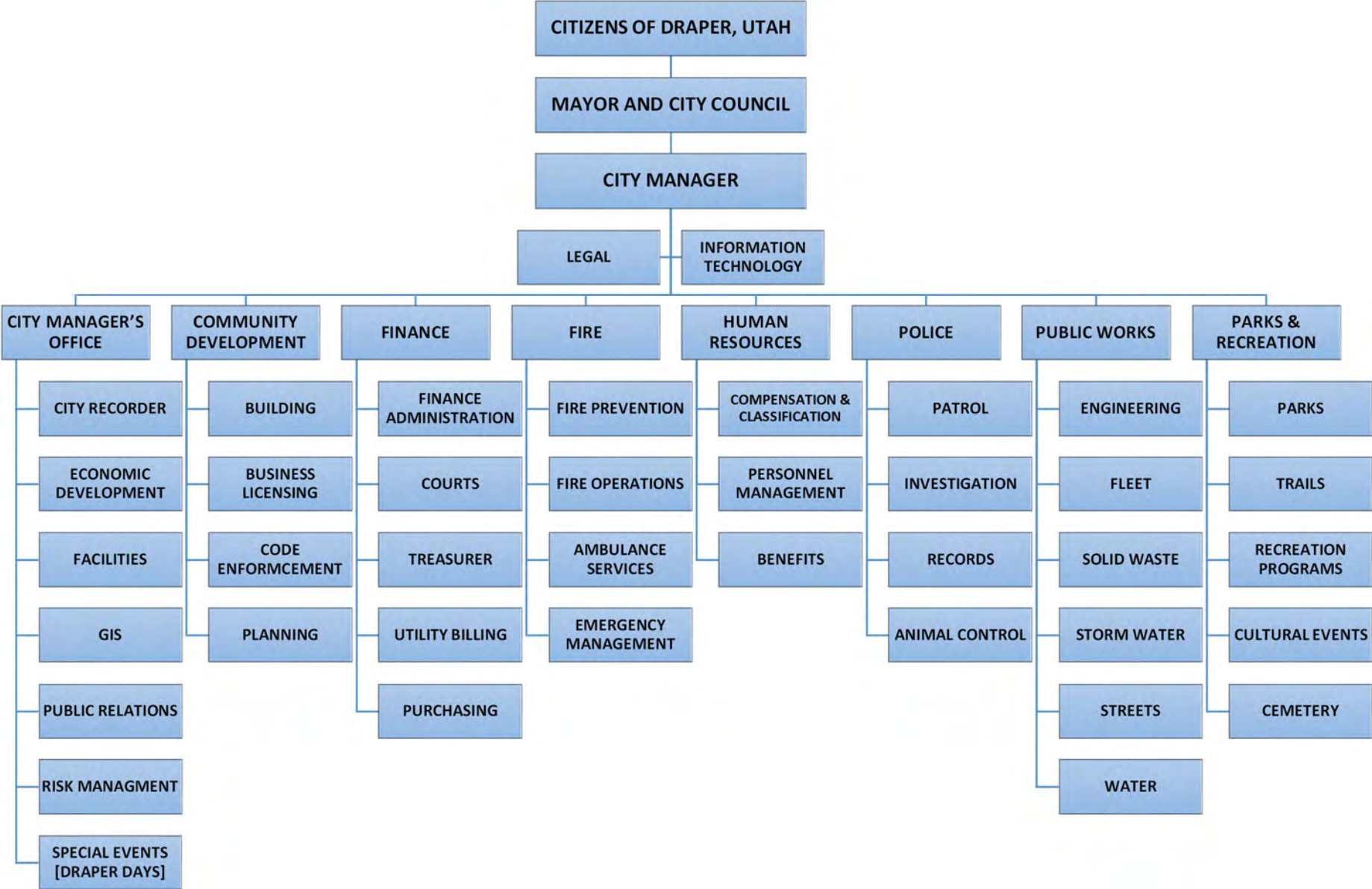
COMMISSIONS

Planning Commission
Tree Commission
Historic Preservation Commission

COMMITTEES

Parks, Trails and Recreation Committee

ORGANIZATIONAL CHART



FINANCIAL SECTION



COMMITTED. EXPERIENCED. TRUSTED.

INDEPENDENT AUDITOR'S REPORT

PARTNERS

MICHAEL L. SMITH, CPA
JASON L. TANNER, CPA
ROBERT D. WOOD, CPA
AARON R. HIXSON, CPA
TED C. GARDINER, CPA
JEFFREY B. MILES, CPA
JESSE S. MALMROSE, EA
JANICE ANDERSON, EA
TROY F. NILSON, CPA

Honorable Mayor and Members of the City Council
City of Draper, Utah

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Draper, Utah (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 as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City Draper, Utah, as of June 30, 2024, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the 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 audit opinions.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

Page 1

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, 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 amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5-16, the budgetary comparison information on pages 65-67, and the pension schedules on pages 68-70 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and budgetary comparison schedules 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 information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Report

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 the City's internal control over financial reporting and compliance.

NBMC, LLC

November 22, 2024
Bountiful, Utah

MANAGEMENT’S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2024

Draper City Corporation’s (the City) management presents to the readers of its financial statements this narrative information. It contains an overview and analysis of the financial position and results of operations as of and for the twelve months ended June 30, 2024. As management of the City, we encourage readers to consider information contained in this discussion and the City’s financial statements, which follow this section.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded the liabilities and deferred inflows at the close of Fiscal Year 2024 (FY2024) by \$633,293,474 (net position). Of this amount, \$99,119,485 is in unrestricted net position, which is available to meet ongoing obligations.
- The City’s net position increased by \$3,420,910. Of this increase, \$3,299,748 is attributable to governmental activities. Business-type activities accounted for a small increase of \$121,162 to the City’s net position.
- FY2024 general fund final revenues before other financing sources was \$51,510,169. This represented a decrease of \$987,337 or -1.9% change from the prior fiscal year. Taxes continued to be the largest source of the revenue, which accounted for \$36,369,499 or 70.6%. Overall, total tax revenues increased by \$513,583 or 1.4%.
- Actual expenditures for operations in the general fund were \$41,691,606 before other financing uses. The excess of revenues over expenditures within the general fund was \$9,818,563 before other financing sources (uses). The net other financing sources (uses) was (\$11,695,716). This resulted in a net decrease in fund balance of (\$1,877,153).
- The outstanding bonds at year-end decreased by \$2,458,157 after scheduled bond payments, leaving total bonds payable of \$15,110,738. The City also had outstanding notes payable of \$10,742,332 which is the same as FY23.

Report Overview

This discussion and analysis is intended to serve as an introduction to the City’s basic financial statements. The City’s basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplemental information and other supplementary information in addition to the basic financial statements themselves that will help the reader to gain a more in-depth understanding of the City.

Government-wide financial statements:

The government-wide financial statements are designed to provide readers with a broad overview of the City’s financial position as well as changes in financial position. This is similar to consolidated financial statements in a private sector business. The statements consist of the Statement of Net Position and the Statement of Activities.

The Statement of Net Position presents information on all of the City’s assets and liabilities, with the difference between the two reported as net position. An increase or decrease in net position over time may be used as an indicator of whether the financial condition of the City is improving or declining.

The Statement of Activities presents information on how the City’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses reported in this statement for some items will result in cash flows in future fiscal periods (e.g., debt interest payment when the fiscal year ends between interest payments).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety (police & fire), streets, planning, economic development, and parks and recreation. The business-type activities of the City include culinary water, storm drain, sanitation, and ambulance.

The government-wide financial statements include not only the City of Draper (the primary government), but also three legally separate component units, the Municipal Building Authority of the City of Draper, the Redevelopment Agency of the City of Draper and Traverse Ridge Special Service District, for which the City is financially accountable. Financial information for these blended component units are presented with the financial statements for the City. The government-wide financial statements are found immediately following this discussion and analysis.

Fund Financial Statements:

A fund is a grouping of related accounts established to maintain control over resources that have been segregated for specific activities or objectives. Some funds are required to be established by State law and/or bond covenants. All of the City’s funds can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds - Most of the City’s basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. The funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental funds statements provide a detailed short-term view to cash, as well as to the basic services and operations of the governmental funds. Governmental fund information helps to determine whether there are changes in the financial resources available to finance the City’s programs in the near future. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds are described in the reconciliations after the fund financial statements.

The City maintains the following ten (10) individual governmental funds:

- General
- Municipal Building Authority
- Capital Projects
- Fire Impact Fee
- Transportation Impact Fee
- Park Impact Fee
- Police Impact Fee
- Redevelopment Agency
- Cemetery Permanent Fund
- Traverse Ridge Special Service District (special revenue)

Proprietary Funds - When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City’s enterprise funds (a component of proprietary funds) are the same as the business-type activities reported in the government-wide statements but with additional detail, such as cash flows.

The City maintains the following four individual proprietary funds:

- Water (includes Impact Fees)
- Storm Water (includes Impact Fees)
- Solid Waste (Sanitation)
- Ambulance

Internal Service Funds - When the City provides services to other departments or funds these services are reported in internal service funds. Internal Service funds are reported with governmental activities as they do not predominately benefit business type functions. Individual fund information is provided in supplemental section of this report.

The City has two internal service funds:

- Fleet
- Risk

Notes to the Financial Statements - The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately after the fund financial statements.

Required Supplemental Information – This section contains budget to actual comparison statements for the City’s general fund and major special revenue funds, which include the RDA fund. It also contains required schedules for the City’s pension programs.

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents the combining statements referred to earlier in connection with non-major governmental funds. Combining and individual fund statements and schedules can be found after the notes in the financial section.

Financial Analysis of the Government-Wide Financial Statements:

Draper City’s Government-Wide Statement of Net Position:

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$633,293,474 at the close of FY2024.

By far, the largest portion of the City’s net position (79.7%) reflects its investment in capital assets less any related outstanding debt. Capital assets are used to provide services to citizens; and as such, they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net position may be used to meet the City’s ongoing obligations to residents and creditors.

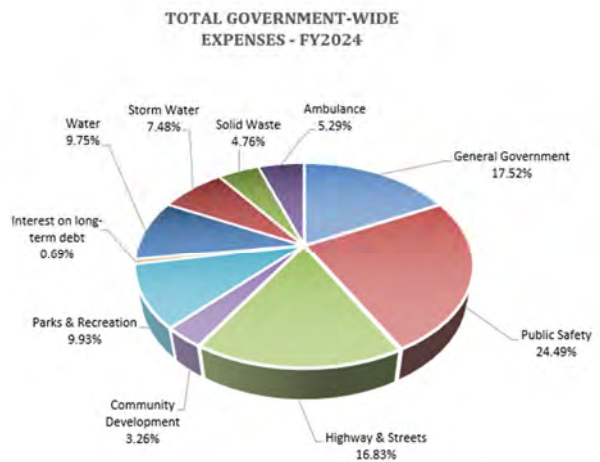
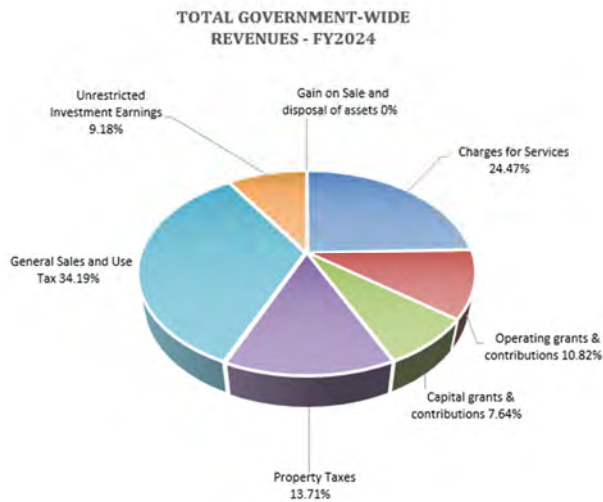
The City continues to report positive balances in all three categories of net position - the government as a whole, as well as for its separate governmental activities and business-type activities.

Fiscal Year Comparison of Net Position	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Current and Other Assets	\$ 125,226,846	\$ 130,161,296	\$ 38,761,252	\$ 37,498,148	\$ 163,988,098	\$ 167,659,444
Capital Assets	472,558,283	462,932,060	59,943,071	61,220,644	532,501,354	524,152,704
Total Assets	597,785,129	593,093,356	98,704,323	98,718,792	696,489,452	691,812,148
Deferred Outflows of Resources						
Deferred loss on refunding	25,927	47,809	-	-	25,927	47,809
Deferred outflows related to pensions	6,160,059	4,369,071	768,986	594,063	6,929,045	4,963,134
Total Deferred Outflows of Resources	6,185,986	4,416,880	768,986	594,063	6,954,972	5,010,943
Current and Other Liabilities	15,265,483	13,222,933	1,387,558	1,362,114	16,653,041	14,585,047
Long Term debt outstanding	31,237,284	32,257,450	2,336,236	2,310,967	33,573,520	34,568,417
Total Liabilities	46,502,767	45,480,383	3,723,794	3,673,081	50,226,561	49,153,464
Deferred inflows of resources						
Deferred revenue-property taxes	19,170,233	16,927,006	-	-	19,170,233	16,927,006
Deferred gain on refunding	653,379	737,145	-	-	653,379	737,145
Deferred inflows related to pensions	86,553	107,267	14,224	25,645	100,777	132,912
Total Deferred Inflows of Resources	19,910,165	17,771,418	14,224	25,645	19,924,389	17,797,063
Net Position:						
Net investment in capital assets	446,821,338	435,998,210	57,864,503	59,284,426	504,685,841	495,282,636
Restricted	29,092,234	27,320,806	395,914	256,817	29,488,148	27,577,623
Unrestricted	61,644,611	70,939,419	37,474,874	36,072,886	99,119,485	107,012,305
Total Net Position	\$ 537,558,183	\$ 534,258,435	\$ 95,735,291	\$ 95,614,129	\$ 633,293,474	\$ 629,872,564

Draper City’s Government Wide Statement of Activities:

Comparison of Changes in Net Position

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Revenues:						
Program revenues:						
Charges for services	\$ 6,310,678	\$ 6,011,275	\$ 13,055,434	\$ 12,778,370	\$ 19,366,112	\$ 18,789,645
Operating grants & contributions	8,560,338	12,588,902	-	4,868	8,560,338	12,593,770
Capital grants & contributions	5,000,356	6,397,343	1,044,535	1,358,138	6,044,891	7,755,481
General revenues:						
Property taxes	10,849,707	10,732,835	-	-	10,849,707	10,732,835
General sales and franchise tax	27,056,902	26,564,218	-	-	27,056,902	26,564,218
Unrestricted investment earnings	5,803,440	3,583,716	1,463,748	922,789	7,267,188	4,506,505
Gain on sale and disposal of assets	-	-	2,523	82,588	2,523	82,588
Total revenues	63,581,421	65,878,289	15,566,240	15,146,753	79,147,661	81,025,042
Expenses:						
General government	13,267,543	12,048,111	-	-	13,267,543	12,048,111
Public safety	18,545,091	16,324,607	-	-	18,545,091	16,324,607
Highway & public improvements	12,743,555	11,225,898	-	-	12,743,555	11,225,898
Community development	2,468,503	2,430,304	-	-	2,468,503	2,430,304
Parks & recreation	7,516,648	6,550,806	-	-	7,516,648	6,550,806
Interest on long-term debt	525,333	598,446	-	-	525,333	598,446
Water	-	-	7,386,803	5,703,132	7,386,803	5,703,132
Storm drain	-	-	5,664,144	2,094,225	5,664,144	2,094,225
Solid waste	-	-	3,601,243	3,076,214	3,601,243	3,076,214
Ambulance	-	-	4,007,888	4,074,613	4,007,888	4,074,613
Total expenses	55,066,673	49,178,172	20,660,078	14,948,184	75,726,751	64,126,356
Increase in net position before transfers	8,514,748	16,700,117	(5,093,838)	198,569	3,420,910	16,898,686
Transfers - net	(5,215,000)	(1,850,000)	5,215,000	1,850,000	-	-
Increase in net position	3,299,748	14,850,117	121,162	2,048,569	3,420,910	16,898,686
Net position - beginning	534,258,435	519,408,318	95,614,129	93,565,560	629,872,564	612,973,878
Net position - ending	\$ 537,558,183	\$ 534,258,435	\$ 95,735,291	\$ 95,614,129	\$ 633,293,474	\$ 629,872,564



Governmental Activities -

Net position for governmental activities increased in FY2024. Total revenues for governmental activities, which is made up of both program revenues and general revenues (taxes and investments) was \$63,581,421 and expenses for the same governmental activities was \$55,066,673 resulting in a change of net position before transfers at \$8,514,748. After transfers out of \$5,215,000, the final increase in net position was \$3,299,748. The overall net change to net position is down by \$11,550,369 when compared to last year’s change in net position. Increases of \$2,829,280 in general revenues, increased expenses of \$5,888,501, a decrease of \$5,126,148 to program revenues, and increased transfers of \$3,365,000 contributed to the change in net position.

- Significant positive changes to general revenues included, sales and franchise taxes, charges for services and investment earnings and transfers. Sales and franchise taxes increased \$492,684, or 2.0% due to increased sales and prices within the City. Charges for services increased \$299,403 and investment earnings increased significantly by \$2,219,724 or 61.9% due to continued favorable interest rates and fair value adjustments.
- The City experienced a decrease in operating grants of \$4,028,564. The two largest decreases in grant funding in FY2024 were a decrease of \$2,875,150 associated with Draper’s award for ARPA funding dedicated to public safety and \$550,000 from Salt Lake County for Draper Park. Capital grants and contributions decreased by \$1,396,987 based on funding source and size of capital projects and developer contributions.
- The City saw an increase of \$5,888,501 in governmental expenses as a direct result of general cost increases associated with inflation and the increased cost of salaries.

Because of the negative changes to program revenues, the City’s reliance on general revenues to fund programs increased. In FY2023, \$24,180,652 of general revenue subsidized governmental programs while this year \$35,195,301, or 92.8% of the \$37,906,609 of general tax revenues was needed, netting the \$3,299,748 positive change in governmental net position after transfers.

Business-Type Activities -

Net position for business-type activities increased \$121,162. Revenue for business-type activities totaled \$15,566,240 before transfers and \$20,781,240 after the transfer from the general fund of \$5,215,000. Business revenues remained consistent compared to the previous year where revenues before transfers were \$15,146,753. The City did increase the transfers to enterprise funds by \$3,365,000 as the City worked to strengthen its proprietary funds’ net position. In FY2024, charges for services represented 83.87% of the total revenues. Each business unit, other than ambulance services which had a decrease in revenue of \$18,189, saw a slight increase in revenue over FY2023.

Expenses for business-type activities totaled \$20,660,078. This is an increase of \$5,711,894 from the previous year. Ambulance operations remained relatively flat, while Water had an increase of \$1,683,671 associated with three new positions added to allow the City to remain compliant with federal regulations and due to increased costs of repairs to the City’s aging water system. The City expects these costs to continue at these levels in future years. Storm Water had an increase of \$3,569,919 associated with costs from the August 3rd rain storm while Solid Waste had an increase of \$525,029 associated with changes to improve service delivery. All business units experienced a rise in costs associated with general cost increases due to inflation and the increased cost of salaries.

Financial Analysis of the Fund Financial Statements:**Governmental Funds:**

The City’s governmental funds are accounted for using the modified accrual basis of accounting. The governmental funds provide information on the short-term resource inflows and outflows and account balances at the end of the fiscal year. The total fund balance is a measure of total available resources and the unassigned portion of this total fund balance is a measure of the available resources at June 30, 2024.

As the City completed the year, its governmental funds reported a combined fund balance of \$85,114,371, which is a decrease of \$8,205,980 compared to the prior fiscal year. Of that available fund balance, \$50,204,744 is available for spending (assigned & unassigned). The remaining balances are nonspendable or restricted. The nonspendable amount of \$7,113,395 is primarily a note receivable from the Loveland Planet Aquarium for the Series 2012C bond debt service. The restricted amount of \$27,796,232 consists of the following fees: impact fees, B&C road funds, transportation, grants, debt service and perpetual care. The total assigned balance is \$33,721,747. Assigned funds related to capital decreased by \$4,312,823 as funds earmarked for specific projects were expended. The unassigned balance in the general fund is \$16,482,997 or 32.0% of general fund revenues.

General Fund:

The general fund as reported consists of the general government fund, class B&C roads and highway option tax and highway projects funds. At June 30, 2024, the fund balance of the combined general fund was \$40,188,450 which is a decrease of \$1,877,153.

General Government Fund – The general government fund accounts for all of the general services provided by the City. Revenues exceeded expenditures by \$9,818,563 before other financing sources and uses.

General Fund Revenues – As a whole, revenue sources remained relatively flat in 2024 with a net decrease of \$987,337 or -1.9%. Taxes continued to be the largest source of revenue in the general fund and represented 70.6% of total revenues. This category was made up of sales tax, property tax, energy tax, and franchise taxes. Sales tax saw a slight increase of \$478,237 while tax revenue as a whole increased by \$513,583 or 1.4% when compared to the prior year.

Sales tax revenues were the largest tax revenue contributor in 2024, and increased by \$478,237 or 2.4% as compared to 2023. This increase is the direct result of improved sales across all categories of businesses in the community and a general increase in the cost of goods.

Interest revenue saw the largest increase. It increased \$1,350,267 due to the changes in the market.

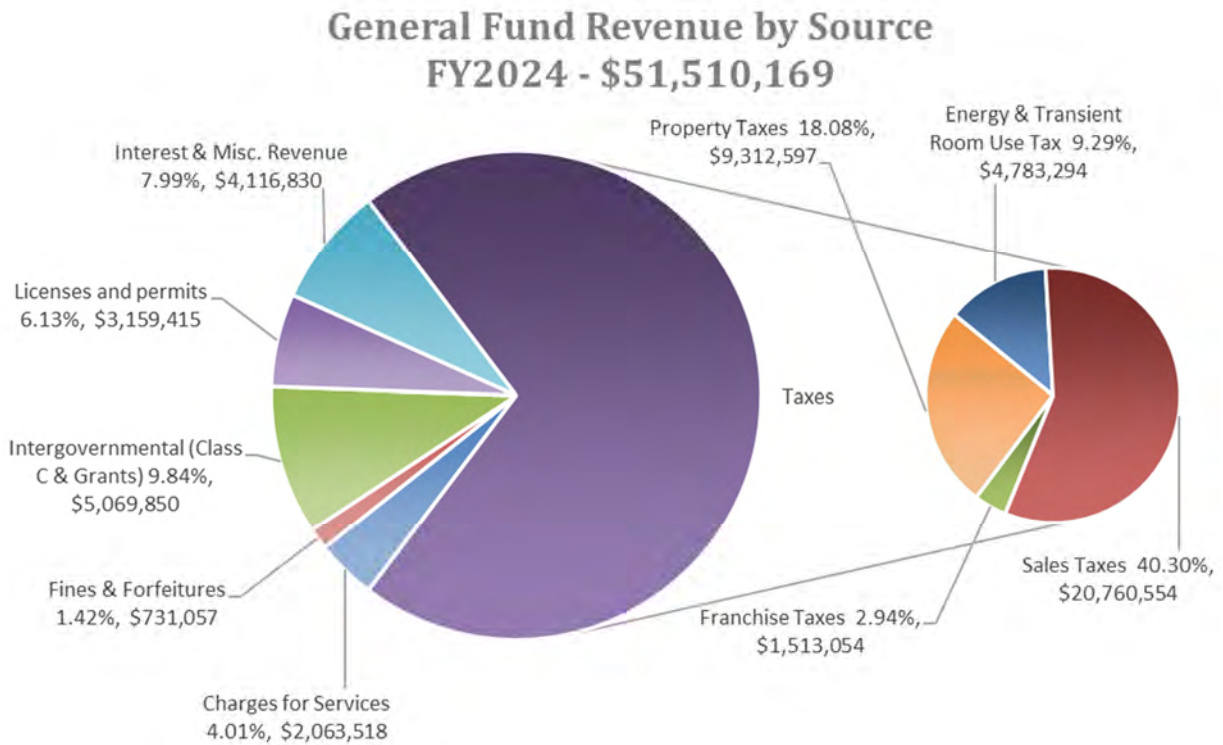
In 2024, license and permit revenue and fines and forfeitures remained flat compared to the prior fiscal year. Total license and permit revenue was \$3,159,415, \$28,050 over the previous year. While revenue from fines and forfeitures came in at \$731,057, a decrease of \$4,980 over the prior fiscal year.

Charges for services increased \$319,635 or 18.3% from the prior fiscal year. The fees in this classification includes rents and leases, recreation program fees, park reservation fees, passport fees, and other fees. For FY2024, the increase was associated with event and program registrations as well as sponsorship agreements and cell tower rentals.

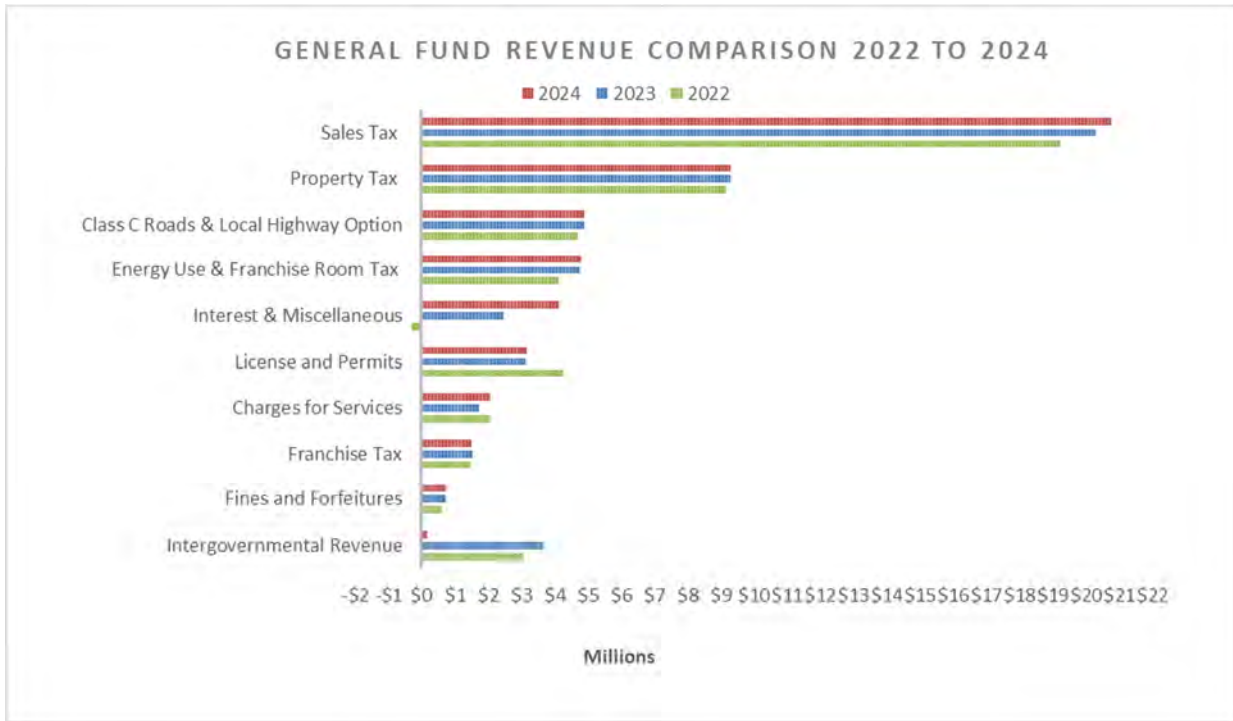
The programs supported by general fund revenues (in order of how much they depend on general revenues to operate, with percentage of funding coming from general fund revenues) are:

Program	Amount of Program funded w/GF	% of Program Funded with General Revenues	
		FY2024	FY2023
1st Public safety	\$ 17,605,546	94.93%	75.81%
2nd Parks and recreation	5,988,900	79.68%	69.93%
3rd General government	7,227,273	54.47%	36.19%
4th Highways and public improvements	4,185,735	32.85%	26.42%
5th Interest on long-term debt	525,333	100.00%	100.00%
6th Community development	(337,486)	-	-

The following charts illustrate general fund revenues by source and type.



The next chart compares the general fund revenue



General Fund Expenditures – General fund expenditures increased from \$36,206,126 in FY2023 to \$41,691,606 in FY2024, which represents a 15.2% increase. The net change in expense was an increase of \$5,485,480.

General cost increases associated with inflation as well as increases to employee compensation were the major contributors to the additional costs experienced in FY2024. Public safety was the largest expense for the City and costs over FY2023 increased by \$1,933,524 for a total of \$18,591,452. Expenditures for general government activity totaled \$7,691,646 for FY2024, which is an increase of \$741,418. Parks & Recreation also saw an increase over the prior fiscal year bringing total expense in FY2024 to \$5,203,629. Community Development costs rose \$282,497 from FY2023 to \$2,815,451.

The first payment of \$610,000 for the Series 2023 Sales Tax Revenue Bonds was due in FY2024, payment on this bond along with continuing increases in principal for other bonds increased debt service costs by \$792,434 for a total expense in the current fiscal year of \$2,431,064.

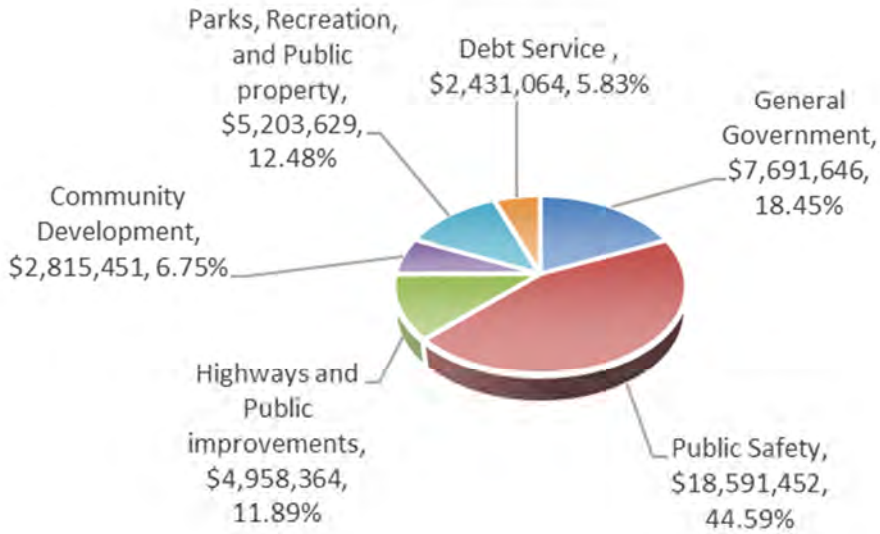
Class B&C Roads, Highway Option & Highway Projects Funds – The class B&C roads fund accounts for funds received from the State of Utah that are restricted for use for the construction and maintenance of roads classified as B or C. Highway Option taxes are a quarter of one percent sales tax that is restricted, similar to the B&C funds, for transportation projects. Highway projects funding come from the State of Utah as allocated in SB0051-2022.

At June 30, 2024, the restricted fund balance for B&C roads was \$7,304,612 held in the general fund. The amount restricted for the Highway Option Tax (transportation) and Highway Projects is a combined \$8,861,181.

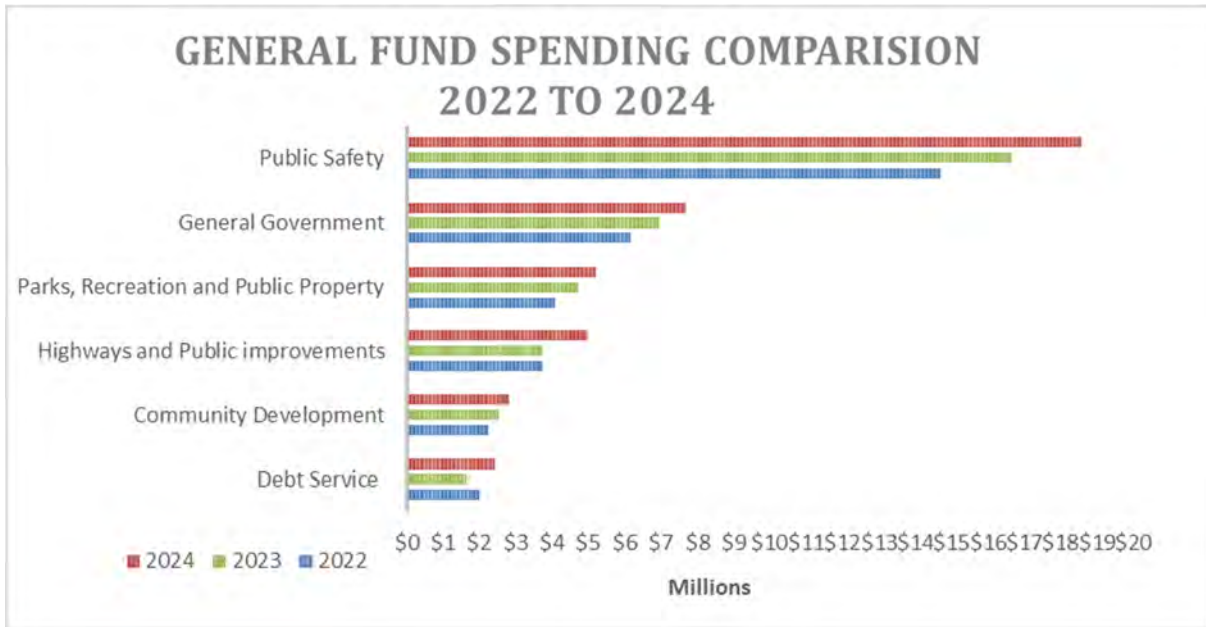
Changes to revenues in these funds are tied to either sales tax or the gasoline taxes and are a set percentage so as prices increase so does the revenue. Expenses are restricted to specific transportation related projects. The combined fund balances for these funds increased in FY24 by \$3,455,513. The availability of these funds will allow the City to accomplish some of the major road projects required in the future.

The following chart shows the percentage and amount of general fund spending by broad functions:

\$41,691,606 IN GENERAL FUND EXPENDITURES 2024



The next chart compares general fund spending by governmental activity.



General Fund Budgetary Highlights

The original adopted fiscal year 2024 expenditure budget for the general fund totaled \$43,746,430 before other financing sources (uses). The final adopted budget for the general fund totaled \$44,563,330. Changes included changes in staffing, additional funding for CIP related projects and required payments for debt service. The City Council approved four budget revisions during the year – December 2023, February 2024, March 2024 and May 2024. Actual expenditures were less than the final budget by \$3,842,493.

Other Governmental Funds

Capital Improvement Projects Fund – The capital projects fund has a total fund balance of \$15,479,290 at June 30, 2024, all of which is either externally restricted or assigned for unfinished projects. This is a decrease of \$4,312,823 from the prior fiscal year due to the completion of budgeted projects.

Redevelopment Fund – Revenue, plus investment income, from the established redevelopment areas increased 11.6%, or \$973,719 from the prior year for annual revenue of \$9,349,966. The largest portion of the RDA increase was a result of an increase of \$616,998 from interest revenue. For more detailed information on the Redevelopment Agency of Draper City, please refer to the annual June 30th report that is submitted in compliance with the Utah State Code.

Impact Fee Funds – Impact fee revenues decreased for the year by \$555,988. The total revenue for governmental related impact fees was \$663,437. Impact fees saw a significant decrease due to a general decrease in construction permits within the City. Impact fees are meant to provide the necessary infrastructure to support new development, budgets are developed using current resources. The largest impact fee fund balance is with the transportation impact fund that ended the year with \$5,551,128. The other impact related fund balances are park impact fund with \$5,048,931, fire impact fund \$88,037 and police impact fund with \$285,029. The total restricted impact fee fund balance at the end of the fiscal year is \$10,973,125. For further information please refer to the Impact Fee Report that is uploaded annually to the Utah Office of the State Auditor.

Municipal Building Authority Fund – This fund had no transactions and no fund balance for the year.

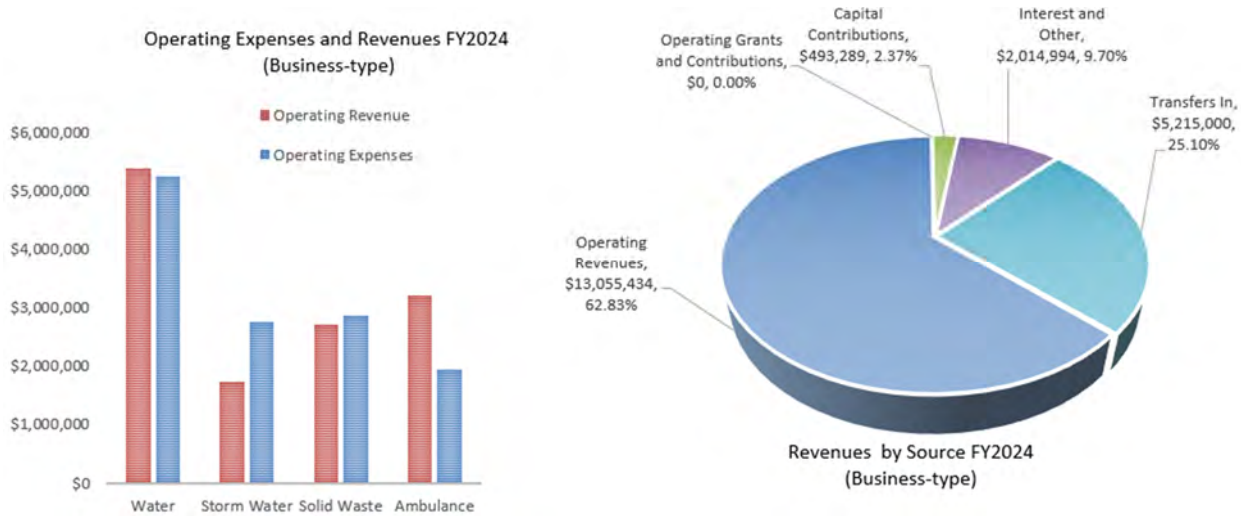
Proprietary (Enterprise) Funds:

Water Fund – Unrestricted net position in the water fund increased by \$843,733 when compared to the previous year, with an ending unrestricted net position at June 30, 2024 of \$9,333,679. Operating revenues from water activities increased \$219,660 as compared to the previous fiscal year 2023. This is due to an increase in water usage. Operating expenses increased \$1,686,215 from \$5,676,089 in FY2023 to \$7,362,304 in FY2023. Personnel costs rose nearly \$250,000 with the addition of three new positions to meet federal and state water quality requirements. Water purchases increased by \$182,867 over fiscal year 2023. The water fund recognized a loss of \$1,907,357 before nonoperating revenues/expenses and before capital contributions/transfers. The loss is a result of the City maintaining rates over the past few years instead of raising rates to match expenditures. The water fund posted a change in net position of (\$310,580).

Storm Water Fund – Unrestricted net position in the storm water fund decreased \$1,638,368, which left a balance of \$16,425,552 at June 30, 2024. This decrease is the result of repairs to the storm water system. Operating revenues from storm water utility fees increased \$57,196 (or 2.1%) as compared to the previous fiscal year. Operating expenses increased \$3,569,919. Personnel costs rose approximately \$165,000. The city experienced a significant storm in August 2023 that caused major flooding resulting in damage to City storm water infrastructure and roads at a cost to the fund of \$2,518,579 in FY2024. The storm water fund recognized an operating loss of \$2,862,320 before nonoperating revenues/expenses and before capital contributions. After capital contributions of \$290,500 and interest income of \$806,218, the storm water fund had a negative change in net position of \$1,765,602.

Solid Waste Fund – Unrestricted net position in the solid waste fund increased \$112,787 leaving a balance of \$9,948,674 at June 30, 2024. Revenues from solid waste utility fees increased \$18,397 as compared to the previous fiscal year. Operating expenses showed an increase of \$525,029. Personnel costs rose approximately \$193,000. The solid waste fund had an operating loss of \$720,011 before nonoperating revenues/expenses and before capital contributions. After nonoperating revenues totaling \$822,246, the solid waste fund had a positive change in net position of \$102,235 leaving a net position of \$11,304,187.

Ambulance Fund –Unrestricted net position in the ambulance fund increased \$2,083,836, after transfers from the general fund of \$4,215,000 the ambulance fund had a net position of \$2,744,533 at June 30, 2024. Revenues from charges for services were \$1,917,431 down \$18,189 as a result of the number of ambulance transports. Operating expenses were also down slightly by \$66,725. The ambulance fund recognized an operating loss of \$2,075,005 before nonoperating revenues/expenses. After nonoperating expenses of \$44,886, the total loss was equal to \$2,119,891. The City’s general fund transferred in \$1,800,000 to cover annual operational deficits associated with staffing decisions made by the City. The general fund transferred an additional \$2,415,000 to bring the ambulance fund to a positive net position. This resulted in a positive change of net position of \$2,095,109 for the fiscal year. The first chart illustrates operating program revenues to operating expenses per the Statement of Activities. The second chart illustrates the revenues by source which includes capital contributions from developers.



Capital Assets and Debt Administration

The City’s investment in capital assets for its government and business-type activities totaled \$532,501,354 net of combined depreciation and amortization on June 30, 2024. Types of assets included in this category are land, right of ways, land improvements, buildings, machinery and equipment, park and recreation facilities, roads (including curb and gutter), street lights, traffic signals, parking facilities, intangible assets, water distribution system, and storm water collection system. The change for the current year was an increase of \$9,626,223 in governmental activities and decrease of \$1,277,573 in business-type activities for a combined increase of \$8,348,650.

Overall depreciation in the governmental funds increased by \$334,204. The business-type funds depreciation increased by \$92,605. Depreciation expense increased due to an increase in assets.

	Governmental Activities 2023	Governmental Activities 2024	Business-type Activities 2023	Business-type Activities 2024
Land and Right of Ways	\$ 348,659,998	\$ 354,661,205	\$ -	\$ -
Intangible asset - water tank capacity	-	-	2,000,000	2,000,000
Water Shares	-	-	131,907	131,907
Infrastructure	75,156,035	74,364,958	-	-
Buildings	17,069,609	17,018,725	348,231	333,967
Improvements - other than buildings	11,601,304	11,951,406	50,603,596	49,617,592
Machinery and equipment	6,378,180	9,120,183	3,830,845	3,678,568
Intangible right-to-use lease assets	198,030	174,377	-	-
Intangible right-to-use subscription assets	218,951	488,465	-	-
Furniture and fixtures	127,770	117,625	78,230	64,624
Construction in progress	3,522,183	4,661,339	4,227,835	4,116,413
Total Capital Assets	\$ 462,932,060	\$ 472,558,283	\$ 61,220,644	\$ 59,943,071

Additional information regarding the City’s capital assets can be found in Note 6.

Long-term Debt

As of June 30, 2024, the City’s outstanding bonds, notes payable and lease payable amount to \$26,374,596. This is a net decrease of \$2,372,341. The City has issued several bonds in previous years to assist in building and acquiring capital assets. The City has one general obligation bond outstanding with an outstanding balance of \$505,000. As of June 30, 2024, the City has four sales tax revenue bonds outstanding totaling \$12,475,000, excluding any unamortized premiums.

The City also reported an obligation as a note payable to a developer for infrastructure improvements that were installed and completed in which the City has accepted and is listing them with their capital assets. The portion related to governmental activities is \$9,857,929 (transportation impact fees) and the business-type activities are \$884,403 (water impact fees). Remaining outstanding obligations will be paid back to the developer through transportation and water impact fees as they are collected.

The business-type activities have one outstanding water revenue bond for \$921,000.

	Governmental Activities 2023	Governmental Activities 2024	Business-type Activities 2023	Business-type Activities 2024
Bonds Payable	\$ 16,544,895	\$ 14,189,738	\$ 1,024,000	\$ 921,000
Notes Payable	9,857,929	9,857,929	884,403	884,403
Lease Payable	227,775	166,575	-	-
Subscriptions Payable	207,935	354,951	-	-
Total Debt	\$ 26,838,534	\$ 24,569,193	\$ 1,908,403	\$ 1,805,403

Additional information on the City’s long-term debt can be found in Note 9 of the Notes to Financial Statements.

Requests for information:

This financial report is designed to provide our residents, taxpayers, investors and creditors with a general overview of the City’s finances and to show the City’s accountability for the funds and assets it receives. If you have questions about this report, or should you need additional financial information, contact the City’s Finance Department at City of Draper, 1020 East Pioneer Road, Draper, UT 84020, or call (801) 576-6500, or e-mail to john.vuyk@draperutah.gov.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

STATEMENT OF NET POSITION – JUNE 30, 2024 – CITY OF DRAPER, UTAH

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 5,240,061	\$ 9,653,106	\$ 14,893,167
Investments	69,226,694	-	69,226,694
Receivables:			
Accounts, net	5,565,198	2,170,947	7,736,145
Property taxes	19,170,233	-	19,170,233
Internal balances	(21,500,000)	21,500,000	-
Inventory	-	403,000	403,000
Prepays	141,324	2,198	143,522
Notes receivable	6,972,071	-	6,972,071
Restricted cash and cash equivalents	39,115,263	287,283	39,402,546
Equity investments in joint venture	-	4,606,087	4,606,087
Net pension asset	1,296,002	138,631	1,434,633
Capital assets, not being depreciated:			
Land and right of ways	354,661,205	-	354,661,205
Intangible asset - water tank capacity	-	2,000,000	2,000,000
Water shares	-	131,907	131,907
Construction in progress	4,661,339	4,116,413	8,777,752
Capital assets, net of accumulated depreciation:			
Buildings and improvements	17,018,725	333,967	17,352,692
Improvements other than buildings	11,951,406	49,617,592	61,568,998
Machinery, equipment, vehicles	9,120,183	3,678,568	12,798,751
Intangible right-to-use lease assets	174,377	-	174,377
Intangible right-to-use subscription assets	488,465	-	488,465
Furniture and fixtures	117,625	64,624	182,249
Infrastructure	74,364,958	-	74,364,958
Total assets	597,785,129	98,704,323	696,489,452
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on refunding	25,927	-	25,927
Pension related	6,160,059	768,986	6,929,045
Total deferred outflows of resources	6,185,986	768,986	6,954,972
LIABILITIES			
Accounts payable	2,751,628	930,763	3,682,391
Accrued liabilities	1,086,315	404,046	1,490,361
Accrued interest payable	108,509	22,749	131,258
Developer and customer deposits	11,319,031	30,000	11,349,031
Noncurrent liabilities:			
Due within one year	3,036,806	140,716	3,177,522
Due in more than one year	24,265,226	1,896,843	26,162,069
Net pension liability	3,935,252	298,677	4,233,929
Total liabilities	46,502,767	3,723,794	50,226,561
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue-property taxes	19,170,233	-	19,170,233
Deferred gain on refunding	653,379	-	653,379
Pension related	86,553	14,224	100,777
Total deferred inflows of resources	19,910,165	14,224	19,924,389
NET POSITION			
Net investment in capital assets	446,821,338	57,864,503	504,685,841
Restricted for:			
Debt service	426,265	257,283	683,548
Retirement	1,296,002	138,631	1,434,633
Impact fees	10,973,125	-	10,973,125
Perpetual care	170,259	-	170,259
Capital projects	16,165,793	-	16,165,793
Grants	60,790	-	60,790
Unrestricted	61,644,611	37,474,874	99,119,485
Total net position	\$ 537,558,183	\$ 95,735,291	\$ 633,293,474

The accompanying notes are an integral part of this financial statement.

STATEMENT OF ACTIVITIES – FOR THE YEAR ENDED JUNE 30, 2024 – CITY OF DRAPER, UTAH

	Program Revenues				Net (Expense) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Functions/Programs:							
Primary government:							
Governmental activities							
General government	\$ 13,267,543	\$ 1,336,510	\$ 4,693,760	\$ 10,000	\$ (7,227,273)		\$ (7,227,273)
Public safety	18,545,091	796,252	106,685	36,608	(17,605,546)		(17,605,546)
Highways and public improvements	12,743,555	372,543	3,758,088	4,427,189	(4,185,735)		(4,185,735)
Community development	2,468,503	2,805,989	-	-	337,486		337,486
Parks and recreation	7,516,648	999,384	1,805	526,559	(5,988,900)		(5,988,900)
Interest on long-term debt	525,333	-	-	-	(525,333)		(525,333)
Total governmental activities	55,066,673	6,310,678	8,560,338	5,000,356	(35,195,301)		(35,195,301)
Business-type activities							
Water	7,386,803	5,454,947	-	202,789		\$ (1,729,067)	(1,729,067)
Storm water	5,664,144	2,801,824	-	290,500		(2,571,820)	(2,571,820)
Solid Waste	3,601,243	2,881,232	-	551,246		(168,765)	(168,765)
Ambulance	4,007,888	1,917,431	-	-		(2,090,457)	(2,090,457)
Total business-type activities	20,660,078	13,055,434	-	1,044,535		(6,560,109)	(6,560,109)
Total primary government	\$ 75,726,751	\$ 19,366,112	\$ 8,560,338	\$ 6,044,891	(35,195,301)	(6,560,109)	(41,755,410)
General revenues and transfers:							
General revenues:							
Taxes							
Property					10,849,707	-	10,849,707
Sales					20,760,554	-	20,760,554
Franchise					6,296,348	-	6,296,348
Investment earnings					5,803,440	1,463,748	7,267,188
Gain on sale of capital assets					-	2,523	2,523
Transfers - net					(5,215,000)	5,215,000	-
Total general revenues and transfers					38,495,049	6,681,271	45,176,320
Change in net position					3,299,748	121,162	3,420,910
Net position - beginning					534,258,435	95,614,129	629,872,564
Net position - ending					\$ 537,558,183	\$ 95,735,291	\$ 633,293,474

The accompanying notes are an integral part of this financial statement.

BALANCE SHEET – GOVERNMENTAL FUNDS – JUNE 30, 2024 – CITY OF DRAPER, UTAH

	General Fund	Capital Projects Fund	Redevelopment Agency	Nonmajor Governmental Funds	Total Governmental Funds
<u>ASSETS</u>					
Cash and cash equivalents	\$ 27,909	\$ 162,331	\$ 184,328	\$ 152,061	\$ 526,629
Investments	62,764,316	-	6,462,378	-	69,226,694
Receivables:					
Property taxes	10,487,500	-	8,133,070	549,663	19,170,233
Other, net	5,561,508	-	-	3,586	5,565,094
Due from other funds	60,329	16,300,000	11,500,000	61,223	27,921,552
Prepays	141,324	-	-	-	141,324
Restricted cash and cash equivalents	27,911,089	60,790	-	11,143,384	39,115,263
Notes receivable	6,972,071	-	-	-	6,972,071
Total assets	\$ 113,926,046	\$ 16,523,121	\$ 26,279,776	\$ 11,909,917	\$ 168,638,860
<u>LIABILITIES</u>					
Accounts payable	\$ 1,494,426	\$ 1,043,831	\$ -	\$ -	\$ 2,538,257
Accrued liabilities	1,075,416	-	-	-	1,075,416
Due to other funds	49,361,223	-	-	60,329	49,421,552
Developer and customer deposits	11,319,031	-	-	-	11,319,031
Total liabilities	63,250,096	1,043,831	-	60,329	64,354,256
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Unavailable revenue-property taxes	10,487,500	-	8,133,070	549,663	19,170,233
Total deferred inflows of resources	10,487,500	-	8,133,070	549,663	19,170,233
<u>FUND BALANCES</u>					
Nonspendable	7,113,395	-	-	-	7,113,395
Restricted:					
Debt service	426,265	-	-	-	426,265
Perpetual care	-	-	-	170,259	170,259
Grants	-	60,790	-	-	60,790
B & C roads	7,304,612	-	-	-	7,304,612
Transportation	8,861,181	-	-	-	8,861,181
Impact fees	-	-	-	10,973,125	10,973,125
Assigned:					
Capital projects	-	15,418,500	-	-	15,418,500
RDA fund and projects	-	-	18,146,706	-	18,146,706
Traverse Ridge fund	-	-	-	156,541	156,541
Unassigned	16,482,997	-	-	-	16,482,997
Total fund balances	40,188,450	15,479,290	18,146,706	11,299,925	85,114,371
Total liabilities, deferred inflows of resources and fund balances	\$ 113,926,046	\$ 16,523,121	\$ 26,279,776	\$ 11,909,917	\$ 168,638,860

The accompanying notes are an integral part of this financial statement.

***RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION – JUNE 30, 2024 – CITY OF DRAPER, UTAH***

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total fund balances for governmental funds	\$ 85,114,371
Capital assets, including intangible right-to-use assets, used in governmental activities are not financial resources and therefore, are not reported in the funds.	472,558,283
Other long-term assets are not available for current period expenditures and, therefore, are not reported in the funds balance sheet.	7,481,988
Accrued interest on long-term debt is not due and payable in the current period and, therefore, is not recorded in the funds.	(108,509)
Long-term liabilities, including bonds, leases, subscriptions payable, compensated absences, and notes are not due and payable in the current period and, therefore, are not reported in the funds.	(27,302,032)
Other long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds balance sheet.	(4,675,184)
The internal service fund is used by management to charge the cost of insurance and claims to other funds. The assets and liabilities of the internal services fund are included in the governmental activities in the Statement of Net Position.	4,489,266
Net position of governmental activities	\$ 537,558,183

The accompanying notes are an integral part of this financial statement.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
FOR THE YEAR ENDED JUNE 30, 2024 – CITY OF DRAPER, UTAH**

	General Fund	Capital Projects Fund	Redevelopment Agency	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes:					
Property	\$ 9,312,597	\$ -	\$ 944,928	\$ 592,182	\$ 10,849,707
Sales	20,760,554	-	-	-	20,760,554
Franchise	6,296,348	-	-	-	6,296,348
Licenses and permits	3,159,415	-	-	-	3,159,415
Intergovernmental	5,069,850	-	7,188,145	61,223	12,319,218
Charges for services	2,063,518	-	-	-	2,063,518
Impact fees	-	-	-	663,437	663,437
Fines and forfeitures	731,057	-	-	-	731,057
Interest and investment earnings	3,761,551	-	1,216,893	677,603	5,656,047
Donations and reimbursements	10,000	-	-	-	10,000
Miscellaneous	345,279	-	-	11,409	356,688
Total revenues	51,510,169	-	9,349,966	2,005,854	62,865,989
EXPENDITURES					
Current:					
General government	7,691,646	-	-	52,763	7,744,409
Public safety	18,591,452	-	-	-	18,591,452
Highways and public improvements	4,958,364	-	-	620,679	5,579,043
Community development	2,815,451	-	-	-	2,815,451
Park, recreation, and public property	5,203,629	-	-	-	5,203,629
RDA expenditures	-	-	5,215,480	-	5,215,480
Capital outlay	-	16,713,880	-	-	16,713,880
Debt service:					
Principal	1,770,523	-	593,000	-	2,363,523
Interest	660,541	-	25,947	-	686,488
Total expenditures	41,691,606	16,713,880	5,834,427	673,442	64,913,355
Excess (deficiency) of revenues over (under) expenditures	9,818,563	(16,713,880)	3,515,539	1,332,412	(2,047,366)
OTHER FINANCING SOURCES (USES)					
Issuance of debt	214,934	-	-	-	214,934
Sale of capital assets	165,698	-	-	-	165,698
Transfers in	2,343,908	12,401,057	349,768	-	15,094,733
Transfers out	(14,420,256)	-	(2,998,013)	(4,215,710)	(21,633,979)
Total other financing sources (uses)	(11,695,716)	12,401,057	(2,648,245)	(4,215,710)	(6,158,614)
Net change in fund balances	(1,877,153)	(4,312,823)	867,294	(2,883,298)	(8,205,980)
Fund balances, beginning	42,065,603	19,792,113	17,279,412	14,183,223	93,320,351
Fund balances, ending	\$ 40,188,450	\$ 15,479,290	\$ 18,146,706	\$ 11,299,925	\$ 85,114,371

The accompanying notes are an integral part of this financial statement.

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES –
FOR THE YEAR ENDED JUNE 30, 2024 – CITY OF DRAPER, UTAH**

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances for governmental funds	\$ (8,205,980)
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, assets with an initial cost of \$5,000 or more are capitalized and the cost is allocated over the assets estimated useful lives and reported as depreciation or amortization expense.</p>	
Capital outlay	14,474,330
Depreciation and amortization expense	(8,176,628)
Cost of capital assets sold	(309,164)
<p>Contributed assets are not recorded in governmental funds because current resources are not expended for acquisition. The Statement of Activities records these contributed assets at their estimated fair value on the date of contribution.</p>	
	524,183
<p>The issuance of long-term debt (e.g., bonds, leases, subscriptions) provides current financial resources to governmental funds, while the payment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither type of transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued. These amounts are deferred and amortized in the Statement of Activities. These amounts are the net effect of these differences in the treatment of long-term debt and related items.</p>	
Issuance of bonds, leases, and SBITAs	(214,934)
Reduction of long-term liability	2,363,523
Amortization of bond premiums and deferred loss and gain on refundings	144,041
<p>Accrued pension costs are not reported as an expenditure in the current period for governmental funds but are recorded as an expense in the statement of activities.</p>	
	834,091
<p>Expenses are recognized in the governmental funds when paid or due; however, the Statement of Activities is presented on the accrual basis and expenses and liabilities are reported when incurred, regardless of when financial resources are available or expenses are paid or due.</p>	
Accrued interest	18,986
Compensated absences	(320,747)
<p>Internal service fund is used by management to charge the cost of centralized services to individual funds. The net income of the internal service fund is reported with governmental activities.</p>	
	2,168,047
Change in net position of governmental activities	\$ 3,299,748

The accompanying notes are an integral part of this financial statement.

STATEMENT OF NET POSITION – PROPRIETARY FUNDS – JUNE 30, 2024
CITY OF DRAPER, UTAH

	Business-type Activities - Enterprise Funds				Total	Governmental Activities Internal Service Fund
	Water	Storm Water	Solid Waste	Ambulance		
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 2,271,240	\$ 1,169,177	\$ 5,192,332	\$ 1,020,357	\$ 9,653,106	4,713,432
Accounts receivable, net	875,014	272,156	269,356	754,421	2,170,947	104
Inventory	403,000	-	-	-	403,000	-
Due from other funds	6,500,000	15,000,000	-	-	21,500,000	-
Prepays	-	-	-	2,198	2,198	-
Total current assets	10,049,254	16,441,333	5,461,688	1,776,976	33,729,251	4,713,536
Noncurrent assets:						
Restricted cash and cash equivalents	287,283	-	-	-	287,283	-
Capital assets:						
Intangible asset - water tank	2,000,000	-	-	-	2,000,000	-
Water shares	131,907	-	-	-	131,907	-
Construction in progress	3,895,897	5,602	214,914	-	4,116,413	1,401,352
Buildings and improvements	91,972	99,000	345,107	-	536,079	-
Improvements other than buildings	38,755,061	46,645,868	-	-	85,400,929	-
Machinery and equipment	1,534,593	2,115,235	4,375,311	1,527,751	9,552,890	17,958,205
Furniture and fixtures	116,933	95,130	95,429	-	307,492	-
Accumulated depreciation	(20,829,972)	(16,908,621)	(3,675,248)	(688,798)	(42,102,639)	(9,561,367)
Net capital assets	25,696,391	32,052,214	1,355,513	838,953	59,943,071	9,798,190
Other assets:						
Equity investment in joint venture	-	-	4,606,087	-	4,606,087	-
Net pension asset	-	-	-	138,631	138,631	-
Total other assets	-	-	4,606,087	138,631	4,744,718	-
Total noncurrent assets	25,983,674	32,052,214	5,961,600	977,584	64,975,072	9,798,190
Total assets	36,032,928	48,493,547	11,423,288	2,754,560	98,704,323	14,511,726
DEFERRED OUTFLOWS OF RESOURCES						
Pension related	149,526	119,503	171,837	328,120	768,986	84,934
Total deferred outflows of resources	149,526	119,503	171,837	328,120	768,986	84,934

(continued)

The accompanying notes are an integral part of this financial statement.

STATEMENT OF NET POSITION – PROPRIETARY FUNDS (continued) – JUNE 30, 2024
CITY OF DRAPER, UTAH

	Business-type Activities - Enterprise Funds				Total	Governmental
	Water	Storm Water	Solid Waste	Ambulance		Activities Internal Service Fund
LIABILITIES						
Current liabilities:						
Accounts payable	\$ 709,489	\$ 77,035	\$ 128,264	\$ 15,975	\$ 930,763	\$ 213,371
Accrued liabilities	227,593	16,133	19,517	140,803	404,046	10,899
Deposits	30,000	-	-	-	30,000	-
Accrued interest payable	22,749	-	-	-	22,749	-
Compensated absences	7,116	4,688	8,332	14,580	34,716	8,673
Bonds payable	106,000	-	-	-	106,000	-
Claims and judgments	-	-	-	-	-	269,071
Total current liabilities	1,102,947	97,856	156,113	171,358	1,528,274	502,014
Noncurrent liabilities:						
Compensated absences	38,818	31,584	39,691	87,347	197,440	42,028
Bonds payable	815,000	-	-	-	815,000	-
Notes payable	884,403	-	-	-	884,403	-
Net pension liability	70,638	65,180	94,062	68,797	298,677	43,829
Claims and judgments	-	-	-	-	-	662,188
Total noncurrent liabilities	1,808,859	96,764	133,753	156,144	2,195,520	748,045
Total liabilities	2,911,806	194,620	289,866	327,502	3,723,794	1,250,059
DEFERRED INFLOWS OF RESOURCES						
Pension related	1,764	763	1,072	10,625	14,224	727
Total deferred outflows of resources	1,764	763	1,072	10,625	14,224	727
NET POSITION						
Net investment in capital assets	23,677,922	31,992,115	1,355,513	838,953	57,864,503	9,714,257
Restricted for retirement	-	-	-	138,631	138,631	-
Restricted for debt service	257,283	-	-	-	257,283	-
Unrestricted	9,333,679	16,425,552	9,948,674	1,766,969	37,474,874	3,631,617
Total net position	\$ 33,268,884	\$ 48,417,667	\$ 11,304,187	\$ 2,744,553	\$ 95,735,291	\$ 13,345,874

The accompanying notes are an integral part of this financial statement.

**STATEMENT REVENUES, EXPENSES, AND CHANGES IN NET POSITION – PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024 – CITY OF DRAPER, UTAH**

	Business-type Activities - Enterprise Funds				Total	Governmental
	Water	Storm Water	Solid Waste	Ambulance		Activities Internal Service Fund
<u>OPERATING REVENUES</u>						
Sales and charges for services	\$ 5,387,273	\$ 2,778,818	\$ 2,861,217	\$ 1,917,363	\$ 12,944,671	\$ 4,113,877
Connection fees	44,680	-	-	-	44,680	-
Miscellaneous income	22,994	23,006	20,015	68	66,083	128,687
Total operating revenues	5,454,947	2,801,824	2,881,232	1,917,431	13,055,434	4,242,564
<u>OPERATING EXPENSES</u>						
Salaries and benefits	1,150,631	819,773	952,855	2,642,870	5,566,129	814,991
Utilities	390,764	8,768	8,591	16,145	424,268	97,567
Water charges	2,456,589	-	-	-	2,456,589	-
Landfill fees	-	-	604,898	-	604,898	-
Supplies and repairs	1,313,077	3,491,164	883,095	177,356	5,864,692	203,511
Claims and insurance	36,100	21,200	161,700	20,300	239,300	1,329,748
Administrative	731,769	530,684	515,553	1,008,407	2,786,413	40,056
Depreciation	1,283,374	792,555	474,551	127,358	2,677,838	1,089,286
Total operating expenses	7,362,304	5,664,144	3,601,243	3,992,436	20,620,127	3,575,159
Operating income (loss)	(1,907,357)	(2,862,320)	(720,011)	(2,075,005)	(7,564,693)	667,405
<u>NONOPERATING REVENUES (EXPENSES)</u>						
Equity income of joint venture	-	-	551,246	-	551,246	-
Interest income	418,487	806,218	268,477	(29,434)	1,463,748	147,393
Interest and fiscal expenses	(24,499)	-	-	(15,452)	(39,951)	(1,872)
Gain/(loss) on disposal of assets	-	-	2,523	-	2,523	30,875
Total nonoperating revenues (expenses)	393,988	806,218	822,246	(44,886)	1,977,566	176,396
Income (loss) before contributions and transfers	(1,513,369)	(2,056,102)	102,235	(2,119,891)	(5,587,127)	843,801
Capital contributions	202,789	290,500	-	-	493,289	-
Transfers in	1,000,000	-	-	4,215,000	5,215,000	1,324,246
Change in net position	(310,580)	(1,765,602)	102,235	2,095,109	121,162	2,168,047
Total net position, beginning	33,579,464	50,183,269	11,201,952	649,444	95,614,129	11,177,827
Total net position, ending	\$ 33,268,884	\$ 48,417,667	\$ 11,304,187	\$ 2,744,553	\$ 95,735,291	\$ 13,345,874

The accompanying notes are an integral part of this financial statement.

**STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024 – CITY OF DRAPER, UTAH**

	Enterprise Funds				Total	Governmental Activities
	Water	Storm Water	Solid Waste	Ambulance		Internal Service Funds
Cash flows from operating activities						
Receipts from customers and users	\$ 5,324,239	\$ 2,781,033	\$ 2,876,372	\$ 1,910,917	\$ 12,892,561	\$ 4,242,460
Payments to suppliers	(5,078,923)	(4,011,928)	(2,187,512)	(1,224,102)	(12,502,465)	(1,458,832)
Payments to employees	(1,172,829)	(825,903)	(947,066)	(2,677,579)	(5,623,377)	(788,340)
Net cash provided (used) by operating activities	(927,513)	(2,056,798)	(258,206)	(1,990,764)	(5,233,281)	1,995,288
Cash flows from noncapital financing activities						
Transfers from other funds	1,000,000	-	-	4,215,000	5,215,000	1,324,246
Advances to other funds	(4,390,359)	(15,000,000)	-	-	(19,390,359)	-
Advances from other funds	-	-	-	(1,158,993)	(1,158,993)	-
Net cash provided (used) by noncapital financing activities	(3,390,359)	(15,000,000)	-	3,056,007	(15,334,352)	1,324,246
Cash flows from capital and related financing activities						
Aquisition of capital assets	(209,995)	(426,271)	(464,688)	-	(1,100,954)	(4,202,788)
Capital grants	193,289	-	-	-	193,289	-
Proceeds from sale of assets	-	-	3,212	-	3,212	30,875
Principal paid on capital debt	(103,000)	-	-	-	(103,000)	(38,595)
Interest paid	(27,043)	-	-	(15,452)	(42,495)	(1,872)
Net cash used by capital and related financing activities	(146,749)	(426,271)	(461,476)	(15,452)	(1,049,948)	(4,212,380)
Cash flows from investing activities						
Interest received	418,487	806,218	268,477	(29,434)	1,463,748	147,393
Net cash provided (used) by investing activities	418,487	806,218	268,477	(29,434)	1,463,748	147,393
Net increase (decrease) in cash and cash equivalents	(4,046,134)	(16,676,851)	(451,205)	1,020,357	(20,153,833)	(745,453)
Cash and cash equivalents, beginning of year	6,604,657	17,846,028	5,643,537	-	30,094,222	5,458,885
Cash and cash equivalents, end of year	\$ 2,558,523	\$ 1,169,177	\$ 5,192,332	\$ 1,020,357	\$ 9,940,389	\$ 4,713,432
Unrestricted cash	\$ 2,271,240	\$ 1,169,177	\$ 5,192,332	\$ 1,020,357	\$ 9,653,106	\$ 4,713,432
Restricted cash	287,283	-	-	-	287,283	-
Total cash and cash equivalents	\$ 2,558,523	\$ 1,169,177	\$ 5,192,332	\$ 1,020,357	\$ 9,940,389	\$ 4,713,432

(continued)

The accompanying notes are an integral part of this financial statement.

STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (continued)
FOR THE YEAR ENDED JUNE 30, 2024 – CITY OF DRAPER, UTAH

	Enterprise Funds				Total	Governmental
	Water	Storm Water	Solid Waste	Ambulance		Internal Service Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities						
Operating income (loss)	\$ (1,907,357)	\$ (2,862,320)	\$ (720,011)	\$ (2,075,005)	\$ (7,564,693)	\$ 667,405
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	1,283,374	792,555	474,551	127,358	2,677,838	1,089,286
Changes in assets and liabilities:						
Accounts receivable	(128,708)	(20,791)	(4,860)	(6,514)	(160,873)	(104)
Inventory	(168,237)	-	-	-	(168,237)	-
Prepays	-	-	-	(2,198)	(2,198)	-
Accounts payable	17,613	39,888	(13,675)	304	44,130	128,831
Accrued liabilities	(1,946)	7,896	6,143	(26,235)	(14,142)	133
Deposits	(2,000)	-	-	-	(2,000)	-
Compensated absences	2,532	5,594	13,633	(1,943)	19,816	19,742
Net pension adjustments	(22,784)	(19,620)	(13,987)	(6,531)	(62,922)	6,776
Claims and judgments	-	-	-	-	-	83,219
Net cash provided (used) by operating activities	\$ (927,513)	\$ (2,056,798)	\$ (258,206)	\$ (1,990,764)	\$ (5,233,281)	\$ 1,995,288
Noncash investing, capital and financing activities						
Capital contributions - developers	\$ 9,500	\$ 290,500	\$ -	\$ -	\$ 300,000	\$ -
Equity investment adjustment for net income and ownership changes	\$ -	\$ -	\$ 551,246	\$ -	\$ 551,246	\$ -

The accompanying notes are an integral part of this financial statement.

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NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Draper (the City) was incorporated on February 22, 1978, as a third-class City under the provisions of the State of Utah and operates under a council-city manager form of government. The governing body consists of five elected council members and a mayor, each of which are elected to serve a four-year term. The heads of the various departments, formed to provide various services, are under the direct supervision of the City Manager. The City provides the following services as authorized by its charter: general administrative services, public safety (police and fire), highway and streets, solid waste, water, storm water, recreation and parks, public improvements, and planning and zoning.

The City's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the City are discussed below.

REPORTING ENTITY

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the primary government's operations. Thus, blended component units are appropriately presented as funds of the primary government.

The City of Draper Redevelopment Agency (RDA) was established to prepare and carry out plans to improve, rehabilitate and redevelop blighted areas within the City. The RDA is governed by a board composed of the members of the City Council. Although it is a legally separate entity from the City, the RDA is reported as if it were part of the primary government because of the City's ability to impose its will upon the operations of the RDA. In conformity with accounting principles generally accepted in the United States of America, the financial statements of the RDA have been included in the financial reporting entity as a blended component unit. The RDA is included in these financial statements as the Redevelopment Agency Special Revenue Fund. Separate financial statements are not issued for the RDA.

The City of Draper Municipal Building Authority (MBA) was established to finance and construct municipal buildings that are then leased to the City. The MBA is governed by a board composed of the members of the City Council. Although it is a legally separate entity from the City, the MBA is reported as if it were part of the primary government because of the City's ability to impose its will upon the operations of the MBA. In conformity with accounting principles generally accepted in the United States of America, the financial statements of the MBA have been included in the financial reporting entity as a blended component unit. The MBA is included in these financial statements as the Municipal Building Authority Special Revenue Fund. Separate financial statements are not issued for the MBA. The MBA did not have any financial activity for the year ended June 30, 2024, nor did they have any reportable assets, liabilities, or fund balance at year-end.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

REPORTING ENTITY (continued)

The Traverse Ridge Special Service District (TRSSD) was established to provide highway and transportation services, for the area within the City known as Suncrest. Services provided by the TRSSD include: snow removal, street lighting, road repair and maintenance, sweeping and disposal services. The TRSSD is governed by a board composed of the members appointed solely by the City Council. Although it is a legally separate entity from the City, the TRSSD is reported as if it were part of the primary government because of the City's ability to impose its will upon the operations and Board of the TRSSD. TRSSD provides services that are entirely, or almost entirely, to the primary government or otherwise exclusively, or almost exclusively, benefits the primary government even though it does not provide services directly to it. In addition, there is a financial benefit or burden relationship between the City and TRSSD. In conformity with accounting principles generally accepted in the United States of America, the financial statements of the TRSSD have been included in the financial reporting entity as a blended component unit. The TRSSD is included in these financial statements as the Traverse Ridge Special Service District Special Revenue Fund. Separate financial statements are not issued for the TRSSD.

The City is not a component unit of any other entity. The City's basic financial statements include all City operations.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City's general administrative services, police and fire protection (public safety), parks and recreation, and highways and public improvements are classified as governmental activities. The City's water, storm water, and solid waste services are classified as business-type activities.

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the City and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes, charges for services, and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those which are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items properly excluded from program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they become available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The use of financial resources to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as other financing source. Amounts paid to reduce long-term debt of the City are reported as reductions of the related liability, rather than expenditures in the government-wide financial statements.

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

Property taxes, sales tax, franchise taxes, licenses, interest, and earned but unreimbursed state and federal grants associated with the current fiscal period are all considered to be susceptible to accrual and have been so have been recognized as revenues of the current fiscal period. Property taxes are measurable as of the date levied (assessed) and are recognized as revenues when they become available. Available means when due, or past due, and received within the current period or collected soon enough thereafter (within 60 days) to be used to pay liabilities of the current period. All other revenues are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except for those required to be accounted for in another fund. Principal sources of revenue are taxes, licenses and permits, and intergovernmental revenues. Primary expenses are for general government, public safety, public works, and parks and recreation.

The *Capital Projects Fund* account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets (other than those financed by Proprietary Funds and Special Revenue Funds).

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (continued)

The *Redevelopment Agency* is a Special Revenue Fund. Special Revenue Funds are used to account for and report proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt service or capital projects. This fund accounts for property tax increment revenues from redevelopment areas within the City, which will be used to revitalize and upgrade these areas with qualifying developments.

The *Municipal Building Authority* is a special revenue fund used to account for lease revenue proceeds which are used to remit payments for the related long-term debt. This debt was retired in the previous year, so no balances or activity exist for the current year.

The City reports the following major proprietary funds:

The *Water Fund* accounts for the activities of the City's water distribution system including, billing and collection from customers, water purchases, and system repairs and improvements.

The *Storm Water Fund* accounts for the activities of the City's storm drain collection system including, billing customers, collections from customers, and system repairs and improvements.

The *Solid Waste Fund* accounts for the activities of the City's solid waste collection operations including, billing customers, collections from customers, garbage pick-up, and tipping and disposal fees.

The *Ambulance Fund* accounts for the activities of the City's ambulance and paramedic services, including calls for service and transports.

Additionally, the City reports the following fund type:

As previously mentioned, special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The City reports the following nonmajor special revenue fund:

Traverse Ridge Special Service District (TRSSD) is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes in the District.

As previously mentioned, capital projects funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets (other than those financed by Proprietary Funds and Special Revenue Funds). The City reports the following nonmajor capital projects funds:

The *Fire Impact Fund* accounts for fire related impact fees derived from new development and the need or related capital assets.

The *Transportation Impact Fund* accounts for road related impact fees derived from new development and the need for related capital assets.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (continued)

The *Park Impact Fund* accounts for park related system impact fees derived from new development and the need for related capital assets.

The *Police Impact Fund* accounts for police related impact fees derived from new development and the need for related capital assets.

Permanent funds (Cemetery Fund) account for resources that are legally restricted to the extent that only earnings, and not principal, may be used to support the City's maintenance and care of the Cemetery.

Internal service funds are used to account for the central financing of services provided by an internal service fund to various departments of the City on a cost-reimbursement basis. The Risk Management internal service fund accounts for the City's insurance activities. The Fleet Management Fund accounts for the City's vehicles related to governmental activities.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments to the General Fund by various enterprise funds for providing administrative and billing services for such funds. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. General revenues include all taxes imposed by the City.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of all enterprise funds are charges to customers of the system for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

BUDGETARY DATA

Annual budgets are prepared and adopted, in accordance with State law, by the City Council on or before June 22 for the following fiscal year. Estimated revenues and appropriations may be increased or decreased by resolution of the City Council at any time during the year. A public hearing must be held prior to any proposed increase in a fund's appropriations. Budgets include activities in several different funds, including the General Fund, Special Revenue Funds and Enterprise Funds. The Cemetery Fund (Permanent Fund) does not adopt an annual budget. Annual budgets are also adopted for capital projects which may include activities which overlap several fiscal years. The level of the City's budgetary control (that is, the level at which the City's expenditures cannot legally exceed the appropriated amounts) is established at the department level. Each department head is responsible to the City Manager and City Council for operating within the budget for their departments. All annual budgets lapse at fiscal year-end.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BUDGETARY DATA (continued)

Utah State law prohibits the appropriation of the sum of unassigned, assigned, and committed General Fund balance until it exceeds 5% of the General Fund revenues. Until the sum of the stated fund balance categories is greater than the above amount, it cannot be budgeted, but is used to provide working capital until tax revenue is received, to meet emergency expenditures, and to cover unanticipated deficits. Utah State law also prohibits the accumulation of the stated fund balance categories (aggregate of committed, assigned, and unassigned) in the General Fund in any amounts greater than 35% of the current year's total actual revenues.

Once adopted, the budget can be amended by subsequent City Council action. The City Council can amend the budget to any extent, provided the budgeted expenditures do not exceed budgeted revenues and appropriated fund balance, in which case a public hearing must be held. With the consent of the City Manager and Finance Director, department heads may reallocate unexpended appropriated balances from one expenditure account to another within that department during the budget year.

Budgets for the General Fund, Special Revenue Funds, and Capital Projects Funds are prepared on the modified accrual method of accounting. Encumbrance accounting is not used by the City. Although Utah State law requires the initial preparation of budgets for all City funds (both governmental and proprietary), it only requires the reporting of budget versus actual for governmental funds.

Expenditures in the Capital Projects Funds are budgeted annually on a project-by-project basis. Although it is the intention of the City for each project be funded by a specific revenue source, the adopted budget reflects only total anticipated revenues by source. Since it is not practicable or appropriate to separate revenues and fund balance on a project-by-project basis, the Capital Projects Fund is reported as individual fund in the accompanying financial statements.

For the year ended June 30, 2024, expenditures exceeded appropriations in the TRSSD special revenue fund by \$44,142, which is deemed a budgetary violation.

TAX REVENUES

On or before June 22 of each year, the City sets the property tax rate for various municipal purposes. If the City intends to increase property tax revenues above the tax rate of the previous year, State law requires the City to provide public notice to property owners and hold public hearings. When these special public hearings are necessary, the adoption of the final budget must be done before August 17. All property taxes levied by the City are assessed and collected by Salt Lake County and Utah County. Taxes are levied as of January 1 and are due November 30; any delinquent taxes are subject to a penalty. Unless the delinquent taxes and penalties are paid before January 15, a lien is attached to the property, and the amount of taxes and penalties bears interest from January 1 until paid. Tax liens are placed on a property on the January 1 following the due date of unpaid taxes. If after five years, delinquent taxes have not been paid, the County sells the property at a tax sale. Tax collections are remitted to the City from the County on a monthly basis. An accrual of delinquent current and prior year's property tax beyond that which was received within 60 days after fiscal year end has not been made, as the amounts are not deemed to be material.

Sales tax, 911 taxes, and telecom taxes are collected by the Utah State Tax Commission and remitted to the City monthly. An accrual has been made for all taxes received by the State for the period ended June 30 and, thus, due and payable to the City.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

TAX REVENUES (continued)

Franchise taxes are collected by telephone, mobile phone, natural gas, electric utilities, and cable television companies and remitted to the City periodically. An accrual has been made for fees due and payable to the City at June 30.

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS AND NET POSITION

Cash and Cash Equivalents, Deposits and Investments: The City considers all cash and investments with original maturities of three months or less to be cash and cash equivalents and includes deposits with financial institutions, money market accounts, bond reserve accounts, and accounts at the Utah Public Treasurer’s Investment Trust (the State Treasurer’s Pool). For the purpose of the statement of cash flows, cash and cash equivalents are defined as the cash and cash equivalent accounts and the restricted cash and cash equivalents accounts. Investments consist of debt securities and term deposits with financial institutions. Investments of the City are recorded at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

Receivables and Payables: Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds” (i.e., the current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not available financial resources.

Other receivables at June 30, 2024, consist of property taxes, franchise taxes, sales tax, grants and accounts (billings for user charged services, including unbilled utility services) and are shown net of an allowance for uncollectibles. The utility billings for charged services are billed to customers on a monthly basis. Ambulance service billings are billed to customers and insurance providers as incurred. Management has estimated the allowance for uncollectibles to be \$615,301 (all funds combined), which is estimated based on historical trends related to collections of accounts receivable.

Restricted Assets: Assets whose use is restricted for construction, debt service or by other independent third parties, enabling legislation, or other laws and statutes. When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources as they are needed.

Prepays: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepays are accounted for under the consumption method.

Equity Investment in Joint Venture: The investment in Trans-Jordan Cities Landfill, a 10.40% owned joint venture is accounted for by the equity method of accounting. Under this method, the Solid Waste Fund (enterprise fund) records its share of the joint venture’s net income or loss for each period.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS AND NET POSITION (continued)

Capital Assets: Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The City reports infrastructure assets on a network and subsystem basis. Accordingly, the amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported in the government-wide financial statements.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed.

Upon retirement or disposition of capital assets, the cost and related accumulated depreciation are removed from the respective accounts. Depreciation of capital assets is computed using the straight-line method over their estimated useful lives as follows:

<u>Assets</u>	<u>Years</u>
Water tanks	100
Infrastructure	10 - 60
Buildings and improvements	7 - 40
Improvements other than buildings	7 - 40
Machinery and equipment	5 - 15
Vehicles	5 - 10
Furniture and equipment	5 - 10
Office equipment	3 - 7

Unearned Revenue: Unearned revenue arises when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the revenue is recognized.

Compensated Absences: Accumulated unpaid vacation is accrued as incurred on the government-wide financial statements, based on the years of service for each employee. Vacation time is accumulated on a biweekly basis and is fully vested when earned. The maximum annual carry-forward of accrued vacation hours is one and one-half's annual accrual hours per calendar year. Employees may also convert sick leave on an annual basis of 40 hours (48 for fire personnel) provided they have minimum aggregated sick balances of 480 hours (600 for fire personnel). The conversion can be done for cash, vacation, health savings plan, or qualified URS retirement plan. Employees may also be eligible for sick leave separation benefit of 80-320 hours depending on years of service. When an employee leaves or is terminated they are paid out at their current hourly rate. The General Fund is used for liquidating compensated absences for governmental fund employees, whereas the proprietary funds fully recognize these benefits as expenses and liabilities as incurred.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS AND NET POSITION (continued)

Deferred Inflows and Outflows of Resources: In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The City has two types of items that qualify for reporting in this category. The governmental funds report unavailable revenues from two sources: property taxes (property taxes which will be levied and collected more than 60 days after year end) and certain long-term notes receivable (repayments on this note will be collected more than 60 days after year end). These amounts are deferred and recognized as an inflow of resources in the period in which the amounts become available. The City also has deferred inflows relating to pensions as of June 30, 2024.

Deferred outflows of resources represent a consumption of net assets that applies to a future period, and is therefore deferred until that time. A deferred loss on refunding results from the difference in the carrying value of the refunded debt and the reacquisition price. The City also has deferred outflows relating to pensions as of June 30, 2024.

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. The General Fund is used for liquidating pension liabilities for governmental fund employees, whereas the proprietary funds would be used for their employees.

Long-term Obligations, Leases, and Software Subscriptions: In the government-wide financial statements and proprietary funds, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary funds' Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the applicable debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period as other financing sources or uses. The face amount of debt issued is also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures in the current period.

The City recognizes a lease or subscription payable and an intangible right-to-use lease asset or subscription assets in the government-wide financial statements for individual values over \$25,000. At the commencement of a lease or subscription, the City measures the lease or subscription payable at the present value of payments expected to be made during the lease term. Subsequently, the lease or subscription payable is reduced by the principal amount of the lease or subscription payments. The intangible right-to-use lease or subscription asset is measured at the initial amount of the lease or subscription payable, adjusted for payments made at or before the lease commencement date, plus initial direct costs. The asset is amortized over its useful life.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS AND NET POSITION (continued)

Fund Balance and Net Position: Net position is classified in the government-wide financial statements in three components:

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

GASB Statement No. 54 provided new reporting categories for fund balance in governmental funds. The categories and descriptions are as follows:

- (1) *Nonspendable fund balance* classification includes amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact.
- (2) *Restricted fund balance* classifications are restricted by enabling legislation. Also reported if, (a) externally imposed by creditor, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- (3) *Committed fund balance* classification includes amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.
- (4) *Assigned fund balance* classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The governing council (council) has by resolution authorized the finance director to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.
- (5) *Unassigned fund balance* classification is the residual classification for the General Fund or funds with deficit fund balances. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

Proprietary funds report net position in the same manner as the government-wide statements.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS AND NET POSITION (continued)

Estimates: The preparation of the financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of certain financial statement balances. Actual results could vary from those estimates.

Reclassifications: Certain amounts have been reclassified in the 2023 presentation to confirm with the 2024 presentation.

2. DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. Cash includes amounts in demand deposits as well as term deposits. Each fund's portion of this pool is displayed on the combined balance sheet as "cash and cash equivalents" and "restricted cash and cash equivalents," which includes cash accounts that are separately held by several of the City's funds. The State of Utah Money Management Council has the responsibility to advise the State Treasurer about investment policies, promote measures and rules that will assist in strengthening the banking and credit structure of the state, and review the rules adopted under the authority of the State of Utah Money Management Act (UMMA) that relate to the deposit and investment of public funds.

The City follows the requirements of UMMA (*Utah Code*, Title 51, Chapter 7) in handling its depository and investment transactions. The Act requires the depositing of City funds in a qualified depository, which is defined as a financial institution whose deposits are insured by an agency of the Federal Government and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council. UMMA defines types of securities authorized as appropriate investments for the City's funds and the conditions for making investment transactions. Investment transactions may be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities.

Statutes authorize the City to invest in negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations; bankers' acceptances; obligations of the United States Treasury including bills, notes, and bonds; obligations, other than mortgage derivative products, issued by U.S. government sponsored enterprises (U.S. Agencies) such as the Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae); bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in UMMA; and the Utah State Public Treasurers' Investment Fund. The City has complied with the UMMA and rules of the Money Management Council with regard to deposits and investments. The City does not have a separate deposit and investment policy that addresses specific types of deposit and investment risks to which the City is exposed.

The Utah State Treasurer's Office operates the Public Treasurers' Investment Fund (PTIF). The PTIF is available for investment of funds administered by any Utah public treasurer and is not registered with the SEC as an investment company. The PTIF is authorized and regulated by UMMA. The Act established the Money Management Council which oversees the activities of the State Treasurer and the PTIF and details the types of

2. DEPOSITS AND INVESTMENTS (CONTINUED)

authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses of the PTIF, net of administration fees, are allocated based upon the participant’s average daily balance. The fair value of the PTIF investment pool is approximately equal to the value of the pool shares.

Fair Value of Investments

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Financial instruments with unadjusted, quoted prices listed on active market exchanges.
- Level 2: Financial instruments lacking unadjusted, quoted prices from active market exchanges, including over-the-counter traded financial instruments. The prices for the financial instruments are determined using prices for recently traded financial instruments with similar underlying terms as well as directly or indirectly observable inputs, such as interest rates and yield curves that are observable at commonly quoted intervals.
- Level 3: Financial instruments that are not actively traded on a market exchange. This category includes situations where there is little, if any, market activity for the financial instruments. The prices are determined using significant unobservable inputs or valuation techniques. Quoted prices for identical investments in active markets.

At June 30, 2024, the City had the following recurring fair value measurements.

	06/30/24	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Securities				
PTIF	\$ 51,778,714	\$ -	\$ 51,778,714	\$ -
Certificates of deposit	29,948,202	-	29,948,202	-
Corporate bonds	23,369,577	-	23,369,577	-
Municipal bonds	243,483	243,483	-	-
US Treasuries	14,120,812	14,120,812	-	-
Money market funds	1,544,620	-	1,544,620	-
Total debt securities	<u>\$ 121,005,408</u>	<u>\$ 14,364,295</u>	<u>\$ 106,641,113</u>	<u>\$ -</u>

The City’s cash and cash equivalents and investments are exposed to certain risks as outlined below:

Custodial credit risk – deposits is the risk that in the event of a bank failure, the City’s deposits may not be returned. As of June 30, 2024, \$1,722,116 of the City’s \$2,413,698 bank balance was exposed to custodial credit risk because it was uninsured and uncollateralized. UMMA does not require deposits to be insured or collateralized and the City has no formal policy regarding deposit credit risk. UMMA requires that the City keep deposits in a qualified depository, which the City has done.

2. DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial credit risk – investments is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party. Of the City’s investment in the Utah Public Treasurer’s Investment Fund (PTIF) of \$51,778,714, the government has no custodial credit risk exposure as the PTIF is an external investment pool managed by the Utah State Treasurer and is not categorized as to custodial credit risk.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City’s policy for limiting the credit risks of investments is to comply with UMMA. Securities rated less than “A” met the investment criteria at the time of purchase or are covered by FDIC (CDs).

As of June 30, 2024, the City had the following investments and quality rating:

Investment Type	06/30/24	Quality Ratings					
		AAA	AA	A	BBB	BB	Unrated
PTIF	\$ 51,778,714	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,778,714
Certificates of deposit	29,948,202	1,635,068	1,107,782	432,521	-	707,182	26,065,649
Corporate bonds	23,369,577	10,243,577	6,498,011	6,627,989	-	-	-
Municipal bonds	243,483	-	-	-	-	-	243,483
US Treasuries	14,120,812	14,120,812	-	-	-	-	-
Money market funds	1,544,620	1,544,620	-	-	-	-	-
Total debt securities	\$ 121,005,408	\$ 27,544,077	\$ 7,605,793	\$ 7,060,510	\$ -	\$ 707,182	\$ 78,087,846

Interest rate risk is the risk that changes in the interest rates will adversely affect the fair value of an investment. The City has no formal policy relating to specific investment-related interest rate risk. The City manages its exposure by investing mainly in the PTIF and by adhering to the Money Management Act. The Act requires that the remaining term to maturity may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on all investments in commercial paper, bankers’ acceptances, fixed rate negotiable deposits, and fixed rate corporate obligations to 270 days - 15 months or less. The Act further limits the remaining term to maturity on all investments in obligations of the United States Treasury; obligations issued by U.S. government sponsored enterprises; and bonds, notes, and other evidence of indebtedness of political subdivisions of the State to 5 years. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding 3 years.

As of June 30, 2024, the City’s investments had the following maturities:

Investment Type	Fair Value	Investment Maturities (in Years)	
		Less Than 1	1-5
PTIF	\$ 51,778,714	\$ 51,778,714	\$ -
Certificates of deposit	29,948,202	8,470,507	21,477,695
Corporate bonds	23,369,577	10,441,775	12,927,802
Municipal bonds	243,483	243,483	-
US Treasuries	14,120,812	5,730,678	8,390,134
Money market funds	1,544,620	1,544,620	-
	\$ 121,005,408	\$ 78,209,777	\$ 42,795,631

2. DEPOSITS AND INVESTMENTS (CONTINUED)

Concentration of credit risk is the risk of loss attributed to the magnitude of a City’s investment in a single issuer. The City’s policy for reducing this risk of loss is to comply with the rules of the Money Management Council. Rule 17 of the Money Management Council limits investments in a single issuer of commercial paper and corporate obligations to 5-10% depending upon the total dollar amount held in the portfolio. The City’s investment in the PTIF has no concentration of credit risk as the PTIF is an external investment pool managed by the Utah State Treasurer. The City also had no concentration of credit risk in its other investments.

The PTIF invests in high-grade securities which are delivered to the custody of the Utah State Treasurer, assuring a perfected interest in the securities, and, therefore, there is very little credit risk except in the most unusual and unforeseen circumstances. The maximum weighted average life of the portfolio does not exceed 90 days. Twice a year, at June 30 and December 31, which are the accounting periods for public entities, the investments are valued at fair value and participants are informed of the fair value valuation factor. Additional information is available at the Utah State Treasurer’s Office.

For the year ended June 30, 2024, the City had investments of \$51,778,714 with the PTIF. The fair value of these investments was \$51,856,563 using a fair value factor of 1.00150349.

Following are the City’s cash and investments at June 30, 2024:

	Carrying Value
Cash on hand and on deposit:	
Cash on hand	\$ 7,100
Cash on deposit	2,509,899
PTIF accounts	<u>51,778,714</u>
Total cash on hand and deposit	<u>\$ 54,295,713</u>
Investments:	
Debt securities	<u>69,226,694</u>
	<u>\$ 69,226,694</u>

3. INTERFUND TRANSFERS

The purpose of the transfers was to provide support for related capital project expenditures and/or debt service payments. In addition, some transfers (i.e Ambulance Fund) were to support operational and payroll costs for paramedics. Transfers among the funds during the current year were:

	Transfers In	Transfers Out
General Fund	\$ 2,343,908	\$ 14,420,256
Capital Projects Fund	12,401,057	-
Redevelopment Agency	349,768	2,998,013
Nonmajor Governmental Funds	-	4,215,710
Water Fund	1,000,000	-
Ambulance Fund	4,215,000	-
Internal Service Fund	1,324,246	-
	<u>\$ 21,633,979</u>	<u>\$ 21,633,979</u>

4. RESTRICTED CASH AND CASH EQUIVALENTS

Certain cash and cash equivalents are restricted to use as follows as of June 30, 2024:

	<u>Amount</u>
Governmental activities	
Restricted for debt service	\$ 426,265
Restricted for cemetery	170,259
Restricted for future development - impact fees	10,973,125
Restricted for grants	60,790
Restricted for developer and customer deposits	11,319,031
Restricted for "C" roads	7,304,612
Restricted for transportation	8,861,181
Total governmental activities	<u>39,115,263</u>
Business-type activities	
Restricted for debt service	257,283
Restricted for developer and customer deposits	30,000
Total business-type activities	<u>287,283</u>
Total restricted cash and cash equivalents	<u>\$ 39,402,546</u>

5. EQUITY INVESTMENT IN JOINT VENTURE

TRANS-JORDAN CITIES LANDFILL

The Solid Waste Fund has a 10.43% ownership in the Trans-Jordan Cities Landfill (Trans-Jordan), which is accounted for using the equity method. In addition to the City, the Trans-Jordan Cities Landfill is owned by the cities of Midvale, Murray, Sandy, South Jordan, West Jordan and Riverton which own 5.22%, 7.73%, 27.23%, 16.80%, 21.36% and 11.22% of the landfill, respectively. Trans-Jordan Cities Landfill is a separate legal entity and political subdivision of the State of Utah and was formed pursuant to the provisions of the Interlocal Cooperation Act in 1968. The City has no firm commitment to make additional equity investments in the Trans-Jordan Cities Landfill. The City's ownership in Trans-Jordan is calculated from the tipping fees for the preceding ten fiscal years. Tipping fees are paid from the solid waste fund and were \$525,228 for fiscal year 2024.

Trans-Jordan Cities Landfill was formed to construct, operate, and maintain a refuse dumping facility. Trans-Jordan is governed by its Board of Directors. Under the organization agreement, the Board of Directors are appointed by the member cities and are composed of the Mayors or their appointed representatives. The Board of Directors appoints the management and staff of the Trans-Jordan association and approves all financial matters such as the operating budget and usage fees.

Annually, the City recognizes its pro-rata share of Trans-Jordan's operating income or loss. For fiscal year 2024, Trans-Jordan reported an increase in net position of \$5,210,510. The City recognized its 10.43% of the landfill's loss, as well as a change in the City's percent of ownership in the landfill, as equity income of a joint venture of \$551,246 in the Solid Waste enterprise fund under the nonoperating revenues heading.

The complete financial statements for Trans-Jordan Cities Landfill for the year ended June 30, 2024, can be obtained from Trans-Jordan Cities, 10873 S 7200 W, South Jordan, UT 84095.

6. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024, was as follows:

	6/30/2023	Increases	Decreases	06/30/24
<u>Governmental activities</u>				
Capital assets, not being depreciated:				
Land	\$ 108,727,194	\$ 5,994,166	\$ (309,070)	\$ 114,412,290
Right of ways - canals	636,300	-	-	636,300
Right of ways - roads	239,296,504	316,111	-	239,612,615
Construction in progress	3,522,183	2,832,005	(1,692,849)	4,661,339
Total capital assets, not being depreciated	352,182,181	9,142,282	(2,001,919)	359,322,544
Capital assets, being depreciated:				
Buildings	23,122,155	581,350	(8,971)	23,694,534
Building improvements	3,130,193	82,400	-	3,212,593
Improvements	7,385,368	156,477	-	7,541,845
Park assets/sporting fields	17,964,871	1,240,634	-	19,205,505
Paved trails	2,528,118	53,023	-	2,581,141
Machinery, equipment, vehicles	17,237,256	4,029,807	(228,361)	21,038,702
Office equipment	1,601,570	57,546	(10,390)	1,648,726
Intangible right-to-use lease assets	236,533	-	-	236,533
Intangible right-to-use subscription assets	241,693	363,605	-	605,298
Furniture and fixtures	567,683	-	-	567,683
Infrastructure: roadways	139,918,094	4,014,454	(34,375)	143,898,173
Infrastructure: sidewalks	18,301,486	211,524	-	18,513,010
Infrastructure: street lights	2,288,392	226,245	(4,686)	2,509,951
Infrastructure: surfaces - parking lots	3,777,930	514,602	-	4,292,532
Infrastructure: traffic lights	2,612,560	220,201	-	2,832,761
Total capital assets, being depreciated	240,913,902	11,751,868	(286,783)	252,378,987
Accumulated depreciation and amortization:				
Buildings	(7,871,335)	(617,216)	8,877	(8,479,674)
Building improvements	(1,311,404)	(97,324)	-	(1,408,728)
Improvements	(6,654,729)	(109,998)	-	(6,764,727)
Park assets/sporting fields	(8,240,158)	(878,470)	-	(9,118,628)
Paved trails	(1,382,166)	(111,564)	-	(1,493,730)
Machinery, equipment, vehicles	(11,179,369)	(1,180,294)	228,361	(12,131,302)
Office equipment	(1,281,277)	(165,056)	10,390	(1,435,943)
Intangible right-to-use lease assets	(38,503)	(23,653)	-	(62,156)
Intangible right-to-use subscription assets	(22,742)	(94,091)	-	(116,833)
Furniture and fixtures	(439,913)	(10,145)	-	(450,058)
Infrastructure: roadways	(78,019,040)	(5,056,504)	34,375	(83,041,169)
Infrastructure: sidewalks	(10,581,398)	(582,899)	-	(11,164,297)
Infrastructure: street lights	(1,730,615)	(50,563)	4,686	(1,776,492)
Infrastructure: surfaces - parking lots	(979,668)	(156,748)	-	(1,136,416)
Infrastructure: traffic lights	(431,706)	(131,389)	-	(563,095)
Total accumulated depreciation and amortization	(130,164,023)	(9,265,914)	286,689	(139,143,248)
Total capital assets being depreciated, net	110,749,879	2,485,954	(94)	113,235,739
Governmental capital assets, net	\$ 462,932,060	\$ 11,628,236	\$ (2,002,013)	\$ 472,558,283

6. CAPITAL ASSETS (CONTINUED)

	6/30/2023	Increases	Decreases	06/30/24
<u>Business-type activities</u>				
Capital assets, not being depreciated:				
Intangible - water tank capacity	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000
Water shares	131,907	-	-	131,907
Construction in progress	4,227,835	341,578	(453,000)	4,116,413
Total capital assets, not being depreciated	6,359,742	341,578	(453,000)	6,248,320
Capital assets, being depreciated:				
Buildings and improvements	536,079	-	-	536,079
Water tanks	4,185,508	-	-	4,185,508
Distribution systems	80,376,482	838,939	-	81,215,421
Vehicles	4,627,854	542,570	-	5,170,424
Machinery and equipment	4,259,867	130,867	(8,268)	4,382,466
Office equipment	295,658	-	-	295,658
Furniture and fixtures	11,834	-	-	11,834
Total capital assets, depreciated	94,293,282	1,512,376	(8,268)	95,797,390
Accumulated depreciation:				
Buildings and improvements	(187,848)	(14,264)	-	(202,112)
Water tanks	(732,368)	(42,298)	-	(774,666)
Distribution systems	(33,226,026)	(1,782,645)	-	(35,008,671)
Vehicles	(2,883,937)	(535,761)	-	(3,419,698)
Machinery and equipment	(2,172,939)	(289,264)	7,579	(2,454,624)
Office equipment	(217,428)	(13,606)	-	(231,034)
Furniture and fixtures	(11,834)	-	-	(11,834)
Total accumulated depreciation	(39,432,380)	(2,677,838)	7,579	(42,102,639)
Total capital assets being depreciated, net	54,860,902	(1,165,462)	(689)	53,694,751
Business-type capital assets, net	\$ 61,220,644	\$ (823,884)	\$ (453,689)	\$ 59,943,071

In the government-wide financial statements depreciation was charged as follows by program or activity:

Governmental activities:	
General government	\$ 474,918
Public safety	971,972
Highways and public improvements	6,120,965
Community development	60,601
Parks and recreation	1,637,458
Total depreciation and amortization expense - governmental activities	<u>\$ 9,265,914</u>
Business-type activities:	
Water Fund	\$ 1,283,374
Storm Water Fund	792,555
Solid Waste Fund	474,551
Ambulance Fund	127,358
Total depreciation expense - business-type activities	<u>\$ 2,677,838</u>

The City has also purchased five million gallons of water storage capacity in another governmental entity's storage tank. The cost in purchasing this capacity was \$2,000,000. The City reviews this asset on an annual basis to determine if impairment has occurred. No impairment has been recorded in the current year.

7. DEVELOPER AND CUSTOMER DEPOSITS

Developer and customer deposits are principally deposits from customers that are held by the City for water connections or for construction projects and development agreements until such time that refund or forfeiture is warranted.

8. DEFERRED INFLOW OF RESOURCES

In conjunction with GASB pronouncement 33, “Accounting and Financial Reporting for Nonexchange Transactions” the City has accrued property tax receivable and a deferred inflow of resources for unavailable property tax revenue in the General Fund, TRSSD and Redevelopment Agency in the amounts of \$10,487,500, \$549,663, and \$8,133,070, respectively at June 30, 2024.

Property taxes recorded in the governmental funds are recorded using the modified accrual basis of accounting, wherein revenues are recognized when they are both measurable and available (expected to be received within 60 days). Property taxes attach as an enforceable lien on property as of the first day of January. Taxes are levied on October 1, and then are due and payable at November 30. Since the property tax levied on October 1 was not expected to be received within 60 days after the year ended June 30, 2024, the City was required to record a receivable and unearned revenue of the estimated amount of the total property tax to be levied on October 1, 2024.

9. LEASES AND SUBSCRIPTION ASSETS AND PAYBLES

Lease Payables

The City has entered into a lease agreement, as a lessee, for the use of body cameras for its police officers. The lease payable is measured as the present value of the future minimum lease payments to be made during the lease term at a discount rate of 1.284% which was based on the estimated federal risk-free rate at the lease inception. An initial lease payable was recorded in the amount of \$236,533 during fiscal year 2022. As of June 30, 2024, the value of the lease payable was \$166,575. The City is required to make annual principal and interest payments of \$25,034 for the body camera equipment. The equipment has a 120-month useful life. The value of the intangible right-to-use lease assets as of June 30, 2024 was \$236,533, at cost, with accumulated amortization of \$62,156 (see note 10). The City has one extension option for 60 months, which they anticipate to renew.

The future minimum lease obligations as of June 30, 2024 are as follows:

Year end June 30,	Principal	Interest	Total
2025	\$ 22,895	\$ 2,139	\$ 25,034
2026	23,189	1,845	25,034
2027	23,487	1,547	25,034
2028	23,789	1,246	25,035
2029	24,094	940	25,034
2030-2031	49,121	948	50,069
	<u>\$ 166,575</u>	<u>\$ 8,665</u>	<u>\$ 175,240</u>

9. LEASES AND SUBSCRIPTION ASSETS AND PAYABLES (CONTINUED)

Subscription Assets and Payable

The financial statements include the application of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

In November 2022, the City entered into a 108-month subscription for the use of Axon software. An initial subscription payable was recorded at \$174,948. As of June 30, 2024, the value of the subscription payable was \$136,042. The City is required to make annual payments of \$20,445. The subscription has an interest rate of 1.284%, which was based on the estimated federal risk-free rate. The value of the intangible right-to-use subscription asset as of June 30, 2024 was \$174,948 with accumulated amortization of \$31,642. The City has an extension option for 60 months on this software that is anticipated to be renewed.

In October 2022, the City entered into a 56-month subscription for the use of ClearGov software. An initial subscription payable was recorded at \$63,745. As of June 30, 2024, the value of the subscription payable was \$41,007. The City is required to make annual payments ranging from \$10,313 to \$15,025. The subscription has an interest rate of 1.284%, which was based on the estimated federal risk-free rate. The value of the intangible right-to-use subscription asset as of June 30, 2023 was \$66,745, which included a prepayment of \$3,000 for development that was completed, with accumulated amortization of \$24,590. The City has an extension option for 12 months on this software that is anticipated to be renewed.

In July 2023, the City entered into a 72-month subscription for the use of Davenport (LAMA) software. An initial subscription payable was recorded at \$214,934. As of June 30, 2024, the value of the subscription payable was \$177,902. The City is required to make annual payments of \$38,286. The subscription has an interest rate of 2.692%, which was based on the estimated federal risk-free rate. The value of the intangible right-to-use subscription asset as of June 30, 2024 was \$363,605, which included a prepayment of \$148,671 for development that was completed, with accumulated amortization of \$60,601.

The amount of the intangible right-to-use subscription asset by major classes is as follows as of June 30, 2024:

Governmental Activities

<u>Asset Class</u>	<u>Subscription Asset Value</u>	<u>Accumulated Amortization</u>
Software	\$ 605,298	\$ 116,833

Debt service requirements to maturity, including interest, for the subscription payable:

Governmental Activities

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 66,040	\$ 6,854	\$ 72,894
2026	67,021	6,298	73,319
2027	69,080	4,677	73,757
2028	55,733	2,998	58,731
2029	56,960	1,771	58,731
2030-2032	40,117	774	40,891
	<u>\$ 354,951</u>	<u>\$ 23,372</u>	<u>\$378,323</u>

10. LONG-TERM DEBT***CHANGES IN LONG-TERM LIABILITIES***

Long-term debt activity for the year ended June 30, 2024, was as follows:

	6/30/2023	Increases	Decreases	06/30/24	Due in One Year
<u>Governmental activities</u>					
Bonds payable:					
General obligation bonds	\$ 995,000	\$ -	\$ (490,000)	\$ 505,000	\$ 505,000
Sales tax revenue bonds	14,258,000	-	(1,783,000)	12,475,000	1,860,000
Plus: unamortized premiums	1,291,895	-	(82,157)	1,209,738	-
Total bonds payable	16,544,895	-	(2,355,157)	14,189,738	2,365,000
Notes payable	9,857,929	-	-	9,857,929	-
Leases payable	227,775	-	(61,200)	166,575	22,895
Subscriptions payable	207,935	214,934	(67,918)	354,951	66,040
Compensated absences	1,461,091	1,388,397	(1,047,908)	1,801,580	313,800
Other liabilities - URMA	848,040	371,144	(287,925)	931,259	269,071
Governmental activities, long-term liabilities	<u>\$ 29,147,665</u>	<u>\$ 1,974,475</u>	<u>\$ (3,820,108)</u>	<u>\$ 27,302,032</u>	<u>\$ 3,036,806</u>
<u>Business-type activities</u>					
Water revenue bonds	\$ 1,024,000	\$ -	\$ (103,000)	921,000	\$ 106,000
Notes payable	884,403	-	-	884,403	-
Compensated absences	212,340	120,249	(100,433)	232,156	34,716
Business-type activities, long-term liabilities	<u>\$ 2,120,743</u>	<u>\$ 120,249</u>	<u>\$ (203,433)</u>	<u>\$ 2,037,559</u>	<u>\$ 140,716</u>

The following is a summary and description of the individual bonds and debt obligations of the City during the year ended June 30, 2024:

GOVERNMENTAL ACTIVITIES:**General Obligation Bonds****Amount**

Series 2014 General Obligation Refunding Bonds, original issue of \$4,490,000, principal due in annual installments beginning February 2016, interest at 2.00% to 3.00% due in semi-annual installments beginning February 2015, with the final payment due February 2025. The bonds were issued to finance the refunding of the Series 2006 General Obligation Bonds that were originally used for the acquisition of land in order to preserve open space within the City.

\$ 505,000

Total General Obligation Bonds - Governmental Activities

\$ 505,000

10. LONG-TERM DEBT (CONTINUED)**Sales Tax Revenue Bonds**

Series 2014 Sales Tax Revenue Refunding Bonds, original issue of \$3,890,000, principal due in annual installments beginning November 2015, interest at 2.00% to 4.00% due in semi-annual installments beginning May 2015, with the final payment due November 2025. The bonds were issued to finance the refunding of the Series 2005 Municipal Building Authority Lease Revenue and Refunding Bonds that were originally used for the acquisition park and recreation land and related construction. This bond was a direct placement. \$ 800,000

Series 2023 Sales Tax Revenue Refunding Bonds, original issue of \$6,895,000, principal due in annual installments beginning May 2024, interest at 5.00% due in semi-annual installments beginning May 2024, with the final payment due May 2032. The bonds were issued to finance the refunding on the Series 2012C Sales Tax Revenue Bonds used by a non-profit organization's for the costs of designing and constructing an aquarium within City limits. 6,285,000

Series 2022 Sales Tax Revenue Bonds, original issue of \$4,980,000, principal due in annual installments beginning November 2023, interest at 4.00% to 5.00% due in semi-annual installments beginning May 2023, with the final payment due November 2039. The bonds were issued to finance the acquisition of land. 4,785,000

Redevelopment Agency Tax Increment and Subordinated Sales Tax Revenue Refunding Bonds Series 2015, original issue of \$5,612,000, principal due in annual installments beginning April 2016, interest at 2.02% due in semi-annual installments beginning April 2016, with the final payment due April 2025. The bonds were issued to payoff three outstanding RDA tax increment agreements. This bond was a direct placement. 605,000

Total Sales Tax Revenue Bonds - Governmental Activities \$ 12,475,000

BUSINESS-TYPE ACTIVITIES:**Revenue Bonds****Amount**

Series 2011 Water Revenue Bonds, original issue of \$2,015,000, principal due in annual installments beginning July 2011, interest at 2.47% due in annual installments beginning July 2011, with the final payment due July 2031. The bonds were issued for the purpose of financing the costs of acquiring, constructing, and installing water lines, a storage tank, and related water improvements. \$ 921,000

Total Water Revenue Bonds - Business-type Activities \$ 921,000

GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES:**Notes Payable****Amount**

Vista Project Area, original amount of \$14,298,208, payments due from future impact fees City will assess and collect on all development activities within this designated Master Developer Parcel, beginning in fiscal year 2015, with the final payment to be determined based on impact fee collections for transportation, storm water, and culinary water for this specific area. The principal payments are made from the Capital Projects Fund, Water Fund, and Storm Water Fund. The note was used to acquire right of ways, road and underpass construction, and water and storm drain system installations. \$ 10,742,332

Total Notes Payable - Governmental Activities \$ 9,857,929

Total Notes Payable - Business-type Activities \$ 884,403

10. LONG-TERM DEBT (CONTINUED)

All the City’s Sales Tax Revenue Bonds and Water Revenue Bonds are payable solely by a pledge and assignment of their associated revenue sources. An estimated \$15,245,350 in sales tax has been pledged through 2040. Total future RDA tax increments of \$617,221 have been pledged for RDA commitments through 2025. Total future water net revenues of \$1,026,198 have been pledged through 2032. The current revenue recognized during the period for pledged Sales Tax Revenue bonds was \$20,760,554 compared to principal and interest of \$1,807,149, which equals a coverage multiple of 11.5. The current year revenue recognized during the year for pledged Water Revenue was \$5,387,273 compared to principal and interest of \$125,749 which equals a coverage ratio of 42.8.

The annual debt service requirements to maturity are as follows:

Year Ending June 30,	Governmental Activities General Obligation Bonds		
	Principal	Interest	Totals
2025	\$ 505,000	\$ 15,150	\$ 520,150

Year Ending June 30,	Governmental Activities Sales Tax Revenue Bonds		
	Principal	Interest	Totals
2025	\$ 1,860,000	\$ 562,746	\$ 2,422,746
2026	1,315,000	491,275	1,806,275
2027	950,000	437,425	1,387,425
2028	1,000,000	389,550	1,389,550
2029	1,050,000	339,300	1,389,300
2030-2034	4,105,000	897,375	5,002,375
2035-2039	1,825,000	262,500	2,087,500
2040	370,000	7,400	377,400
	\$ 12,475,000	\$ 3,387,571	\$ 15,862,571

Year Ending June 30,	Business-type Activities Water Revenue Bonds		
	Principal	Interest	Totals
2025	\$ 106,000	\$ 22,749	\$ 128,749
2026	108,000	20,131	128,131
2027	111,000	17,463	128,463
2028	114,000	14,721	128,721
2029	116,000	11,905	127,905
2030-2032	366,000	18,229	384,229
	\$ 921,000	\$ 105,198	\$ 1,026,198

Year Ending June 30,	Notes Payable
2025 (estimated)	\$ -
To be determined	10,742,332
Total notes payable	\$ 10,742,332

11. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the City carries commercial insurance. This insurance covers all of these risks except natural disasters. The government is self-insured for risk of loss involving employees, which amounts are based on work risk factors and experience as set forth by worker's compensation insurance. Claims and settlements against the City have not exceeded the insurance coverage in each of the past three years.

The City is also a member of the Utah Risk Management Association (URMA) which is an insurance pool of municipalities in the state for liability insurance. The pool purchases umbrella insurance against large claims, and each city has a \$7,500 deductible before the pool pays from its reserves and/or policy.

12. RETIREMENT PLANS

GENERAL INFORMATION ABOUT THE PENSION PLAN

Plan Description

Eligible plan participants are provided with pensions through the Utah Retirement Systems (URS). URS is comprised of the following pension trust funds:

Defined Benefit Plans

- Public Employees Noncontributory Retirement System (Noncontributory System) and Firefighters Retirement System (Firefighter System); are multiple-employer, cost-sharing, retirement systems.
- The Public Safety Retirement System (Public Safety System) is a mixed agent and cost-sharing, multiple-employer public employee retirement system.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System); is a multiple employer, cost-sharing, public employee retirement systems.
- Tier 2 Public Safety and Firefighter Contributory Retirement System (Tier 2 Public Safety and Firefighters System) is a multiple employer, cost-sharing, public employee retirement systems.

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

12. RETIREMENT PLANS (CONTINUED)

GENERAL INFORMATION ABOUT THE PENSION PLAN (continued)

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:

Summary of Benefits by System

System	Final Average Salary	Years of Service Required and/or Age Eligible for Benefit	Benefit Percent Per Year of Service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years present	Up to 2.5% to 4% depending on employer
Firefighter System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years present	Up to 4%
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years any age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.50%
Tier 2 Public Safety and Firefighter System	Highest 5 years	25 years any age 20 years any age 60* 10 years age 62* 4 years age 65	1.50% per year all years to June 30, 2020; 2.0% per year July 1, 2020 to present	Up to 2.50%

*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.

12. RETIREMENT PLANS (CONTINUED)

GENERAL INFORMATION ABOUT THE PENSION PLAN (continued)

Contribution Rate Summary

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, 2024 are as follows:

Utah Retirement Systems

	Employee	Employer	Employer 401(k)
Contributory System			
111 - Local Governmental Division Tier 2	N/A	16.01%	0.18%
Noncontributory System			
15 - Local Governmental Division Tier 1	N/A	17.97%	N/A
Public Safety System			
Contributory			
122 - Tier 2 DB Hybrid Public Safety	2.59%	25.83%	N/A
Noncontributory			
43 - Other Div A with 2.5% COLA	N/A	34.04%	N/A
Firefighters Retirement System			
31 - Other Division A	15.05%	3.61%	N/A
132 Tier 2 DB Hybrid Firefighters	2.59%	14.08%	N/A
Tier 2 DC Only			
211- Local Government	N/A	6.19%	10.00%
222 - Public Safety	N/A	11.83%	14.00%
232 Firefighters	N/A	0.08%	14.00%

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

For fiscal year ended June 30, 2024, the employer and employee contributions to the Systems were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 944,954	\$ -
Public Safety System	716,112	-
Firefighter System	83,835	349,508
Tier 2 Public Employees System	890,424	74
Tier 2 Public Safety and Firefighter System	708,388	51,566
Tier 2 DC Only System	87,566	24
Tier 2 DC Public Safety and Firefighter System	24,177	-
Total Contributions	\$ 3,455,456	\$ 401,172

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

12. RETIREMENT PLANS (CONTINUED)

COMBINED PENSION ASSETS, LIABILITIES, EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At June 30, 2024, the City reported a net pension asset of \$1,434,633 and a net pension liability of \$4,233,929.

	(Measurement Date): December 31, 2023				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2022	Change
Noncontributory System	\$ -	\$ 1,483,227	0.6394416%	0.6362133%	0.0032283%
Public Safety System	-	2,044,016	1.4292179%	1.4935183%	-0.0643004%
Firefighter System	1,434,633	-	6.1127729%	6.1936704%	-0.0808975%
Tier 2 Public Employees System	-	389,126	0.1999230%	0.1903978%	0.0095252%
Tier 2 Public Safety and Firefighter System	-	317,560	0.8430235%	0.8604353%	-0.0174118%
Total Net Pension Asset / Liability	<u>\$ 1,434,633</u>	<u>\$ 4,233,929</u>			

The net pension asset and liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2023 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 Systems during the plan year.

For the year ended June 30, 2024, the City recognized pension expense of \$2,562,824. At June 30, 2024, the City 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	\$ 2,632,423	\$ 28,050
Changes in assumptions	1,230,367	6,824
Net difference between projected and actual earnings on pension plan investments	1,117,551	-
Changes in proportion and differences between contributions and proportionate share of contributions	202,745	65,903
Contributions subsequent to the measurement date	<u>1,745,959</u>	<u>-</u>
Total	<u>\$ 6,929,045</u>	<u>\$ 100,777</u>

12. RETIREMENT PLANS (CONTINUED)***COMBINED PENSION ASSETS, LIABILITIES, EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (continued)***

The \$1,745,959 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to the fiscal year end, but subsequent to the measurement date of December 31, 2023. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources	
2024	\$	1,318,223
2025		1,199,070
2026		2,363,569
2027		(281,314)
2028		68,736
Thereafter		414,025

PENSION EXPENSE, DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES BY SYSTEM**Noncontributory System**

For the year ended June 30, 2024, the City recognized pension expense of \$1,031,457. At June 30, 2024, the City 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	\$ 1,038,572	\$ -
Changes in assumptions	445,086	-
Net difference between projected and actual earnings on pension plan investments	482,332	-
Changes in proportion and differences between contributions and proportionate share of contributions	5,824	4,355
Contributions subsequent to the measurement date	469,578	-
Total	<u>\$ 2,441,392</u>	<u>\$ 4,355</u>

12. RETIREMENT PLANS (CONTINUED)

PENSION EXPENSE, DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES BY SYSTEM (continued)

Noncontributory System (continued)

The \$469,578 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to the fiscal year end, but subsequent to the measurement date of December 31, 2023. 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>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2024	\$ 652,293
2025	610,930
2026	906,817
2027	(202,581)

Public Safety System

For the year ended June 30, 2024, the City recognized pension expense of \$835,637. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 356,177	\$ -
Changes in assumptions	179,610	-
Net difference between projected and actual earnings on pension plan investments	292,581	-
Changes in proportion and differences between contributions and proportionate share of contributions	1,229	24,646
Contributions subsequent to the measurement date	351,459	-
Total	<u>\$ 1,181,056</u>	<u>\$ 24,646</u>

12. RETIREMENT PLANS (CONTINUED)*PENSION EXPENSE, DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES BY SYSTEM (continued)*Public Safety System (continued)

The \$351,459 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to the fiscal year end, but subsequent to the measurement date of December 31, 2023. 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>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2024	\$ 309,495
2025	51,291
2026	571,443
2027	(127,278)

Firefighters System

For the year ended June 30, 2024, the City recognized pension expense of (\$216,720). At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 943,228	\$ -
Changes in assumptions	151,561	-
Net difference between projected and actual earnings on pension plan investments	265,466	-
Changes in proportion and differences between contributions and proportionate share of contributions	123,455	13,038
Contributions subsequent to the measurement date	40,849	-
Total	<u>\$ 1,524,559</u>	<u>\$ 13,038</u>

12. RETIREMENT PLANS (CONTINUED)

PENSION EXPENSE, DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES BY SYSTEM (continued)

Firefighter System (continued)

The \$40,849 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to the fiscal year end, but subsequent to the measurement date of December 31, 2023. 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>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2024	\$ 290,319
2025	446,736
2026	733,914
2027	(297)

Tier 2 Public Employees System

For the year ended June 30, 2024, the City recognized pension expense of \$508,335. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 124,634	\$ 6,372
Changes in assumptions	222,734	308
Net difference between projected and actual earnings on pension plan investments	43,941	-
Changes in proportion and differences between contributions and proportionate share of contributions	51,724	8,830
Contributions subsequent to the measurement date	504,456	-
Total	<u>\$ 947,489</u>	<u>\$ 15,510</u>

12. RETIREMENT PLANS (CONTINUED)*PENSION EXPENSE, DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES BY SYSTEM (continued)*Tier 2 Public Employees System (continued)

The \$504,456 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to the fiscal year end, but subsequent to the measurement date of December 31, 2023. 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>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2024	\$ 36,822
2025	52,320
2026	89,792
2027	29,508
2028	40,037
Thereafter	179,044

Tier 2 Public Safety and Firefighter System

For the year ended June 30, 2024, the City recognized pension expense of \$310,720. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 169,812	\$ 21,678
Changes in assumptions	231,376	6,516
Net difference between projected and actual earnings on pension plan investments	33,231	-
Changes in proportion and differences between contributions and proportionate share of contributions	20,513	15,034
Contributions subsequent to the measurement date	379,617	-
Total	<u>\$ 834,549</u>	<u>\$ 43,228</u>

12. RETIREMENT PLANS (CONTINUED)*PENSION EXPENSE, DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES BY SYSTEM (continued)*Tier 2 Public Safety and Firefighters System (continued)

The \$379,617 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to the fiscal year end, but subsequent to the measurement date of December 31, 2023. 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>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2024	\$ 29,294
2025	37,793
2026	61,603
2027	19,335
2028	28,698
Thereafter	234,981

ACTUARIAL ASSUMPTIONS

The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.5 - 9.5 percent, average, including inflation
Investment rate of return	6.85 percent, net of pension plan investment expense, including inflation

Mortality rates were adopted from an actuarial experience study dated January 1, 2023. The retired mortality tables are developed using URS retiree experience and are based upon gender, occupation, and age as appropriate with projected improvement using the ultimate rates from the MP-2020 improvement scale using a base year of 2020. The mortality assumption for active members is the PUB-2010 Employees Mortality Table for public employees, teachers, and public safety members, respectively.

The actuarial assumptions used in the January 1, 2023, valuation were based on an actuarial experience study for the period ending December 31, 2022.

12. RETIREMENT PLANS (CONTINUED)*ACTUARIAL ASSUMPTIONS (continued)*

The long-term expected rate of return on pension plan investments was determined using a building-block method, in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class 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	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
Equity securities	35%	6.87%	2.40%
Debt securities	20%	1.54%	0.31%
Real assets	18%	5.43%	0.98%
Private equity	12%	9.80%	1.18%
Absolute return	15%	3.86%	0.58%
Cash and cash equivalents	0%	0.24%	0.00%
Totals	100%		5.45%
		Inflation	2.50%
		Expected arithmetic nominal return	7.95%

The 6.85% assumed investment rate of return is comprised of an inflation rate of 2.50% and a real return of 4.35% that is net of investment expense.

Discount Rate

The discount rate used to measure the total pension liability was 6.85%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate.

12. RETIREMENT PLANS (CONTINUED)*ACTUARIAL ASSUMPTIONS (continued)**Sensitivity of the Proportionate Share of the Net Pension Asset and Liability to Changes in the Discount Rate*

The following table presents the proportionate share of the net pension liability calculated using the discount rate of 6.85%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.85%) or one percentage-point higher (7.85%) than the current rate:

System	1% Decrease (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
Noncontributory System	\$ 7,697,866	\$ 1,483,227	\$ (3,721,113)
Public Safety System	6,413,563	2,044,016	(1,516,894)
Firefighters System	1,712,001	(1,434,633)	(3,993,321)
Tier 2 Public Employees System	1,336,983	389,126	(345,936)
Tier 2 Public Safety and Firefighter System	1,023,189	317,560	(246,955)
Total	\$ 18,183,602	\$ 2,799,296	\$ (9,824,219)

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

The City participates in a 401(k), 457(b), and Roth IRA Defined Contribution Savings Plans with URS. Employee and employer contributions to these plans for the year ended June 30, were as follows:

	2024	2023	2022
401(k) Plan*			
Employer contributions	\$ 899,358	\$ 740,659	\$ 597,113
Employee contributions	859,275	767,267	655,645
457 Plan			
Employer contributions	-	-	-
Employee contributions	309,547	285,774	238,138
Roth IRA Plan			
Employer contributions	N/A	N/A	N/A
Employee contributions	90,906	82,270	64,431

* The employer paid 401(k) contributions include the totals paid for employees in the Tier 2 Defined Contribution 401(k) Plan.

13. REDEVELOPMENT AGENCY OF DRAPER CITY

In accordance with Utah State law, the City makes the following disclosures relative to the City of Draper Redevelopment Agency (RDA): The RDA collected \$8,133,073 of tax increment monies for its project areas. The RDA incurred expenditures of \$8,356,093 for development incentives and bond obligations. The RDA has several commitments for reimbursement to developers associated with the RDA project areas; see Note 14 for terms and schedules on notes. These commitments are contingent on the future collection of tax increments on the associated properties or project areas. The developers also have specific benchmarks written into these agreements that they must meet in order to qualify for the incentives or reimbursements. The RDA nor the City is reducing any amount of the property taxes that are assessed on the property. During 2024, the RDA expended \$475,446 for administrative and other general costs.

14. COMMITMENTS AND AGREEMENTS

RDA COMMITMENTS AND TAX ABATEMENTS

The City may negotiate property, sales, and transient room tax abatement agreements with local businesses primarily through its RDA and under the state Limited Purpose Local Government Entities Act. Under the Act, the City may authorize a rebate of these taxes through a written development improvement agreement between the City and the developer. The amount of the tax rebate is based on the provisions as stated in the written agreement. The City further approves these rebates through its budget process, adopted annually by ordinance. The purpose of the tax abatements is to promote economic growth within the City.

The City, as of June 30, 2024, has entered into three active abatement agreements with developers. Two of the developers met all of their eligibility requirements in previous years by making all the required project area development improvements outlined in the written agreement. The last developer met a portion of the required project area development improvements and incentives outlined in the written agreement and payments were made according to the portion of the improvements and incentives that were met.

For the fiscal year ended June 30, 2024, the City abated the following taxes:

Project Area	Developer	Tax Type	FY2024 Payment	Total Paid to Date	Total Maximum Abatement	Purpose	Expiration Year
Frontrunner	BG Vista, L.C	Property Tax	\$ 1,915,133	\$ 12,875,046	\$ 58,820,533	Transit supportive development	FY2035
	Draper Holdings, LLC	Property Tax	\$ 1,935,133	\$ 13,450,330	\$ 18,637,006	Transit supportive development	FY2035
South Mountain	Pluralsight	Property Tax	\$ 469,290	\$ 1,223,812	\$ 24,047,647	Economic development	FY2041

14. COMMITMENTS AND AGREEMENTS (CONTINUED)

OTHER COMMITMENTS AND AGREEMENTS

The City has entered into an agreement with Jordan Valley Water Conservancy District in January 2011 to purchase a minimum amount of water in perpetuity unless the agreement is terminated or amended by the mutual consent of the two parties. The agreement stipulates a minimum gallon per minute (GPM) water flow annual average of 3,800 with a maximum of 5,665 for calendar year 2015 and thereafter. During the year ended June 30, 2024 the City made water purchases of \$2,456,589 under this agreement.

The City has construction commitments outstanding at year end for projects which have been awarded and construction has begun, but which have not been paid for at year end. Total unpaid construction commitments at June 30, 2024 were \$7,087,438 on original contracts totaling \$14,325,887.

15. CONDUIT DEBT OBLIGATIONS

In December 2010, the City issued Recovery Zone Facility Revenue Bonds, Series 2010 of \$10,250,000 to provide financial assistance to a private-sector entity for the acquisition, construction, improvement, and equipment of hotel facilities deemed to promote the general welfare of the residents of the state of Utah. The bonds are payable solely and exclusively from the revenues arising from the pledge of a note which the private company has given as security for the bonds. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2024 the outstanding amount of this obligation is \$6,603,599.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND – FOR THE YEAR ENDED JUNE 30, 2024 – CITY OF DRAPER, UTAH

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes:				
Property	\$ 9,322,500	\$ 9,322,500	\$ 9,312,597	\$ (9,903)
Sales	21,659,300	21,757,200	20,760,554	(996,646)
Franchise	5,507,000	5,562,000	6,296,348	734,348
Licenses and permits	3,956,500	3,956,500	3,159,415	(797,085)
Intergovernmental	4,807,000	5,517,500	5,069,850	(447,650)
Charges for services	1,846,200	1,846,200	2,063,518	217,318
Fines and forfeitures	700,000	700,000	731,057	31,057
Interest	1,696,000	1,731,000	3,761,551	2,030,551
Donations	-	-	10,000	10,000
Miscellaneous	146,500	146,500	345,279	198,779
Total revenues	49,641,000	50,539,400	51,510,169	970,769
<u>EXPENDITURES</u>				
Current:				
General government:				
Legislative:				
Mayor and city council	303,900	303,900	267,513	36,387
Executive:				
City manager	1,120,400	1,052,900	1,009,133	43,767
Recorder	340,800	351,300	298,046	53,254
Elections	100,000	136,000	135,896	104
Legal services	608,400	608,400	527,149	81,251
Economic development	757,000	757,000	538,944	218,056
Information systems	864,100	865,100	796,318	68,782
GIS	356,000	356,000	326,148	29,852
Public relations	385,900	385,900	317,024	68,876
Community events	793,100	871,100	870,750	350
Administrative Services:				
Human resources	541,200	513,700	449,254	64,446
Finance	1,071,300	1,092,901	1,032,671	60,230
Facilities:				
Facilities maintenance	1,049,200	1,049,200	906,604	142,596
Nondepartmental:				
Nondepartmental	598,330	598,330	216,196	382,134
Total general government	8,889,630	8,941,731	7,691,646	1,250,085

(continued)

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND – FOR THE YEAR ENDED JUNE 30, 2024 – CITY OF DRAPER, UTAH (CONTINUED)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Public safety:				
Police	11,262,800	11,272,321	10,861,894	410,427
Fire	6,644,400	6,644,400	6,588,440	55,960
Court	757,700	788,100	779,265	8,835
Animal control	404,000	404,000	361,853	42,147
Total public safety	19,068,900	19,108,821	18,591,452	517,369
Highways and public improvements:				
Public works	672,000	672,000	833,697	(161,697)
Engineering	1,449,000	1,449,000	1,414,792	34,208
Streets	2,875,300	2,875,300	2,672,575	202,725
B & C road expenditures	210,600	210,600	37,300	173,300
Total highways and public improvements	5,206,900	5,206,900	4,958,364	248,536
Community Development:				
Development services	577,000	538,714	710,347	(171,633)
Planning	776,800	776,800	624,634	152,166
Ordinance enforcement	139,500	139,500	129,268	10,232
Building	1,526,600	1,526,600	1,351,202	175,398
Total community development	3,019,900	2,981,614	2,815,451	166,163
Parks, recreation, and public property:				
Parks and recreation	5,220,600	5,285,600	5,198,696	86,904
Cemetery	7,600	7,600	4,933	2,667
Total parks and recreation	5,228,200	5,293,200	5,203,629	89,571
Debt service:				
Principal	1,680,000	1,770,523	1,770,523	-
Interest	652,900	660,541	660,541	-
Total debt service	2,332,900	2,431,064	2,431,064	-
Total expenditures	43,746,430	43,963,330	41,691,606	2,271,724
Excess of revenues over expenditures	5,894,570	6,576,070	9,818,563	3,242,493
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	165,698	165,698
Issuance of debt	-	-	214,934	214,934
Transfers in	424,100	1,914,100	2,343,908	429,808
Transfers out	(9,279,500)	(23,710,800)	(14,420,256)	9,290,544
Net other financing sources (uses)	(8,855,400)	(21,796,700)	(11,695,716)	10,100,984
Net change in fund balance	\$ (2,960,830)	\$ (15,220,630)	(1,877,153)	\$ 13,343,477
Fund balance, beginning of year			42,065,603	
Fund balance, end of year			\$ 40,188,450	

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
– BUDGET AND ACTUAL – REDEVELOPMENT AGENCY –
FOR THE YEAR ENDED JUNE 30, 2024 – CITY OF DRAPER, UTAH

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUES</u>				
Property taxes	\$ 2,284,429	\$ 2,284,429	\$ 944,928	\$ (1,339,501)
Intergovernmental	5,908,571	5,908,571	7,188,145	1,279,574
Interest	100,000	100,000	1,216,893	1,116,893
Total revenues	8,293,000	8,293,000	9,349,966	1,056,966
<u>EXPENDITURES</u>				
Current:				
RDA expenditures	6,301,700	6,301,700	5,215,480	1,086,220
Debt service:				
Principal	593,000	593,000	593,000	-
Interest	25,900	25,900	25,947	(47)
Total debt service	618,900	618,900	618,947	(47)
Total expenditures	6,920,600	6,920,600	5,834,427	1,086,173
Excess of revenues over expenditures	1,372,400	1,372,400	3,515,539	2,143,139
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	375,000	349,768	(25,232)
Transfers out	(2,841,300)	(3,114,100)	(2,998,013)	116,087
Net other financing sources (uses)	(2,841,300)	(2,739,100)	(2,648,245)	90,855
Net change in fund balance	\$ (1,468,900)	\$ (1,366,700)	867,294	\$ 2,233,994
Fund balance, beginning of year			17,279,412	
Fund balance, end of year			\$ 18,146,706	

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST 10 FISCAL YEARS* - CITY OF DRAPER, UTAH**

	As of December 31,	Proportion of Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
Noncontributory System	2014	0.6034745%	\$ 2,620,429	\$ 5,156,357	50.80%	90.20%
	2015	0.5731519%	3,243,172	4,876,729	66.50%	87.80%
	2016	0.6114156%	3,926,036	5,235,985	74.98%	87.30%
	2017	0.6015060%	2,635,378	4,982,691	52.89%	91.90%
	2018	0.6259723%	4,609,487	5,112,638	90.16%	87.00%
	2019	0.6413481%	2,417,157	5,146,848	46.96%	93.70%
	2020	0.6113605%	313,593	4,886,326	6.42%	99.20%
	2021	0.6290973%	(3,602,908)	5,023,659	-71.72%	108.70%
	2022	0.0063621%	1,089,674	5,203,893	20.94%	97.50%
	2023	0.6394416%	1,483,227	5,228,608	28.37%	96.90%
Public Safety System	2014	1.1224055%	\$ 1,411,518	\$ 1,690,840	83.50%	90.50%
	2015	1.1027396%	1,975,284	1,675,921	117.86%	87.10%
	2016	1.1526067%	2,338,957	1,782,314	131.23%	86.50%
	2017	1.1068419%	1,736,257	1,629,380	106.56%	90.20%
	2018	1.2249678%	3,151,334	1,764,096	178.64%	84.70%
	2019	1.2682877%	2,036,385	1,800,757	113.08%	90.90%
	2020	1.3181890%	1,094,416	1,897,917	57.66%	95.50%
	2021	1.4308970%	(1,162,092)	2,067,063	-56.22%	104.20%
	2022	1.4935183%	1,931,231	2,291,265	84.29%	93.60%
	2023	1.4292179%	2,044,016	2,278,545	89.71%	93.44%
Firefighters System	2014	0.0000000%	\$ -	\$ -	0.00%	0.00%
	2015	0.0000000%	-	-	0.00%	0.00%
	2016	0.1098577%	(866)	31,250	-2.77%	100.40%
	2017	4.1858671%	(261,429)	1,220,462	-21.42%	103.00%
	2018	6.2021181%	805,328	1,924,173	41.85%	94.30%
	2019	6.4311250%	(79,758)	2,059,072	-38.74%	105.00%
	2020	6.6736984%	(1,866,100)	2,177,250	-85.71%	110.50%
	2021	6.7218232%	(3,920,277)	2,241,018	-174.93%	120.10%
	2022	6.1936704%	(1,608,522)	2,220,524	-72.44%	108.40%
	2023	6.1127729%	(1,434,633)	2,333,945	-61.47%	106.79%
Tier 2 Public Employees System	2014	0.0992464%	\$ (3,008)	\$ 487,283	-0.60%	103.50%
	2015	0.1147405%	(250)	741,353	-0.03%	100.20%
	2016	0.1490124%	16,622	1,222,020	1.36%	95.10%
	2017	0.1631646%	14,386	1,594,513	0.90%	97.40%
	2018	0.1791831%	76,740	2,091,216	3.67%	90.80%
	2019	0.2041374%	45,912	2,836,498	1.62%	96.50%
	2020	0.1866508%	26,846	2,985,297	0.90%	98.30%
	2021	0.1863683%	(78,878)	3,459,785	-2.28%	103.80%
	2022	0.1903978%	207,323	4,152,116	4.99%	92.30%
	2023	0.1999230%	389,126	5,168,696	7.53%	89.58%
Tier 2 Public Safety and Firefighter System	2014	0.4126129%	\$ (6,157)	\$ 172,172	-3.60%	120.50%
	2015	0.3817202%	(5,577)	227,133	-2.46%	110.70%
	2016	0.3373268%	(2,928)	278,709	-1.05%	103.60%
	2017	0.6712652%	(7,767)	707,681	-1.10%	103.00%
	2018	0.8835336%	22,137	1,180,807	1.87%	95.60%
	2019	0.9174606%	86,300	1,512,122	5.71%	89.60%
	2020	0.8227057%	73,792	1,637,541	4.51%	93.10%
	2021	0.8968447%	(45,329)	2,144,697	-2.11%	102.80%
	2022	0.8604353%	71,781	2,647,373	2.71%	96.40%
	2023	0.8430235%	317,560	3,194,250	9.94%	89.10%

**SCHEDULE OF PENSION CONTRIBUTIONS
LAST 10 FISCAL YEARS* - CITY OF DRAPER, UTAH**

	As of fiscal year ended June 30,	Actuarial Determined Contributions	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
Noncontributory System	2015	\$ 842,297	\$ 842,297	\$ -	\$ 4,977,098	16.92%
	2016	909,963	909,963	-	4,996,981	18.21%
	2017	911,224	911,224	-	4,995,879	18.24%
	2018	959,440	959,440	-	5,228,476	18.35%
	2019	955,384	955,384	-	5,196,902	18.38%
	2020	917,153	917,153	-	4,987,274	18.39%
	2021	904,813	904,813	-	4,934,130	18.34%
	2022	932,004	932,004	-	5,092,853	18.30%
	2023	930,237	930,237	-	5,211,201	17.85%
	2024	944,954	944,954	-	5,300,449	17.83%
Public Safety System	2015	\$ 486,933	\$ 486,933	\$ -	\$ 1,646,941	29.57%
	2016	544,812	544,812	-	1,731,894	31.46%
	2017	526,122	526,122	-	1,689,671	31.14%
	2018	552,005	552,005	-	1,715,420	32.18%
	2019	572,608	572,608	-	1,769,817	32.35%
	2020	606,586	606,586	-	1,882,998	32.21%
	2021	623,923	623,923	-	1,933,097	32.28%
	2022	714,030	714,030	-	2,216,542	32.21%
	2023	727,803	727,803	-	2,301,530	31.62%
	2024	716,112	716,112	-	2,229,008	32.13%
Firefighters System	2015	\$ -	\$ -	\$ -	\$ -	0.00%
	2016	-	-	-	-	0.00%
	2017	10,362	10,362	-	220,192	4.71%
	2018	78,267	78,267	-	1,978,289	3.96%
	2019	90,556	90,556	-	196,439	4.61%
	2020	99,540	99,540	-	2,159,214	4.61%
	2021	101,187	101,187	-	2,194,960	4.61%
	2022	101,900	101,900	-	2,210,386	4.61%
	2023	82,279	82,279	-	2,279,173	3.61%
	2024	83,835	83,835	-	2,322,318	3.61%
Tier 2 Public Employees System*	2015	\$ 84,256	\$ 84,256	\$ -	\$ 608,819	13.84%
	2016	139,852	139,852	-	938,590	14.90%
	2017	200,932	200,932	-	1,348,783	14.90%
	2018	291,207	291,207	-	1,924,988	15.13%
	2019	378,617	378,617	-	2,437,135	15.54%
	2020	478,261	478,261	-	3,052,991	15.67%
	2021	493,093	493,093	-	3,121,673	15.80%
	2022	602,370	602,370	-	3,748,608	16.07%
	2023	752,632	752,632	-	4,701,010	16.01%
	2024	890,424	890,424	-	5,559,177	16.02%
Tier 2 Public Safety and Firefighter System*	2015	\$ 42,790	\$ 42,790	\$ -	\$ 207,208	20.65%
	2016	51,864	51,864	-	230,507	22.50%
	2017	80,715	80,715	-	363,358	22.21%
	2018	181,504	181,504	-	1,040,212	17.45%
	2019	244,279	244,279	-	1,353,184	18.05%
	2020	304,685	304,685	-	1,610,927	18.91%
	2021	386,430	386,430	-	1,834,713	21.06%
	2022	481,351	481,351	-	2,360,568	20.39%
	2023	622,340	622,340	-	2,991,138	20.81%
	2024	708,388	708,388	-	3,369,664	21.02%
Tier 2 DC Only System*	2015	\$ 4,753	\$ 4,753	\$ -	\$ 76,026	6.25%
	2016	6,480	6,480	-	96,864	6.69%
	2017	10,928	10,928	-	162,756	6.71%
	2018	15,691	15,691	-	234,544	6.69%
	2019	20,975	20,975	-	313,530	6.69%
	2020	21,934	21,934	-	329,591	6.65%
	2021	33,831	33,831	-	505,694	6.69%
	2022	41,106	41,106	-	614,436	6.69%
	2023	60,615	60,615	-	975,329	6.21%
	2024	87,566	87,566	-	1,409,541	6.21%
Tier 2 DC Public Safety and Firefighter System*	2015	\$ 12,291	\$ 12,291	\$ -	\$ 112,468	10.93%
	2016	13,717	13,717	-	115,818	11.84%
	2017	15,488	15,488	-	130,919	11.83%
	2018	7,209	7,209	-	60,936	11.83%
	2019	6,722	6,722	-	56,820	11.83%
	2020	8,519	8,519	-	72,013	11.83%
	2021	8,526	8,526	-	111,523	7.65%
	2022	9,854	9,854	-	179,866	5.48%
	2023	10,188	10,188	-	274,619	3.71%
	2024	24,177	24,177	-	517,384	4.67%

Note:

Contributions as a percentage of covered-employee payroll may be different than the Board certified rate due to rounding or other administrative practices.

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

***NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024 - CITY OF DRAPER, UTAH***

1. ACTUARIALLY DETERMINED PENSION CONTRIBUTIONS

Contribution rates include an amount for normal cost, the estimated amount necessary to finance benefits earned by the members during the current year, and an amount for amortization of the unfunded or excess funded actuarial accrued liability over a closed 20-year amortization period. The rates are determined using the entry age actuarial cost method.

Contributions made were in accordance with actuarially computed funding requirements. For contribution rate purposes the actuary evaluates the assets of the plan based on a 5-year smoothed expected return wherein 20 percent of a year's excess or shortfall of expected return is recognized each year for five years.

2. CHANGES IN ASSUMPTIONS

Changes include updates to the mortality improvement assumption, salary increase assumption, disability incidence assumption, assumed retirement rates, and assumed termination rates, as recommended with the January 1, 2023 actuarial experience study.

3. BUDGETARY INFORMATION

See note 1 in the notes to the financial statements.

SUPPLEMENTAL INFORMATION

**COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024 – CITY OF DRAPER, UTAH**

	Capital Project Funds				Special Revenue	Permanent	Total Nonmajor Governmental Funds
	Fire Impact Fund	Transportation Impact Fund	Park Impact Fund	Police Impact Fund	Traverse Ridge	Cemetery Fund	
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 152,061	\$ -	\$ 152,061
Receivables:							
Accounts, net	-	-	-	-	3,586	-	3,586
Property taxes	-	-	-	-	549,663	-	549,663
Due from other funds	-	-	-	-	61,223	-	61,223
Restricted cash and cash equivalents	88,037	5,551,128	5,048,931	285,029	-	170,259	11,143,384
Total assets	\$ 88,037	\$ 5,551,128	\$ 5,048,931	\$ 285,029	\$ 766,533	\$ 170,259	\$ 11,909,917
LIABILITIES							
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ 60,329	\$ -	\$ 60,329
Total liabilities	-	-	-	-	60,329	-	60,329
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue-property taxes	-	-	-	-	549,663	-	549,663
Total deferred inflows of resources	-	-	-	-	549,663	-	549,663
FUND BALANCES							
Restricted:							
Impact fees	88,037	5,551,128	5,048,931	285,029	-	-	10,973,125
Perpetual care	-	-	-	-	-	170,259	170,259
Assigned	-	-	-	-	156,541	-	156,541
Total fund balances	88,037	5,551,128	5,048,931	285,029	156,541	170,259	11,299,925
Total liabilities and fund balances	\$ 88,037	\$ 5,551,128	\$ 5,048,931	\$ 285,029	\$ 766,533	\$ 170,259	\$ 11,909,917

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS – FOR THE YEAR ENDED JUNE 30, 2024 – CITY OF DRAPER, UTAH

	Capital Project Funds				Special Revenue	Permanent	Total Nonmajor Governmental Funds
	Fire Impact Fund	Transportation Impact Fund	Park Impact Fund	Police Impact Fund	Traverse Ridge	Cemetery Fund	
REVENUES							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 592,182	\$ -	\$ 592,182
Intergovernmental	-	-	-	-	61,223	-	61,223
Impact fees	11,681	175,412	460,748	15,596	-	-	663,437
Interest	3,958	309,630	330,832	13,788	19,395	-	677,603
Miscellaneous	-	-	-	-	11,409	-	11,409
Total revenues	15,639	485,042	791,580	29,384	684,209	-	2,005,854
EXPENDITURES							
Current:							
General government	-	-	-	-	52,763	-	52,763
Highways and public improvements	-	-	-	-	620,679	-	620,679
Total expenditures	-	-	-	-	673,442	-	673,442
Excess of revenues over (under) expenditures	15,639	485,042	791,580	29,384	10,767	-	1,332,412
OTHER FINANCING SOURCES (USES)							
Transfers out	-	(1,393,348)	(2,810,774)	(11,588)	-	-	(4,215,710)
Total other financing sources (uses)	-	(1,393,348)	(2,810,774)	(11,588)	-	-	(4,215,710)
Net change in fund balances	15,639	(908,306)	(2,019,194)	17,796	10,767	-	(2,883,298)
Fund balances, beginning of year	72,398	6,459,434	7,068,125	267,233	145,774	170,259	14,183,223
Fund balances, end of year	\$ 88,037	\$ 5,551,128	\$ 5,048,931	\$ 285,029	\$ 156,541	\$ 170,259	\$ 11,299,925

***SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
MAJOR CAPITAL PROJECTS FUND – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2024 – CITY OF DRAPER, UTAH***

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUES</u>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
<u>EXPENDITURES</u>				
Capital outlay	38,661,400	47,587,100	16,713,880	30,873,220
Total expenditures	38,661,400	47,587,100	16,713,880	30,873,220
Excess (deficiency) of revenues over (under) expenditures	(38,661,400)	(47,587,100)	(16,713,880)	30,873,220
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	18,754,800	28,965,500	12,401,057	(16,564,443)
Transfers out	-	(1,000,000)	-	1,000,000
Net other financing sources (uses)	18,754,800	27,965,500	12,401,057	(15,564,443)
Net change in fund balance	<u>\$ (19,906,600)</u>	<u>\$ (19,621,600)</u>	<u>(4,312,823)</u>	<u>\$ 15,308,777</u>
Fund balance, beginning of year			<u>19,792,113</u>	
Fund balance, end of year			<u>\$ 15,479,290</u>	

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR
FIRE IMPACT FEE CAPITAL PROJECTS FUND – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2024 – CITY OF DRAPER, UTAH**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUES</u>				
Impact fees	\$ -	\$ -	\$ 11,681	\$ 11,681
Interest	-	-	3,958	3,958
Total revenues	-	-	15,639	15,639
<u>EXPENDITURES</u>				
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	\$ -	\$ -	15,639	\$ 15,639
Fund balance, beginning of year			<u>72,398</u>	
Fund balance, end of year			<u>\$ 88,037</u>	

***SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR
TRANSPORTATION IMPACT FEE CAPITAL PROJECTS FUND – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2024 – CITY OF DRAPER, UTAH***

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Impact fees	\$ -	\$ -	\$ 175,412	\$ 175,412
Interest	-	-	309,630	309,630
Total revenues	-	-	485,042	485,042
<u>EXPENDITURES</u>				
Current:				
Highways and public improvements	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	-	-	485,042	485,042
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	(3,710,700)	(5,881,000)	(1,393,348)	4,487,652
Net other financing sources (uses)	(3,710,700)	(5,881,000)	(1,393,348)	4,487,652
Net change in fund balance	\$ (3,710,700)	\$ (5,881,000)	(908,306)	\$ 4,972,694
Fund balance, beginning of year			6,459,434	
Fund balance, end of year			\$ 5,551,128	

***SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR
PARK IMPACT FEE CAPITAL PROJECTS FUND – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2024 – CITY OF DRAPER, UTAH***

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Impact fees	\$ -	\$ -	\$ 460,748	\$ 460,748
Interest	-	-	330,832	330,832
Total revenues	-	-	791,580	791,580
<u>EXPENDITURES</u>				
Current:				
Parks	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	-	-	791,580	791,580
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	(5,551,400)	(6,417,200)	(2,810,774)	3,606,426
Net other financing sources (uses)	(5,551,400)	(6,417,200)	(2,810,774)	3,606,426
Net change in fund balance	\$ (5,551,400)	\$ (6,417,200)	(2,019,194)	\$ 4,398,006
Fund balance, beginning of year			7,068,125	
Fund balance, end of year			\$ 5,048,931	

***SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR
POLICE IMPACT FEE CAPITAL PROJECTS FUND – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2024 – CITY OF DRAPER, UTAH***

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUES</u>				
Impact fees	\$ -	\$ -	\$ 15,596	\$ 15,596
Interest	-	-	13,788	13,788
Total revenues	-	-	29,384	29,384
<u>EXPENDITURES</u>				
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	-	-	29,384	29,384
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	-	(180,000)	(11,588)	168,412
Net other financing sources (uses)	-	(180,000)	(11,588)	168,412
Net change in fund balance	\$ -	\$ (180,000)	17,796	\$ 197,796
Fund balance, beginning of year			267,233	
Fund balance, end of year			\$ 285,029	

***SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR
TRAVERSE RIDGE SPECIAL SERVICE DISTRICT SPECIAL REVENUE FUND – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2024 – CITY OF DRAPER, UTAH***

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Property taxes	\$ 600,000	\$ 618,500	\$ 592,182	\$ (26,318)
Intergovernmental	58,800	58,800	61,223	2,423
Interest	7,500	12,500	19,395	6,895
Miscellaneous	-	-	11,409	11,409
Total revenues	666,300	689,800	684,209	(5,591)
<u>EXPENDITURES</u>				
Current:				
General government	60,000	60,300	52,763	7,537
Highways and public improvements	520,000	569,000	620,679	(51,679)
Total expenditures	580,000	629,300	673,442	(44,142)
Net change in fund balance	\$ 86,300	\$ 60,500	10,767	\$ (49,733)
Fund balance, beginning of year			145,774	
Fund balance, end of year			\$ 156,541	

STATEMENT OF NET POSITION – INTERNAL SERVICE FUNDS
JUNE 30, 2024 – CITY OF DRAPER, UTAH

	Risk Management Fund	Fleet Management Fund	Total
<u>ASSETS</u>			
Current assets:			
Cash and cash equivalents	\$ 3,143,501	\$ 1,569,931	\$ 4,713,432
Accounts receivable, net	-	104	104
Total current assets	3,143,501	1,570,035	4,713,536
Noncurrent assets:			
Capital assets:			
Construction in progress	-	1,401,352	1,401,352
Machinery, equipment, vehicles	-	17,958,205	17,958,205
Accumulated depreciation	-	(9,561,367)	(9,561,367)
Net capital assets	-	9,798,190	9,798,190
Total noncurrent assets	-	9,798,190	9,798,190
Total assets	3,143,501	11,368,225	14,511,726
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Pension related	9,608	75,326	84,934
Total deferred outflows of resources	9,608	75,326	84,934
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	24,822	188,549	213,371
Accrued liabilities	2,073	8,826	10,899
Compensated absences	284	8,389	8,673
Claims and judgments	269,071	-	269,071
Total current liabilities	296,250	205,764	502,014
Noncurrent liabilities:			
Compensated absences	1,900	40,128	42,028
Net pension liability	3,946	39,883	43,829
Claims and judgments	662,188	-	662,188
Total noncurrent liabilities	668,034	80,011	748,045
Total liabilities	964,284	285,775	1,250,059
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Pension related	157	570	727
Total deferred outflows of resources	157	570	727
<u>NET POSITION</u>			
Net investment in capital assets	-	9,798,190	9,798,190
Unrestricted	2,188,668	1,359,016	3,547,684
Total net position	\$ 2,188,668	\$ 11,157,206	\$ 13,345,874

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2024 – CITY OF DRAPER, UTAH

	Risk Management Fund	Fleet Management Fund	Total
<u>OPERATING REVENUES</u>			
Sales and charges for services	\$ 1,233,500	\$ 2,880,377	\$ 4,113,877
Miscellaneous income	98,641	30,046	128,687
Total operating revenues	1,332,141	2,910,423	4,242,564
<u>OPERATING EXPENSES</u>			
Salaries and benefits	108,927	706,064	814,991
Utilities	-	97,567	97,567
Supplies and repairs	3,280	200,231	203,511
Claims and insurance	1,303,148	26,600	1,329,748
Administrative	3,558	36,498	40,056
Depreciation	-	1,089,286	1,089,286
Total operating expenses	1,418,913	2,156,246	3,575,159
Operating income (loss)	(86,772)	754,177	667,405
<u>NONOPERATING REVENUES (EXPENSES)</u>			
Interest income	95,570	51,823	147,393
Interest and fiscal expenses	-	(1,872)	(1,872)
Gain/(loss) on disposal of assets	-	30,875	30,875
Total nonoperating revenues (expenses)	95,570	80,826	176,396
Income (loss) before contributions and transfers	8,798	835,003	843,801
Transfers in	-	1,324,246	1,324,246
Change in net position	8,798	2,159,249	2,168,047
Total net position, beginning	2,179,870	8,997,957	11,177,827
Total net position, ending	\$ 2,188,668	\$ 11,157,206	\$ 13,345,874

**STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2024 – CITY OF DRAPER, UTAH**

	Risk Management Fund	Fleet Management Fund	Total
Cash flows from operating activities			
Receipts from customers and users	\$ 1,332,141	\$ 2,910,319	\$ 4,242,460
Payments to suppliers	(1,246,770)	(212,062)	(1,458,832)
Payments to employees	(107,211)	(681,129)	(788,340)
Net cash provided (used) by operating activities	(21,840)	2,017,128	1,995,288
Cash flows from noncapital financing activities			
Transfers from other funds	-	1,324,246	1,324,246
Net cash provided by noncapital financing activities	-	1,324,246	1,324,246
Cash flows from capital and related financing activities			
Aquisition of capital assets	-	(4,202,788)	(4,202,788)
Proceeds from sale of assets	-	30,875	30,875
Principal paid on capital debt	-	(38,595)	(38,595)
Interest paid	-	(1,872)	(1,872)
Net cash used by capital and related financing activities	-	(4,212,380)	(4,212,380)
Cash flows from investing activities			
Interest received	95,570	51,823	147,393
Net cash provided by investing activities	95,570	51,823	147,393
Net increase (decrease) in cash and cash equivalents	73,730	(819,183)	(745,453)
Cash and cash equivalents, beginning of year	3,069,771	2,389,114	5,458,885
Cash and cash equivalents, end of year	\$ 3,143,501	\$ 1,569,931	\$ 4,713,432
Total cash and cash equivalents	\$ 3,143,501	\$ 1,569,931	\$ 4,713,432
Reconciliation of operating loss to net used by operating activities			
Operating loss	\$ (86,772)	\$ 754,177	\$ 667,405
Adjustments to reconcile operating income (loss) to net cash used by operating activities			
Depreciation	-	1,089,286	1,089,286
Changes in assets and liabilities:			
Accounts receivable	-	(104)	(104)
Accounts payable	(20,003)	148,834	128,831
Accrued liabilities	583	(450)	133
Compensated absences	1,190	18,552	19,742
Net pension adjustments	(57)	6,833	6,776
Claims and judgments	83,219	-	83,219
Net cash used by operating activities	\$ (21,840)	\$ 2,017,128	\$ 1,995,288

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STATISTICAL SECTION

This section presents detailed information as a context for better understanding the government’s overall financial health in conjunction with the financial statements, notes, and required supplementary information.

Financial Trends

These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.

Schedules 1- 4

Revenue Capacity

These schedules contain information to help the reader assess one of the City’s most significant local revenue sources – sales tax and property tax.

Schedules 5 - 11

Debt Capacity

These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.

Schedules 12 - 16

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.

Schedules 17 - 18

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.

Schedules 19 - 20

Schedule 1
CITY OF DRAPER, UTAH
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019
Governmental Activities					
Net investment in capital assets	\$ 368,851,874	\$ 364,762,906	\$ 381,985,718	\$ 398,586,894	\$ 410,564,276
Restricted	23,906,211	22,188,324	19,765,746	13,980,259	16,426,406
Unrestricted	37,168,264	45,136,966	55,189,852	48,826,778	53,248,295
Prior Period Adjustment	-	9,437,465	-	-	-
Total Governmental Activities					
Net Position	<u>\$ 429,926,349</u>	<u>\$ 441,525,661</u>	<u>\$ 456,941,316</u>	<u>\$ 461,393,931</u>	<u>\$ 480,238,977</u>
Business-Type Activities					
Net investment in capital assets	\$ 46,344,018	\$ 48,593,305	\$ 47,343,227	\$ 47,752,564	\$ 51,788,368
Restricted	192,763	206,470	219,288	231,942	244,875
Unrestricted	10,130,630	12,980,306	15,094,842	19,257,839	24,190,876
Prior Period Adjustment	-	(2,718,983)	-	-	-
Total Business-type Activities					
Net Position	<u>\$ 56,667,411</u>	<u>\$ 59,061,098</u>	<u>\$ 62,657,357</u>	<u>\$ 67,242,345</u>	<u>\$ 76,224,119</u>
Primary Government					
Net investment in capital assets	\$ 415,195,892	\$ 413,356,211	\$ 429,328,945	\$ 446,339,458	\$ 462,352,644
Restricted	24,098,974	22,394,794	19,985,034	14,212,201	16,671,281
Unrestricted	47,298,894	58,117,272	70,284,694	68,084,617	77,439,171
Prior Period Adjustment	-	6,718,482	-	-	-
Total Primary Government					
Net Position	<u>\$ 486,593,760</u>	<u>\$ 500,586,759</u>	<u>\$ 519,598,673</u>	<u>\$ 528,636,276</u>	<u>\$ 556,463,096</u>
Governmental Activities					
Net investment in capital assets	\$ 415,426,098	\$ 428,641,181	\$ 429,598,296	\$ 435,998,210	\$ 446,821,338
Restricted	17,571,469	20,086,020	24,542,905	27,320,806	29,092,234
Unrestricted	51,490,530	55,476,167	65,267,117	70,939,419	61,644,611
Total Governmental Activities					
Net Position	<u>\$ 484,488,097</u>	<u>\$ 504,203,368</u>	<u>\$ 519,408,318</u>	<u>\$ 534,258,435</u>	<u>\$ 537,558,183</u>
Business-Type Activities					
Net investment in capital assets	\$ 52,312,893	\$ 54,369,592	\$ 55,686,449	\$ 59,284,426	\$ 57,864,503
Restricted	257,183	257,738	257,302	256,817	395,914
Unrestricted	29,283,632	34,062,925	37,621,809	36,072,886	37,474,874
Total Business-type Activities					
Net Position	<u>\$ 81,853,708</u>	<u>\$ 88,690,255</u>	<u>\$ 93,565,560</u>	<u>\$ 95,614,129</u>	<u>\$ 95,735,291</u>
Primary Government					
Net investment in capital assets	\$ 467,738,991	\$ 483,010,773	\$ 485,284,745	\$ 495,282,636	\$ 504,685,841
Restricted	17,828,652	20,343,758	24,800,207	27,577,623	29,488,148
Unrestricted	80,774,162	89,539,092	102,888,926	107,012,305	99,119,485
Total Primary Government					
Net Position	<u>\$ 566,341,805</u>	<u>\$ 592,893,623</u>	<u>\$ 612,973,878</u>	<u>\$ 629,872,564</u>	<u>\$ 633,293,474</u>

Notes: Prior period adjustments in FY2014 represent the implementation of GASB 68. Adjustments in FY16 represent corrections to how capital assets were reported for years between 2009 and 2016.

Schedule 2
CITY OF DRAPER, UTAH
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019
Expenses					
Governmental activities:					
General government	\$ 9,783,775	\$ 16,920,589	\$ 8,583,411	\$ 9,056,349	\$ 9,600,137
Public safety	9,797,729	10,336,154	12,527,353	11,815,383	12,384,390
Highway and public improvements	10,283,258	9,928,621	10,395,696	15,427,559	10,670,263
Community Development	-	-	1,953,945	1,990,225	2,369,139
Parks and recreation	3,728,661	4,063,272	4,687,923	8,382,432	5,332,282
Interest on long-term debt	1,261,076	1,274,476	1,118,392	826,780	769,351
Total governmental activities expenses	34,854,499	42,523,112	39,266,720	47,498,728	41,125,562
Business-type activities:					
Water	4,013,873	4,444,945	4,622,995	4,442,047	4,620,864
Storm water	1,546,988	1,509,626	1,732,415	1,592,573	1,530,497
Solid waste	1,898,969	1,869,733	1,858,396	2,088,835	2,278,154
Ambulance	-	-	235,224	1,911,914	3,063,948
Total business-type activities expenses	7,459,830	7,824,304	8,449,030	10,035,369	11,493,463
Total primary government expenses	\$ 42,314,329	\$ 50,347,416	\$ 47,715,750	\$ 57,534,097	\$ 52,619,025
Program Revenues					
Governmental activities:					
Charges for services					
General government	\$ 5,197,605	\$ 5,777,093	\$ 1,617,580	\$ 918,577	\$ 924,127
Public safety	649,468	805,876	982,633	860,433	965,234
Highway and public improvements	7,261	6,834	291,480	60,308	81,984
Community Development	-	-	3,463,617	4,245,511	4,809,612
Parks and recreation	443,717	487,515	498,636	505,985	519,049
Operating grants and contributions	6,140,914	7,008,060	7,258,729	8,499,074	8,503,426
Capital grants and contributions	7,747,155	5,665,882	5,207,304	9,070,007	15,136,893
Total governmental activities program rev.	20,186,120	19,751,260	19,319,979	24,159,895	30,940,325
Business-type activities:					
Charges for services:					
Water	4,539,139	4,572,537	5,062,507	5,006,641	5,095,170
Storm water	1,999,172	2,340,590	2,752,068	3,174,051	3,244,775
Solid waste	2,419,692	2,436,564	2,480,632	2,531,277	2,603,043
Capital grants and contributions	2,449,464	3,497,131	1,245,868	1,560,318	5,933,367
Total business-type activities program rev.	11,407,467	12,846,822	11,541,075	13,592,176	18,576,785
Total primary government program rev.	\$ 31,593,587	\$ 32,598,082	\$ 30,861,054	\$ 37,752,071	\$ 49,517,110

Schedule 2 (continued)
CITY OF DRAPER, UTAH
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2020	2021	2022	2023	2024
Expenses					
Governmental activities:					
General government	\$ 10,379,534	\$ 11,629,655	\$ 11,263,352	\$ 12,048,111	\$ 13,267,543
Public safety	13,066,189	13,763,801	14,143,046	16,324,607	18,545,091
Highway and public improvements	12,148,438	8,899,167	11,526,831	11,225,898	12,743,555
Community Development	2,394,847	2,274,909	2,226,816	2,430,304	2,468,503
Parks and recreation	7,172,495	5,484,580	5,749,333	6,550,806	7,516,648
Interest on long-term debt	687,827	501,251	469,164	598,446	525,333
Total governmental activities expenses	<u>45,849,330</u>	<u>42,553,363</u>	<u>45,378,542</u>	<u>49,178,172</u>	<u>55,066,673</u>
Business-type activities:					
Water	5,230,180	5,576,316	5,402,191	5,703,132	7,386,803
Storm water	1,601,848	1,845,995	1,719,238	2,094,225	5,664,144
Solid waste	2,415,102	2,424,928	2,694,021	3,076,214	3,601,243
Ambulance	3,137,237	2,769,925	3,211,912	4,074,613	4,007,888
Total business-type activities expenses	<u>12,384,367</u>	<u>12,617,164</u>	<u>13,027,362</u>	<u>14,948,184</u>	<u>20,660,078</u>
Total primary government expenses	<u>\$ 58,233,697</u>	<u>\$ 55,170,527</u>	<u>\$ 58,405,904</u>	<u>\$ 64,126,356</u>	<u>\$ 75,726,751</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 1,018,092	\$ 1,177,573	\$ 1,424,056	\$ 1,187,316	\$ 1,336,510
Public safety	854,777	755,070	782,069	779,625	796,252
Highway and public improvements	57,929	6,988	33,726	78,400	372,543
Community Development	3,779,126	4,005,290	4,264,290	3,131,539	2,805,989
Parks and recreation	359,021	608,034	563,394	834,395	999,384
Operating grants and contributions	7,606,653	12,404,716	12,080,745	12,588,902	8,560,338
Capital grants and contributions	6,985,659	12,048,134	9,404,510	6,397,343	5,000,356
Total governmental activities program rev.	<u>20,661,257</u>	<u>31,005,805</u>	<u>28,552,790</u>	<u>24,997,520</u>	<u>19,871,372</u>
Business-type activities:					
Charges for services:					
Water	5,290,881	5,951,627	5,203,872	5,235,287	5,454,947
Storm water	3,297,721	3,342,262	2,705,715	2,744,628	2,801,824
Solid waste	2,658,744	2,744,942	2,825,767	2,862,835	2,881,232
Ambulance	1,442,590	1,572,802	1,867,058	1,935,620	1,917,431
Operating grants and contributions	8,161	-	-	4,868	-
Capital grants and contributions	3,036,128	3,664,193	2,448,296	1,358,138	1,044,535
Total business-type activities program rev.	<u>15,734,225</u>	<u>17,275,826</u>	<u>15,050,708</u>	<u>14,141,376</u>	<u>14,099,969</u>
Total primary government program rev.	<u>\$ 36,395,482</u>	<u>\$ 48,281,631</u>	<u>\$ 43,603,498</u>	<u>\$ 39,138,896</u>	<u>\$ 33,971,341</u>

Schedule 2 (continued)
CITY OF DRAPER, UTAH
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019
Net (Expense)/Revenue					
Governmental activities	\$ (14,668,379)	\$ (22,771,852)	\$ (19,946,741)	\$ (23,338,833)	\$ (10,185,237)
Business-type activities	3,947,637	5,022,518	3,092,045	3,556,807	7,083,322
Total primary government net (exp) rev.	<u>\$ (10,720,742)</u>	<u>\$ (17,749,334)</u>	<u>\$ (16,854,696)</u>	<u>\$ (19,782,026)</u>	<u>\$ (3,101,915)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 7,690,018	\$ 8,216,888	\$ 8,913,119	\$ 8,746,336	\$ 8,957,745
Sales taxes	9,967,402	10,561,361	11,774,335	12,946,117	13,450,317
Franchise taxes	4,888,625	5,171,626	5,329,131	5,333,829	5,269,126
Unrestricted investment earnings	824,023	926,815	1,179,625	1,418,777	2,233,836
Gain (loss) on sale of capital assets	-	60,209	8,511,186	10,024	324,949
Total governmental activities	<u>23,370,068</u>	<u>24,933,699</u>	<u>35,362,396</u>	<u>27,791,448</u>	<u>29,030,283</u>
Unrestricted investment earnings	68,602	84,883	159,214	350,607	640,481
(2) Gain (loss) on sale of capital assets	-	2,069	-	13,939	52,281
Transfers	-	3,200	345,000	663,635	1,205,690
Total Business-Type Activities	<u>68,602</u>	<u>90,152</u>	<u>504,214</u>	<u>1,028,181</u>	<u>1,898,452</u>
Total primary government	<u>\$ 23,438,670</u>	<u>\$ 25,023,851</u>	<u>\$ 35,866,610</u>	<u>\$ 28,819,629</u>	<u>\$ 30,928,735</u>
Change in Net Position					
Governmental activities	\$ 8,701,689	\$ 2,161,847	\$ 15,415,655	\$ 4,452,615	\$ 18,845,046
Prior Period Adjustment	-	9,437,465	-	-	-
Business-type activities	4,016,239	5,112,670	3,596,259	4,584,988	8,981,774
Prior Period Adjustment	-	(2,718,983)	-	-	-
Total primary government	<u>\$ 12,717,928</u>	<u>\$ 13,992,999</u>	<u>\$ 19,011,914</u>	<u>\$ 9,037,603</u>	<u>\$ 27,826,820</u>

Schedule 2 (continued)
CITY OF DRAPER, UTAH
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2020	2021	2022	2023	2024
Net (Expense)/Revenue					
Government activities	\$ (25,188,073)	\$ (11,547,558)	\$ (16,825,752)	\$ (24,180,652)	\$ (35,195,301)
Business-type activities	3,349,858	4,658,662	2,023,346	(806,808)	(6,560,109)
	<u>\$ (21,838,215)</u>	<u>\$ (6,888,896)</u>	<u>\$ (14,802,406)</u>	<u>\$ (24,987,460)</u>	<u>\$ (41,755,410)</u>
Total primary government net (expense) revenue					
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 9,261,840	\$ 10,134,491	\$ 10,289,429	\$ 10,732,835	\$ 10,849,707
Sales taxes	14,255,962	16,788,860	19,216,512	20,282,317	20,760,554
Franchise taxes	5,261,476	5,476,814	5,610,870	6,281,901	6,296,348
Unrestricted investment earnings	2,373,785	828,914	(461,109)	3,583,716	5,803,440
Gain (loss) on sale of capital assets	50,180	-	-	-	-
Transfers	(1,766,050)	(1,966,250)	(2,625,000)	(1,850,000)	(5,215,000)
Total Governmental Activities	<u>29,437,193</u>	<u>31,262,829</u>	<u>32,030,702</u>	<u>39,030,769</u>	<u>38,495,049</u>
Business-type activities:					
Unrestricted investment earnings	510,345	191,302	179,729	922,789	1,463,748
Gain (loss) on sale of capital assets	3,336	20,333	47,230	82,588	2,523
Transfers	1,766,050	1,966,250	2,625,000	1,850,000	5,215,000
Total business-type activities	<u>2,279,731</u>	<u>2,177,885</u>	<u>2,851,959</u>	<u>2,855,377</u>	<u>6,681,271</u>
Total primary government	<u>\$ 31,716,924</u>	<u>\$ 33,440,714</u>	<u>\$ 34,882,661</u>	<u>\$ 41,886,146</u>	<u>\$ 45,176,320</u>
Change in Net Position					
Governmental activities	\$ 4,249,120	\$ 19,715,271	\$ 15,204,950	\$ 14,850,117	\$ 3,299,748
Business-type activities	5,629,589	6,836,547	4,875,305	2,048,569	121,162
Total primary government	<u>\$ 9,878,709</u>	<u>\$ 26,551,818</u>	<u>\$ 20,080,255</u>	<u>\$ 16,898,686</u>	<u>\$ 3,420,910</u>

Notes: Prior period adjustments in FY2014 represent the implementation of GASB 68. Adjustments in FY16 represent corrects to how capital assets were reported for years between 2009 and 2016.

Notes: 2014 - 2021 net investment in joint venture income/loss was changed in the FY22 ACFR to be reported with business-type capital grants and contributions rather than with other changes to net position.

Schedule 3
CITY OF DRAPER, UTAH
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019
General fund					
Nonspendable	\$ 12,856,584	\$ 13,347,903	\$ 13,391,514	\$ 11,127,060	\$ 10,521,574
Restricted	5,903,264	3,802,273	3,740,654	2,937,133	4,313,504
Assigned	377,380	-	-	-	-
Unassigned	16,374,448	12,784,627	16,334,304	8,183,435	12,857,711
Total general fund	<u>35,511,676</u>	<u>29,934,803</u>	<u>33,466,472</u>	<u>22,247,628</u>	<u>27,692,789</u>
All other governmental funds					
Nonspendable, reported in:					
Restricted, reported in:					
Capital projects funds	6,094,989	5,387,731	4,122,428	329,631	1,329,631
Special revenue funds	11,907,958	12,998,320	11,902,664	10,713,495	10,783,271
Assigned, reported in:					
Capital projects funds	4,035,374	10,874,201	15,580,334	16,426,939	14,895,362
Special revenue funds	9,067,181	9,918,649	12,520,797	15,268,267	17,118,956
Total all other gov. funds	<u>31,105,502</u>	<u>39,178,901</u>	<u>44,126,223</u>	<u>42,858,486</u>	<u>44,375,074</u>
Total governmental funds	<u>\$ 66,617,178</u>	<u>\$ 69,113,704</u>	<u>\$ 77,592,695</u>	<u>\$ 65,106,114</u>	<u>\$ 72,067,863</u>

	2020	2021	2022	2023	2024
General fund					
Nonspendable	\$ 9,844,768	\$ 9,208,677	\$ 8,481,401	\$ 7,823,322	\$ 7,113,395
Restricted	4,906,715	7,382,761	10,161,084	13,222,567	16,592,058
Assigned	-	-	-	-	-
Unassigned	13,936,253	13,562,617	12,343,698	21,019,714	16,482,997
Total general fund	<u>28,687,736</u>	<u>30,154,055</u>	<u>30,986,183</u>	<u>42,065,603</u>	<u>40,188,450</u>
All other governmental funds					
Nonspendable, reported in:					
Special revenue funds	228,269	92,708	-	285	-
Restricted, reported in:					
Capital projects funds	429,948	60,790	60,790	60,790	60,790
Special revenue funds	12,234,806	12,642,469	14,321,031	14,037,449	11,143,384
Assigned, reported in:					
Capital projects funds	13,412,500	16,749,553	26,015,700	19,731,323	15,418,500
Special revenue funds	16,163,443	14,650,181	14,993,353	17,424,901	18,303,247
Total all other gov. funds	<u>42,468,966</u>	<u>44,195,701</u>	<u>55,390,874</u>	<u>51,254,748</u>	<u>44,925,921</u>
Total governmental funds	<u>\$ 71,156,702</u>	<u>\$ 74,349,756</u>	<u>\$ 86,377,057</u>	<u>\$ 93,320,351</u>	<u>\$ 85,114,371</u>

Schedule 4
CITY OF DRAPER, UTAH
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019
Revenues:					
Taxes	\$ 22,546,045	\$ 23,949,875	\$ 26,016,585	\$ 27,026,282	\$ 27,677,188
Licenses and permits	3,135,690	3,944,808	3,483,912	4,281,729	4,832,300
Intergovernmental	8,214,289	7,056,946	7,903,771	13,407,860	12,440,066
Charges for services	2,521,990	2,270,778	1,960,286	1,526,418	1,625,856
Impact fees	3,285,017	4,579,545	2,463,363	3,759,029	4,767,585
Fines and forfeitures	594,383	748,234	842,952	734,373	826,774
Interest and Investment Earnings	824,023	926,815	1,159,284	1,376,215	2,164,757
Lease revenue	369,037	245,131	227,248	231,666	229,071
Donations and reimbursements	147,500	134,387	1,344,194	357,306	166,768
Miscellaneous	152,238	127,342	544,286	177,045	33,971
Total revenues	41,790,212	43,983,861	45,945,881	52,877,923	54,764,336
Expenditures:					
General government	8,447,584	8,835,135	6,727,072	6,394,954	6,626,593
Public safety	9,633,865	10,165,655	12,578,561	13,078,171	11,122,962
Highways and public improvements	3,944,068	5,515,786	5,153,195	5,853,710	4,112,082
Community development	-	-	1,902,542	2,011,041	2,317,925
Parks, recreation and public property	2,689,688	3,009,632	3,452,201	3,896,494	3,703,991
Redevelopment agency	2,083,389	8,926,596	2,100,264	3,157,620	3,462,583
Capital outlay	9,793,752	5,178,629	10,262,592	20,211,097	11,263,861
Debt service					
Principal	1,460,000	3,114,789	2,720,161	2,601,000	2,877,333
Interest	1,435,872	1,375,710	1,362,315	1,035,876	955,628
Bond issuance cost	151,815	60,985	32,502	15,950	-
Total expenditures	39,640,033	46,182,917	46,291,405	58,255,913	46,442,958
Excess (deficiency) of revenues over (under) expenditures	2,150,179	(2,199,056)	(345,524)	(5,377,990)	8,321,378
Other financing sources (uses):					
Transfers in	8,111,676	13,058,217	13,756,788	14,342,038	7,813,765
Transfers out	(8,878,759)	(14,061,417)	(14,101,788)	(15,855,673)	(9,530,155)
Bond and loan proceeds	8,936,759	5,612,000	1,919,000	-	-
Premium on bond issued	-	-	-	-	-
Pmt. to refunding bond escrow agent	(8,778,746)	-	(1,879,149)	(5,630,205)	-
Issuance of SBITAs	-	-	-	-	-
Sale of capital assets	404,248	86,782	9,129,664	35,249	356,761
Total other financing sources (uses)	(204,822)	4,695,582	8,824,515	(7,108,591)	(1,359,629)
Net change in fund balances	\$ 1,945,357	\$ 2,496,526	\$ 8,478,991	\$ (12,486,581)	\$ 6,961,749
Debt service as a percentage of non-capital expenditures	10%	11%	11%	10%	11%

Schedule 4 (continued)
CITY OF DRAPER, UTAH
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2020	2021	2022	2023	2024
Revenues:					
Taxes	\$ 28,779,278	\$ 32,400,165	\$ 35,116,811	\$ 37,297,053	\$ 37,906,609
Licenses and permits	3,783,877	4,051,318	4,256,149	3,131,365	3,159,415
Intergovernmental	9,672,491	13,750,440	15,249,679	15,587,950	12,319,218
Charges for services	1,304,299	1,669,719	2,075,395	1,743,883	2,063,518
Impact fees	3,342,156	2,515,916	3,255,402	1,219,425	663,437
Fines and forfeitures	708,741	538,903	605,760	736,037	731,057
Interest and Investment Earnings	2,318,840	808,673	(481,129)	3,482,092	5,656,047
Lease revenue	231,491	229,230	-	-	-
Donations and reimbursements	62,996	102,730	293,410	-	10,000
Miscellaneous	54,546	36,117	58,272	53,357	356,688
Total revenues	50,258,715	56,103,211	60,429,749	63,251,162	62,865,989
Expenditures:					
General government	6,669,758	6,737,986	6,190,951	7,053,334	7,744,409
Public safety	12,294,433	12,867,701	14,702,870	16,657,928	18,591,452
Highways and public improvements	4,755,868	4,080,791	4,469,508	4,556,184	5,579,043
Community development	2,397,038	2,344,293	2,235,002	2,532,954	2,815,451
Parks, recreation and public property	3,835,845	3,936,810	4,079,591	4,704,164	5,203,629
Redevelopment agency	3,934,448	4,493,906	4,956,989	4,591,923	5,215,480
Capital outlay	11,942,344	6,991,367	6,363,914	14,310,134	16,713,880
Debt service					
Principal	2,769,000	6,380,000	2,113,174	1,477,579	2,363,523
Interest	875,372	876,898	585,471	518,303	686,488
Bond issuance cost	-	14,300	-	308,033	-
Total expenditures	49,474,106	48,724,052	45,697,470	56,710,536	64,913,355
Excess (deficiency) of revenues over (under) expenditures	784,609	7,379,159	14,732,279	6,540,626	(2,047,366)
Other financing sources (uses):					
Transfers in	9,487,395	11,106,873	16,078,785	12,933,961	15,094,733
Transfers out	(11,253,445)	(15,323,123)	(18,783,785)	(17,981,761)	(21,633,979)
Bond and loan proceeds	-	-	-	11,875,000	-
Premium on bond issued	-	-	-	1,305,707	-
Pmt. to refunding bond escrow agent	-	-	-	(8,284,850)	-
Issuance of SBITAs	-	-	-	238,693	214,934
Sale of capital assets	70,280	30,145	22	315,918	165,698
Total other financing sources (uses)	(1,695,770)	(4,186,105)	(2,704,978)	402,668	(6,158,614)
Net change in fund balances	\$ (911,161)	\$ 3,193,054	\$ 12,027,301	\$ 6,943,294	\$ (8,205,980)
Debt service as a percentage of non-capital expenditures	10%	17%	7%	5%	6%

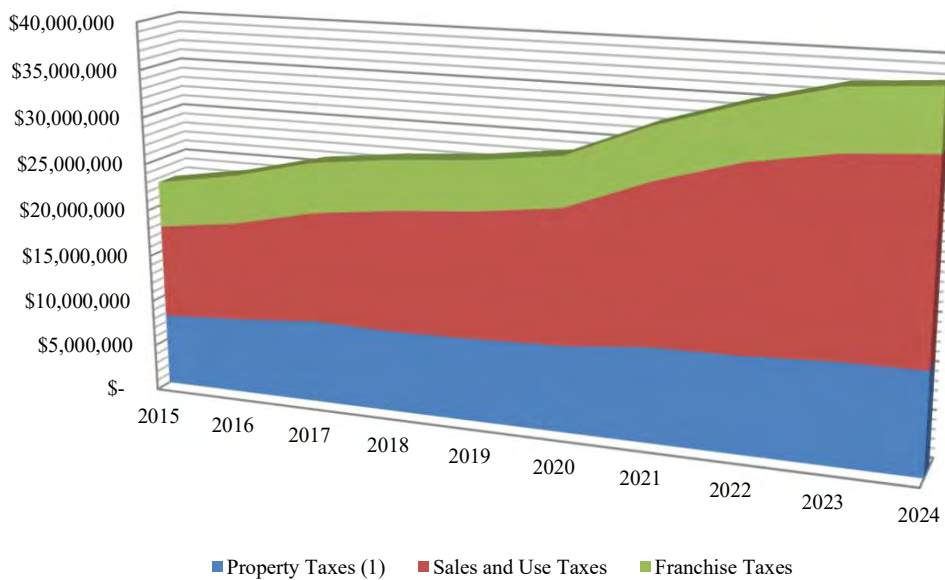
Schedule 5
 CITY OF DRAPER, UTAH
 Tax Revenues by Source, Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

Fiscal Year	Property Taxes (1)	Sales and Use Taxes	Franchise Taxes	Total
2015	\$ 7,690,018	\$ 9,967,402	\$ 4,888,625	\$ 22,546,045
2016	8,216,888	10,561,361	5,171,626	23,949,875
2017	8,913,119	11,774,335	5,329,131	26,016,585
2018	8,746,336	12,946,117	5,333,829	27,026,282
2019	8,957,745	13,450,317	5,269,126	27,677,188
2020	9,261,840	14,255,962	5,261,477	28,779,279
2021	10,134,491	16,788,860	5,476,814	32,400,165
2022	10,289,429	19,216,512	5,610,870	35,116,811
2023	10,732,835	20,282,317	6,281,901	37,297,053
2024	10,849,707	20,760,554	6,296,348	37,906,609
Growth 2015-2024	3,159,689	10,793,152	1,407,723	15,360,564

Note: Since 2003, the Redevelopment Agency (CDRA) is included with the governmental funds per generally accepted accounting principles; however, beginning in 2015 only the property tax that is levied by Draper City is reported here. All Non-Draper levied taxes are now reported as intergovernmental revenues.

(1) Property tax includes current and delinquent property tax, motor vehicle in-lieu tax, and special assessment tax for the Traverse Ridge Special Service District.

Tax Revenue by Source



Schedule 6
CITY OF DRAPER, UTAH
Assessed Value and Estimate Actual Value of Taxable Property
Last Ten Fiscal Years

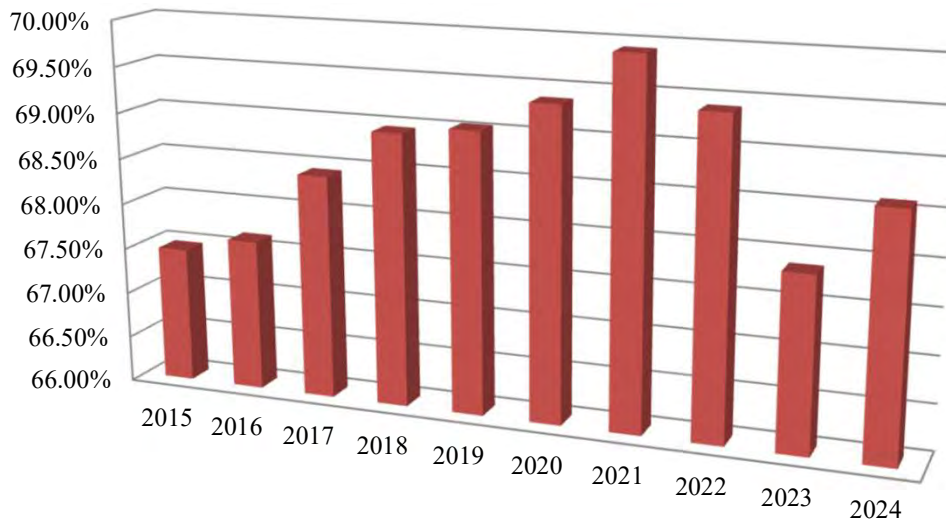
Fiscal Year	Tax Year	Primary Residential Property	Other Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value (1)	Assessed Value as a Percentage of Actual Value
2015	2014	\$ 2,400,626,003	\$ 1,674,447,789	\$ 4,075,073,792	0.001791	\$ 6,039,222,340	67.48%
2016	2015	2,621,176,154	1,862,255,732	4,483,431,886	0.001701	6,628,030,557	67.64%
2017	2016	2,862,871,812	2,214,897,547	5,077,769,359	0.001560	7,420,119,023	68.43%
2018	2017	3,098,543,121	2,531,775,067	5,630,318,188	0.001460	8,165,489,832	68.95%
2019	2018	3,430,253,818	2,828,383,895	6,258,637,713	0.001352	9,065,209,019	69.04%
2020	2019	3,721,628,462	3,174,565,273	6,896,193,735	0.001268	9,941,162,477	69.37%
2021	2020	4,002,191,217	3,611,451,697	7,613,642,914	0.001227	10,888,163,001	69.93%
2022	2021	4,544,684,934	3,889,400,097	8,434,085,031	0.001141	12,152,463,613	69.40%
2023	2022	6,048,954,678	4,409,641,299	10,458,595,977	0.000927	15,407,740,714	67.88%
2024	2023	6,176,165,382	4,864,952,995	11,041,118,377	0.000896	16,094,344,599	68.60%

Source: Utah State Tax Commission

Note: Property in Draper City is reassessed once every five years on average. The City assess property at approximately 55 percent of actual value for residential property and 100 percent of actual value for all other categories. Estimated actual taxable value is calculated by dividing taxable assessed value by those percentages.

(1) Assessed values are reported by the County on a calendar year basis rather than July 1 to June 30 fiscal year.

Assessed Value as a Percentage of Actual Value



Schedule 7
 CITY OF DRAPER, UTAH
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years

Fiscal Year	Tax Year	City Direct Rates			Overlapping Rates					
		Operating	Debt Service	Total Direct	Salt Lake County	Canyons School District	Traverse Ridge Special District	Jordan School District	Other	Total
SALT LAKE COUNTY										
Tax Area 51B										
2015	2014	0.001640	0.000151	0.001791	0.003036			0.006700	0.001970	0.013497
2016	2015	0.001558	0.000143	0.001701	0.002819			0.006872	0.001904	0.013296
2017	2016	0.001438	0.000122	0.001560	0.002371			0.006906	0.002066	0.012903
2018	2017	0.001350	0.000110	0.001460	0.002238			0.006424	0.002034	0.012156
2019	2018	0.001253	0.000099	0.001352	0.002025			0.006501	0.001938	0.011816
2020	2019	0.001180	0.000088	0.001268	0.001933			0.006676	0.001871	0.011748
2021	2020	0.001148	0.000079	0.001227	0.001948			0.006567	0.001818	0.011560
2022	2021	0.001070	0.000071	0.001141	0.001777			0.006168	0.001743	0.010829
2023	2022	0.000870	0.000057	0.000927	0.001459			0.005968	0.001512	0.009866
2024	2023	0.000842	0.000054	0.000896	0.001394			0.005737	0.001584	0.009611
Tax Area 051, 051A, 51B										
2015	2014	0.001640	0.000151	0.001791	0.003036	0.006872			0.002921	0.014620
2016	2015	0.001558	0.000143	0.001701	0.002819	0.006997			0.002766	0.014283
2017	2016	0.001438	0.000122	0.001560	0.002371	0.006463			0.002830	0.013224
2018	2017	0.001350	0.000110	0.001460	0.002238	0.006439			0.002712	0.012849
2019	2018	0.001253	0.000099	0.001352	0.002025	0.006435			0.002498	0.012310
2020	2019	0.001180	0.000088	0.001268	0.001933	0.007019			0.002359	0.012579
2021	2020	0.001148	0.000079	0.001227	0.001948	0.006894			0.002221	0.012290
2022	2021	0.001070	0.000071	0.001141	0.001777	0.006643			0.002090	0.011651
2023	2022	0.000870	0.000057	0.000927	0.001459	0.006053			0.001512	0.009951
2024	2023	0.000842	0.000054	0.000896	0.001394	0.005705			0.001616	0.009611
Tax Area 055, 52A, 55A, 55B, 55C, 55D, 55E, 55F, 55G										
2015	2014	0.001640	0.000151	0.001791	0.003036	0.006872			0.002878	0.014577
2016	2015	0.001558	0.000143	0.001701	0.002819	0.006997			0.002723	0.014240
2017	2016	0.001438	0.000122	0.001560	0.002371	0.006463			0.002792	0.013186
2018	2017	0.001350	0.000110	0.001460	0.002238	0.006439			0.002677	0.012814
2019	2018	0.001253	0.000099	0.001352	0.002025	0.006435			0.002464	0.012276
2020	2019	0.001180	0.000088	0.001268	0.001933	0.007019			0.002326	0.012546
2021	2020	0.001148	0.000079	0.001227	0.001948	0.006894			0.002190	0.012259
2022	2021	0.001070	0.000071	0.001141	0.001777	0.006643			0.002060	0.011621
2023	2022	0.000870	0.000057	0.000927	0.001459	0.006053			0.001488	0.009927
2024	2023	0.000842	0.000054	0.000896	0.001394	0.005705			0.001593	0.009588

Schedule 7 (continued)
 CITY OF DRAPER, UTAH
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years

Fiscal Year	Tax Year	City Direct Rates			Overlapping Rates					
		Operating	Debt Service	Total Direct	Salt Lake County	Canyons School District	Traverse Ridge Special District	Jordan School District	Other	Total
SALT LAKE COUNTY - CONTINUED										
Tax Area 056										
2015	2014	0.001640	0.000151	0.001791	0.003036	0.006872			0.002507	0.014206
2016	2015	0.001558	0.000143	0.001701	0.002819	0.006997			0.002513	0.014030
2017	2016	0.001438	0.000122	0.001560	0.002371	0.006463			0.002461	0.012855
2018	2017	0.001350	0.000110	0.001460	0.002238	0.006439			0.002361	0.012498
2019	2018	0.001253	0.000099	0.001352	0.002025	0.006435			0.002168	0.011980
2020	2019	0.001180	0.000088	0.001268	0.001933	0.007019			0.002046	0.012266
2021	2020	0.001148	0.000079	0.001227	0.001948	0.006894			0.001919	0.011988
2022	2021	0.001070	0.000071	0.001141	0.001777	0.006643			0.001810	0.011371
2023	2022	0.000870	0.000057	0.000927	0.001459	0.006053			0.001289	0.009728
2024	2023	0.000842	0.000054	0.000896	0.001394	0.005705			0.001397	0.009392
Tax Area 54B										
2015	2014	0.001640	0.000151	0.001791	0.003036	0.006872	0.000000		0.002878	0.014577
2016	2015	0.001558	0.000143	0.001701	0.002819	0.006997	0.000652		0.002723	0.014892
2017	2016	0.001438	0.000122	0.001560	0.002371	0.006463	0.000622		0.002792	0.013808
2018	2017	0.001350	0.000110	0.001460	0.002238	0.006439	0.000585		0.002677	0.013399
2019	2018	0.001253	0.000099	0.001352	0.002025	0.006435	0.000540		0.002464	0.012816
2020	2019	0.001180	0.000088	0.001268	0.001933	0.007019	0.000510		0.002326	0.013056
2021	2020	0.001148	0.000079	0.001227	0.001948	0.006894	0.000501		0.00219	0.012760
2022	2021	0.001070	0.000071	0.001141	0.001777	0.006643	0.000447		0.00206	0.012068
2023	2022	0.000870	0.000057	0.000927	0.001459	0.006053	0.000708		0.001488	0.010635
2024	2023	0.000842	0.000054	0.000896	0.001394	0.005705	0.000709		0.001593	0.010297

Schedule 7 (continued)
 CITY OF DRAPER, UTAH
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years

Fiscal Year	Tax Year	City Direct Rates			Overlapping Rates				
		General Fund	Debt Service	Total Direct	Utah County	Alpine School District	Ridge Special District	Traverse Other	Total
UTAH COUNTY									
Tax Area 013 - [New as of Tax Year 2020]									
2021	2020	0.001148	0.000079	0.001227	0.001041	0.006800		0.001214	0.010282
2022	2021	0.001070	0.000071	0.001141	0.000853	0.006904		0.001188	0.010086
2023	2022	0.000870	0.000057	0.000927	0.000661	0.005724		0.001056	0.008368
2024	2023	0.000842	0.000054	0.000896	0.000656	0.005518		0.001074	0.008144
Tax Area 014									
2015	2014	0.001640	0.000151	0.001791	0.001149	0.008096		0.000818	0.011854
2016	2015	0.001558	0.000143	0.001701	0.001098	0.008177		0.000783	0.011759
2017	2016	0.001438	0.000122	0.001560	0.000834	0.007718		0.000969	0.011081
2018	2017	0.001350	0.000110	0.001460	0.000779	0.007167		0.000927	0.010333
2019	2018	0.001253	0.000099	0.001352	0.000732	0.007033		0.000894	0.010011
2020	2019	0.001180	0.000088	0.001268	0.000672	0.006699		0.000864	0.009503
2021	2020	0.001148	0.000079	0.001227	0.001041	0.006800		0.000848	0.009916
2022	2021	0.001070	0.000071	0.001141	0.000853	0.006904		0.000819	0.009717
2023	2022	0.000870	0.000057	0.000927	0.000661	0.005724		0.000737	0.008049
2024	2023	0.000842	0.000054	0.000896	0.000656	0.005518		0.000733	0.007803
Tax Area 017									
2015	2014	0.001640	0.000151	0.001791	0.001149	0.008096		0.000447	0.011483
2016	2015	0.001558	0.000143	0.001701	0.001098	0.008177		0.000429	0.011405
2017	2016	0.001438	0.000122	0.001560	0.000834	0.007718		0.000638	0.010750
2018	2017	0.001350	0.000110	0.001460	0.000779	0.007167		0.000611	0.010017
2019	2018	0.001253	0.000099	0.001352	0.000732	0.007033		0.000598	0.009715
2020	2019	0.001180	0.000088	0.001268	0.000672	0.006699		0.000584	0.009223
2021	2020	0.001148	0.000079	0.001227	0.001041	0.006800		0.000577	0.009645
2022	2021	0.001070	0.000071	0.001141	0.000853	0.006904		0.000569	0.009467
2023	2022	0.000870	0.000057	0.000927	0.000661	0.005724		0.000538	0.007850
2024	2023	0.000842	0.000054	0.000896	0.000656	0.005518		0.000537	0.007607

Schedule 7 (continued)
 CITY OF DRAPER, UTAH
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years

Fiscal Year	Tax Year	City Direct Rates			Overlapping Rates				
		General Fund	Debt Service	Total Direct	Utah County	Alpine School District	Traverse Ridge Special District	Other	Total
UTAH COUNTY - CONTINUED									
Tax Area 018									
2015	2014	0.001640	0.000151	0.001791	0.001149	0.008096	0.000000	0.000846	0.011882
2016	2015	0.001558	0.000143	0.001701	0.001098	0.008177	0.000652	0.000829	0.012457
2017	2016	0.001438	0.000122	0.001560	0.000834	0.007718	0.000622	N/A	0.010734
2018	2017	0.001350	0.000110	0.001460	0.000779	0.007167	0.000000	0.001596	0.011002
2019	2018	0.001253	0.000099	0.001352	0.000732	0.007033	0.000540	0.000998	0.010655
2020	2019	0.001180	0.000088	0.001268	0.000672	0.006699	0.000510	0.000967	0.010116
2021	2020	0.001148	0.000079	0.001227	0.001041	0.006800	0.000501	0.000943	0.010512
2022	2021	0.001070	0.000071	0.001141	0.000853	0.006904	0.000447	0.002079	0.011424
2023	2022	0.000870	0.000057	0.000927	0.000661	0.005724	0.000708	0.000857	0.008877
2024	2023	0.000842	0.000054	0.000896	0.000656	0.005518	0.000709	0.000878	0.008657
Tax Area 019									
2015	2014	0.001640	0.000151	0.001791	0.001149	0.008096	0.000000	0.001217	0.012253
2016	2015	0.001558	0.000143	0.001701	0.001098	0.008177	0.000652	0.001183	0.012811
2017	2016	0.001438	0.000122	0.001560	0.000834	0.007718	0.000622	0.001341	0.012075
2018	2017	0.001350	0.000110	0.001460	0.000779	0.007167	0.000585	0.001327	0.011318
2019	2018	0.001253	0.000099	0.001352	0.000732	0.007033	0.00054	0.001294	0.010951
2020	2019	0.001180	0.000088	0.001268	0.000672	0.006699	0.00051	0.001247	0.010396
2021	2020	0.001148	0.000079	0.001227	0.001041	0.006800	0.000501	0.001214	0.010783
2022	2021	0.001070	0.000071	0.001141	0.000853	0.006904	0.000447	0.001188	0.010533
2023	2022	0.000870	0.000057	0.000927	0.000661	0.005724	0.000708	0.001056	0.009076
2024	2023	0.000842	0.000054	0.000896	0.000656	0.005518	0.000709	0.001074	0.008853

Schedule 8
 CITY OF DRAPER, UTAH
 Property Tax Levied and Collections
 Last Ten Fiscal Years

Fiscal Year	Tax Year	Property Tax Rate	Property Tax Levied	Delinquent Amounts Received	Amount of Levy Collected within Fiscal Year	Collection in Subsequent Years-SLCO	Collection in Subsequent Years-UTCO	Total Collected	Percentage of Levy (1)
2015	2014	0.001791	\$ 6,222,460	\$ 403,452	\$ 5,992,490	\$ 242,273	\$ 31,429	\$ 6,266,192	100.70%
2016	2015	0.001701	6,397,979	185,512	6,195,174	157,368	13,474	6,366,016	99.50%
2017	2016	0.001560	6,645,322	191,807	6,822,665	143,962	20,880	6,987,507	105.15%
2018	2017	0.001460	6,906,340	173,818	6,574,243	173,413	18,249	6,765,905	97.97%
2019	2018	0.001352	7,125,264	198,271	6,636,110	157,611.58	20,711	6,814,433	95.64%
2020	2019	0.001268	7,554,106	162,970	6,996,615	137,370	23,911	7,157,896	94.76%
2021	2020	0.001227	8,129,046	184,295	7,567,160	135,635	36,067	7,738,862	95.20%
2022	2021	0.001141	8,360,472	197,566	7,857,572	99,701	37,070	7,994,343	95.62%
2023	2022	0.000927	8,518,577	179,280	8,060,865	62,478	20,541	8,143,884	95.60%
2024	2023	0.000896	8,615,086	133,439	8,119,233	-	-	8,119,233	94.24%

(1) Taxes levied by Draper City and amounts collected by Salt Lake and Utah Counties and subsequently distributed to Draper City in that year for that levy.

Note 1 - Due to new growth and collections of personal property taxes which is not included in the Levied tax; property tax collections can be higher than the levy.

Note 2 - FY17 is the first year in which haircut provisions for several CDRA areas no longer applied and those tax revenues were included as part of the City's property tax which were not included in the initial levy. This is a one-time increase that is not expected in future years.

Schedule 9
CITY OF DRAPER, UTAH
Principal Property Tax Payers
Current Year and Nine Years Prior

Taxpayer	2024			2015		
	*Assessed Taxable Valuation	Rank	% of Total Assessed Valuation	Assessed Taxable Valuation	Rank	% of Total Assessed Valuation
Swire Pacific Holdings Inc	\$ 131,540,200	1	1.2%			
LD Bowerman Investments, LLC	\$ 107,759,100	2	1.0%	\$ 20,483,100	9	0.5%
WSL - White Mountain 2346, LLC	\$ 90,583,700	3	0.8%			
Women's Hospital Indianapolis LP	\$ 83,936,100	4	0.8%	\$ 63,326,300	2	1.6%
Pinnacle Reserve Associates, LLC	\$ 74,904,445	5	0.7%	\$ 63,615,300	1	1.6%
Exeter Draper Land, LLC	\$ 73,118,500	6	0.7%			
Edward's Lifesciences, LLC	\$ 73,029,600	7	0.7%			
Triview Apartment Associates, LLC	\$ 69,944,469	8	0.7%			
Harbert MSB Lone Peak Campus	\$ 68,134,700	9	0.6%			
Inland Diversified Draper Peaks, LLC	\$ 66,577,900	10	0.6%	\$ 20,607,700	8	0.5%
eBay, Inc.				\$ 38,407,900	3	0.9%
Day Dairy Holdings, LLC				\$ 37,097,900	4	0.7%
Liberty Hill Partners, LP				\$ 29,664,300	5	0.7%
Allegro Investors, LLC				\$ 28,839,600	6	0.7%
Ikea Property, INC				\$ 24,099,300	7	0.6%
Inland Diversified Draper Crossing, LLC				\$ 19,752,400	10	0.5%
	<u>\$ 839,528,714</u>			<u>\$ 345,893,800</u>		<u>8.5%</u>
Total City Taxable Assessed Value	\$ 10,758,488,506			\$ 4,048,844,541		

* The City reports assessed values net of exempt amounts.

Source: Salt Lake & Utah County Assessor & Draper City's GIS Data - Based on 2023 Tax Year

Schedule 10
 CITY OF DRAPER, UTAH
 Direct and Overlapping Sales Tax Rates
 Last Ten Fiscal Years

Fiscal Year	City Direct Rate (1)	State of Utah	Salt Lake County	Mass Transit	Botanical, Cultural, Zoo	Total
2015	1.00	4.70	0.50	0.55	0.10	6.85
2016	1.00	4.70	0.50	0.55	0.10	6.85
2017	1.00	4.70	0.50	0.55	0.10	6.85
2018	1.00	4.70	0.75	0.55	0.10	7.10
2019	1.00	4.85	0.75	0.55	0.10	7.25
2020	1.00	4.85	0.75	0.55	0.10	7.25
2021	1.00	4.85	0.75	0.55	0.10	7.25
2022	1.00	4.85	0.75	0.55	0.10	7.25
2023	1.00	4.85	0.75	0.55	0.10	7.25
2024	1.00	4.85	0.75	0.55	0.10	7.25

Note: Overlapping rates are those of other governments and agencies that apply to taxable sales within the City.

(1) Of the total sales taxes assessed by municipalities within the state, 50 percent is distributed based on point of sale and 50 percent is pooled and distributed based on population.

Source: Utah State Tax Commission

Schedule 11
CITY OF DRAPER, UTAH
Principal Sales Tax Payers
Current Year and Nine Years Ago

Taxpayer	2024			2015		
	Sales Tax (1)	Rank	% of Total Sales Tax (1)	Sales Tax (1)	Rank	% of Total Sales Tax (1)
Karl Malone Toyota	N/A	1	N/A	N/A	2	N/A
Larry H. Miller Ford Lincoln	N/A	2	N/A			
Amazon.com	N/A	3	N/A			
RC Willey	N/A	4	N/A	N/A	3	N/A
Ikea	N/A	5	N/A	N/A	1	N/A
Geneva Rock Products	N/A	6	N/A	N/A	7	N/A
General RV	N/A	7	N/A	N/A	5	N/A
Mercedes Benz of Draper	N/A	8	N/A			
Harmon's Bangerter Crossing	N/A	9	N/A	N/A	6	N/A
Trader Joe's	N/A	10	N/A			
Velocity Auto Sales				N/A	4	N/A
Ardell Brown RV				N/A	8	N/A
Harmon's Draper				N/A	9	N/A
Smith's Food & Drug				N/A	10	N/A
	\$7,907,251		30.63%	\$4,576,419		38.33%
Total Sales Tax (2)	\$25,815,071			\$11,938,216		

(1) Sales tax information is considered proprietary and cannot be shown by individual payer, so the group is shown in the aggregate.

(2) Total sales tax figures represent the total local option tax collected by the tax commission at the point of sale, or 1% of taxable goods or services. Actual tax distribution to Draper City from the tax commission is based on a population based formula and is different from these figures. See Schedule 5 for actual revenue distribution.

N/A = Not applicable

Source: Utah State Tax Commission

Schedule 12
CITY OF DRAPER, UTAH
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property (1)	Per Capita (2)
	General Obligation Bonds	Other Bonds	Total		
2015	\$ 4,733,809	-	\$ 4,733,809	0.12%	\$ 102
2016	4,315,054	-	4,315,054	0.10%	92
2017	3,880,048	-	3,880,048	0.08%	82
2018	3,435,042	-	3,435,042	0.06%	72
2019	2,980,036	-	2,980,036	0.05%	62
2020	2,515,030	-	2,515,030	0.04%	52
2021	2,040,024	-	2,040,024	0.03%	42
2022	1,550,018	-	1,550,018	0.02%	30
2023	1,045,012	-	1,045,012	0.01%	20
2024	530,006	-	530,006	0.00%	11

(1) See Schedule 6 for property values.

(2) See Schedule 17 for population data.

Schedule 13
CITY OF DRAPER, UTAH
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Governmental Activities					
General					
Fiscal Year	Obligation Bonds	Sales Tax Revenue Bonds	Lease Revenue Bonds	Leases & SBITAs	Notes Payable (2)
2015	\$ 4,733,809	\$ 30,158,386	\$ 2,255,677	\$ -	\$ 10,992,965
2016	4,315,054	33,584,853	2,108,676	-	10,384,176
2017	3,880,048	31,406,868	2,071,001	-	10,175,015
2018	3,435,042	23,722,732	1,879,000	-	10,175,015
2019	2,980,036	21,456,071	1,683,000	-	9,985,682
2020	2,515,030	19,123,410	1,482,000	-	9,985,682
2021	2,040,024	14,245,499	-	-	9,985,682
2022	1,475,000	11,440,000	-	297,384	9,903,508
2023	995,000	14,258,000	-	435,710	9,857,929
2024	505,000	12,475,000	-	521,526	9,857,929

Business-type Activities							
Fiscal Year	Revenue Bonds	Capital Leases	Notes Payable (2)	Total Primary Government	Percentage of Personal Income (1)	Personal Income (1)	Per Capita
2015	\$ 1,769,000	\$ -	\$ 2,378,950	\$ 52,288,787	2.99%	\$ 1,747,130,601	\$ 1,132
2016	1,684,000	-	1,982,840	54,059,599	2.92%	1,850,468,327	1,156
2017	1,596,000	-	1,727,302	50,856,234	2.44%	2,080,669,032	1,075
2018	1,506,000	-	1,335,012	42,052,801	1.91%	2,201,460,058	881
2019	1,414,000	-	1,272,133	38,790,922	1.58%	2,449,198,013	803
2020	1,320,000	-	1,272,133	35,698,255	1.36%	2,630,581,631	735
2021	1,224,000	-	1,272,133	28,767,338	0.92%	3,111,693,284	564
2022	1,125,000	-	1,126,074	25,366,966	0.65%	3,928,808,558	490
2023	1,024,000	-	884,403	27,455,042	0.84%	3,253,938,007	541
2024	921,000	-	884,403	25,164,858	0.74%	3,415,775,589 ⁽³⁾	507

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See Schedule 17 for personal income and population data.

(2) Notes payable amounts are contingent upon the collection of future impact fees only.

(3) Estimated personal income for 2023 based on the average growth of the prior five years.

Schedule 14
CITY OF DRAPER, UTAH
Direct and Overlapping Governmental Activities Debt
As of June 30, 2024

Entity	2023 Taxable Value (1)	Estimated City's Percentage	Entity's General Obligation Debt	City's Portion of G.O. Debt / Other Direct Debt
Direct City Debt				
Draper City General Obligation Bond	\$ 11,039,096,545	100%	\$505,000	\$ 505,000
Sales Tax Rev. Bonds				12,475,000
Unamortized Premiums				1,209,738
Notes Payable and Leases				10,379,454
Overlapping Debt				
CUWCD (2)	275,499,929,227	4.0%	123,885,564	4,964,011
Salt Lake County	189,065,842,656	5.8%	87,748,000	5,123,393
Canyons School District (3)	38,224,069,219	28.9%	365,060,000	105,429,188
Total Overlapping				<u>115,516,592</u>
Underlying Debt				
Alpine School District (4)	57,157,178,432	19.3%	319,065	61,623
Total Underlying				<u>61,623</u>
Total Overlapping and Underlying General Obligation Debt				115,578,215
Total Direct General Obligation Bonded Indebtedness				<u>24,569,192</u>
Total Direct and Overlapping General Obligation Debt				<u><u>\$ 140,147,407</u></u>

Notes:

- (1)USTC List of final values. Taxable value used in this table *excludes* the taxable value used to determine uniform fees on tangible personal property.
- (2) Central Utah Water Conservancy District (CUWCD) outstanding general obligation bonds are limited *ad valorem* tax bonds. Certain portions of the principal of and interest on CUWCD's general obligation bonds are paid from sales of water. Includes taxable valuation from Salt Lake and Utah counties.
- (3) This is the portion of the City within Salt Lake County.
- (4) This is the portion of the City within Alpine School District, Utah County
- (5) The State's general obligation debt is not included in overlapping debt because the State currently levies no property tax for payment of general obligation bonds.

Schedule 15
CITY OF DRAPER, UTAH
Legal Debt Margin Information
Last Ten Fiscal Years

	2015	2016	2017	2018	2019
Debt Limit	\$ 241,568,894	\$ 265,121,222	\$ 296,804,761	\$ 326,619,593	\$ 362,608,361
Total debt applicable to limit	4,490,000	4,090,000	3,680,000	3,260,000	2,830,000
Legal debt margin	<u>\$ 237,078,894</u>	<u>\$ 261,031,222</u>	<u>\$ 293,124,761</u>	<u>\$ 323,359,593</u>	<u>\$ 359,778,361</u>
Total debt applicable to the limit as a percentage of debt limit	1.86%	1.54%	1.24%	1.00%	0.78%
	2020	2021	2022	2023	2024
Debt Limit	\$ 395,256,499	\$ 433,586,520	\$ 486,098,545	\$ 616,309,629	\$ 643,773,784
Total debt applicable to limit	2,390,000	1,940,000	1,475,000	995,000	505,000
Legal debt margin	<u>\$ 392,866,499</u>	<u>\$ 431,646,520</u>	<u>\$ 484,623,545</u>	<u>\$ 615,314,629</u>	<u>\$ 643,268,784</u>
Total debt applicable to the limit as a percentage of debt limit	0.60%	0.45%	0.30%	0.16%	0.08%

Legal Debt Margin Calculation for Fiscal Year 2024

Estimated Taxable value (1)	\$ 16,094,344,599
Debt Limit (4% of Taxable Value)	643,773,784
Debt Applicable to Limit	<u>505,000</u>
Legal Debt Margin	<u>\$ 643,268,784</u>

Notes:

Debt margin / limit applies only to outstanding general obligation bonds. The City does not maintain a debt service fund.
(1) Source: Utah Property Tax Division/Certified Tax Rates/Final Year End Values. Estimated to actual real taxable value.

Schedule 16
CITY OF DRAPER, UTAH
Pledged-Revenue Coverage
Revenue Bonds by Type
Last Ten Fiscal Years

Sales Tax Revenue Bonds

Fiscal Year	Sales Tax Revenue	Debt Service Requirements			Coverage
		Principal (1)	Interest (1)	Total	
2015	\$ 9,967,402	\$ 1,045,000	\$ 1,037,200	\$ 2,082,200	4.79
2016	10,561,361	1,961,000	1,163,006	3,124,006	3.38
2017	11,774,335	1,941,000	1,179,402	3,120,402	3.77
2018	12,946,117	1,991,000	1,118,379	3,109,379	4.16
2019	13,450,317	2,062,000	823,141	2,885,141	4.66
2020	14,255,962	2,128,000	755,131	2,883,131	4.94
2021	16,788,860	4,448,000	771,574	5,219,574	3.22
2022	19,216,512	1,566,000	520,221	2,086,221	9.21
2023	20,282,317	952,000	465,591	1,417,591	14.31
2024	20,760,554	1,783,000	642,147	2,425,147	8.56

Lease Revenue Bonds

Fiscal Year	Lease Revenue	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2015	\$ 613,109	\$ 415,000	\$ 198,108	\$ 613,108	1.00
2016	245,131	145,000	98,471	243,471	1.01
2017	265,799	160,000	65,588	225,588	1.18
2018	231,666	190,000	38,366	228,366	1.01
2019	227,421	196,000	31,421	227,421	1.00
2020	231,491	201,000	28,841	229,841	1.01
2021	579,156	1,482,000	24,830	1,506,830	0.38
2022	-	-	-	-	0.00
2023	-	-	-	-	0.00
2024	-	-	-	-	0.00

(1) Includes the RDA Series 2015 Tax Increment and Subordinate Sales Tax Revenue Bonds.

Note: Amounts shown do not include deferred amounts related to discounts, premiums, or refunding activities.

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Schedule 17
CITY OF DRAPER, UTAH
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Population Percentage Growth	Personal Income (2)	Per Capita Personal Income	Number of residents 18 years and older (1)	Unemployment Rate (3)
2015	46,202	2.02%	\$ 1,747,130,601	\$ 37,815	30,817	3.50%
2016	46,774	1.24%	1,850,468,327	39,562	31,198	3.30%
2017	47,328	1.18%	2,080,669,032	43,963	31,568	3.10%
2018	47,710	0.81%	2,201,460,058	46,143	31,823	3.10%
2019	48,319	1.28%	2,449,198,013	50,688	32,422	3.01%
2020	48,587	0.55%	2,630,581,631	54,142	33,136	4.00%
2021	51,017	5.00%	3,111,693,284	60,993	34,794	3.58%
2022	51,749	1.43%	3,928,808,558	75,920	35,345	2.30%
2023	50,731	-0.56%	3,253,938,007	64,141	34,801	2.55%
2024	49,602	-4.15%	3,415,775,589 ⁽²⁾	68,864	34,716	3.09%

(1) Source: U.S. Census Bureau, Draper City, Utah

(2) Utah State Tax Commission - State Return Data by City - Total Utah Taxable Income. FY24 is a 5% estimate over FY23.

(3) United States Dept. of Labor - Local Area Unemployment Statistics - Data Finder - Draper City Monthly Unemployment Rate - Fiscal Year Avg.

Schedule 18
CITY OF DRAPER, UTAH
Principal Employers
Current Year and Nine Years Ago

Employer	2024		2015	
	Number of Employees	Rank	Number of Employees	Rank
Edwards Lifesciences	1,000-1,999	1	500-999	6
Coca-Cola (Swire Pacific Holdings)	1,000-1,999	2	500-999	7
Hopes Vision Correction Center	500-999	3		
Seekwell Companies (1-800-Contacts)	500-999	4	500-999	3
Goldman Sach's Bank	500-999	5		
Progressive Leasing	500-999	6		
Prestige Financial Services Inc	500-999	7		
Ebay	500-999	8	1,000-1,999	2
Tesla Energy Operations	500-999	9		
Health Equity	500-999	10	250-499	8
Utah State Prison			1,000-1,999	1
EMC Corporation			500-999	4
Affiliated Computer Services (ACS)			500-999	5
O'Currance			250-499	9
Harmon's			250-499	10

Source: Draper City business licensing database. Only employees who directly report to the Draper location are included. There are several other corporate offices located in Draper that have employees spread to areas outside of Draper that are not reflected in the table. Other supporting data is found from Utah Dept. of Workforce Services/Firm Find.

Schedule 19
CITY OF DRAPER, UTAH
Full-time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
General Government										
Legislative	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Executive	11.85	12.87	14.87	15.49	15.79	16.79	16.79	17.39	19.02	21.10
Finance/Treasurer	6.75	7.75	7.88	8.25	8.25	8.25	8.25	8.25	8.25	9.25
Human Resources	2.15	2.15	2.50	2.50	2.50	2.00	2.00	2.00	3.00	3.00
Facilities Management	5.13	6.13	6.13	7.25	7.25	7.25	7.25	7.25	7.25	7.25
Non-Departmental				0.63	0.63					
Fleet Management	2.00	2.00	2.00	2.00	2.00	2.00	2.00	0.00	0.00	0.00
Public Safety										
Police	53.31	54.29	54.16	57.16	58.66	59.01	59.01	59.74	66.74	67.44
Fire (1)				36.50	38.50	31.72	31.72	34.22	37.72	38.22
Animal Control	3.38	3.38	3.63	3.63	3.38	3.38	3.38	3.38	3.38	3.38
Courts	5.60	5.60	5.60	5.60	5.60	5.60	5.60	5.60	5.60	5.60
Economic and Community Development										
Administrative	2.00	2.00	2.67	3.00	4.00	4.00	4.00	4.00	4.00	4.50
Building	9.00	9.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Planning	4.00	4.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Code Enforcement	1.67	1.67	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Highways & Public Improvements										
Public Works Admin	3.00	2.00	4.00	4.00	4.00	5.00	5.00	5.00	5.00	4.72
Engineering (2)	8.50	7.50	12.13	11.63	13.13	12.13	12.13	12.13	12.13	11.63
Streets	5.00	7.00	7.00	8.00	8.00	8.00	8.00	8.00	9.00	9.00
Parks & Recreation										
Parks & Recreation Admin	3.25	5.25	5.25	5.25	5.25	5.19	5.19	5.19	4.19	4.19
Parks & Trails	20.00	20.00	23.00	27.00	28.00	28.00	28.00	31.00	31.00	31.50
Recreation	2.20	2.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	4.00
General Fund Total	154.79	160.79	176.02	223.09	230.14	223.52	223.52	228.35	241.48	246.78
Enterprise Funds										
Utility Admin			2.00	2.00	3.00	3.00	3.00	3.63	3.63	3.63
Water	8.24	9.24	6.00	6.00	7.00	7.00	7.00	7.00	9.00	12.00
Storm Water	6.24	8.00	5.00	5.50	5.50	6.50	6.50	6.50	7.50	8.72
Solid Waste	8.54	8.49	7.00	8.00	8.00	9.00	9.00	8.00	9.00	9.00
Ambulance				14.50	12.50	20.00	20.00	22.00	22.00	22.80
Enterprise Fund Total (2)	23.02	25.73	20.00	36.00	36.00	45.50	45.50	47.13	51.13	56.15
Internal Service Funds										
Class B&C Roads	2.00	1.25	1.00	1.00	1.00	1.00	1.00	1.00	1.00	
Risk Management			0.63	0.63	0.63	1.00	1.00	1.00	1.00	1.00
Fleet Management								3.00	4.00	6.00
Traverse Ridge Special Service District	3.00									
Internal Service Funds Total	5.00	1.25	1.63	1.63	1.63	2.00	2.00	5.00	6.00	7.00
Total Positions	182.81	187.77	197.65	260.72	267.77	271.02	271.02	280.48	298.61	309.93

(1) Fire and ambulance operations are contracted through United Fire Authority through 6-30-2017.

(2) Beginning in FY17 the engineering division is paid directly from the general fund instead of being allocated across the enterprise funds.

Source: Draper's adopted annual budget

Schedule 20
CITY OF DRAPER, UTAH
Operating Indicators by Function/Program
Last Ten Fiscal Years

	2015	2016	2017	2018	2019
Area (Square miles)	30.12	30.03	30.03	30.03	30.03
General Government					
Resolutions adopted	99	63	82	94	91
Public Safety					
Sworn police officers	40	40	40	43	44
Other police personnel (FTE)	8.13	8.76	8.63	8.63	9.37
Patrol calls for service	23,196	23,840	25,687	25,011	26,823
Records calls for service	11,948	14,200	15,782	15,339	17,703
Citations written	4,176	4,284	6,424	4,395	5,233
Fire Protection (UFA Contract 2008 - 2017)					
Fire stations	3	3	3	3	3
Firefighters (FTE)	29	29	29	27	27
Paramedics (FTE)				20	20
Medical Calls				2,890	2,895
Fire Calls				832	798
Other fire personnel (FTE)					
Parks and Recreation					
Private reservations processed			1,949	2,036	2,474
Recreation participants	6,185	6,712	6,519	6,789	7,656
Recreation registrations processed	4,684	5,102	4,967	5,017	5,775
Parks (1)	40	42	42	44	44
Tennis courts	4	4	4	4	4
Soccer fields	10	10	10	10	10
Pickleball courts				6	6
Baseball diamonds	10	11	11	11	12
Trails (in miles)	82.93	89.63	103.63	116.00	121.63
Park Acreage	193	206	206	206	206
Community Development					
Building permits issued	744	981	1,054	1,337	1,692
Business licenses issued	2,298	2,286	2,333	1,943	1,792

(1) Includes parks which are owned and operated by Salt Lake County.

Source: Fire and Police call statistics are reported by the City's contract dispatch center.
All other data is included in the City's financial reporting software systems.

Schedule 20 (continued)
CITY OF DRAPER, UTAH
Operating Indicators by Function/Program
Last Ten Fiscal Years

	2020	2021	2022	2023	2024
Area (Square miles)	30.03	30.03	30.03	30.03	30.03
General Government					
Resolutions adopted	71	64	76	69	56
Public Safety					
Sworn police officers	44	44	44	51	52
Other police personnel (FTE)	9.13	9.50	9.50	9.50	9.20
Patrol calls for service (4)	26,729	27,774	26,959	30,847	38,804
Records calls for service	N/a	N/a	N/a	N/a	N/a
Citations written	2,656	2,087	2,082	2,976	4,555
Fire Protection (UFA Contract 2008 - 2017)					
Fire stations	3	3	3	3	3
Firefighters (FTE) (3)	28	28	33.5	34.0	34.5
Paramedics (FTE)	20	20	22	22	22
Medical Calls	2,871	2,972	3,206	3,149	3,137
Fire Calls	763	733	772	1,140	1,136
Ambulance Transports	1,573	1,571	1,626	1,599	1,643
Parks and Recreation					
Private reservations processed	1,720	2,345	1,411	1,331	1,261
Recreation participants	5,402	7,157	6,611	8,610	7,950
Recreation registrations processed	5,325	5,450	5,793	6,718	6,971
Parks (1)	45	45	45	45	45
Tennis courts	4	4	4	4	4
Soccer fields	10	10	11	11	11
Pickleball Courts	8	8	8	14	14
Baseball diamonds	12	12	13	13	13
Trails (in miles)	124.14	145.96	146.47	143.94	146.26
Park Acreage	206	210	210	210	217
Community Development					
Building permits issued	1,784	1,955	1,662	1,514	n/a
Business licenses issued (2)	1,329	1,594	2,174	2,279	2,073

(1) Includes parks which are owned and operated by Salt Lake County.

(2) State law no longer allows the City to require certain business licenses for in-home businesses beginning FY18.

(3) Draper City contracted with United Fire Authority through FY17.

(4) Beginning in FY24 patrol calls were logged for regular patrols in "high crime" areas. Patrols were logged for documentat purposes only.

Source: Fire and Police call statistics are reported by the City's contract dispatch center.

All other data is included in the City's financial reporting software systems.

Schedule 20 (continued)
CITY OF DRAPER, UTAH
Operating Indicators by Function/Program
Last Ten Fiscal Years

	2015	2016	2017	2018	2019
Public Works					
Tons of salt spread	2,801	7,316	8,220	4,505	9,538
Snow Plow Hours	1,548	4,335	4,241	2,457	4,955
Gallons of brine spread	0	0	0	0	50,599
Street lights (1)	2,398	1,577	1,599	1,608	1,675
Street lane miles (2)	499	410	418	422	440
Traffic lights (3)	127	40	40	50	55
Utility - Solid Waste					
Number of customers	9,967	10,091	10,119	10,314	10,522
Annual waste tonnage	17,842	15,664	15,845	17,749	17,054
Average annual waste per household (in tons)	1.8	1.6	1.6	1.7	1.6
Annual recycling tonnage	2,082	2,073	2,110	2,201	1,889
Average annual recycling per household (in tons)	0.21	0.21	0.21	0.21	0.18
Dumpsters rented out	390	382	391	404	406
Utility - Storm Water					
Number of customers	10,543	10,668	10,730	10,927	11,127
Storm drain lines (in miles)	113.11	111.28	111.64	113.05	115.06
Utility - Water					
Number of customers	3,940	3,967	3,982	4,062	4,168
Average daily consumption per household (in gallons)	684	736	832	809	811
Gallons consumed (in millions)	984	1,066	1,209	1,200	1,234
Storage capacity (in millions of gallons)	11.4	11.4	11.4	11.4	11.4
Water lines (in miles)	77.9	72.9	73.2	75.3	76.4

(1) 2013 - 2015 Includes all street lights (city-owned and private). 2016 forward includes City owned and maintained street lights only.

(2) 2013 -2015 Included all lane miles (city-owned and private; excluding UDOT). 2016 forward includes only City owned and maintained lane miles.

(3) 2013 - 2015 included all traffic lights. 2016 forward includes only City owned and maintained traffic lights.

N/A = not available as of year end

Source: All data was collected by the City's software programs.

Schedule 20 (continued)
CITY OF DRAPER, UTAH
Operating Indicators by Function/Program
Last Ten Fiscal Years

	2020	2021	2022	2023	2024
Public Works					
Tons of salt spread	6,314	4,418	4,373	9,751	7,707
Snow Plow Hours	4,311	3,192	3,751	8,605	4,323
Gallons of brine spread	78,868	89,483	134,804	237,946	194,010
Street lights (1)	1,707	1,717	1,764	1,769	1,785
Street lane miles (2)	437	441	443	444	445
Traffic lights (3)	58	70	83	85	89
Utility - Solid Waste					
Number of customers	10,633	10,814	11,018	11,057	11,118
Annual residential waste tonnage	17,920	18,350	17,859	17,625	18,662
Average annual waste per household (in tons)	1.7	1.7	1.6	1.6	1.7
Annual residential recycling tonnage	1,811	1,526	1,642	1,690	1,659
Average annual recycling per household (in tons)	0.17	0.14	0.15	0.15	0.15
Dumpsters rented out	468	463	451	419	412
Utility - Storm Water					
Number of customers	11,284	11,424	11,614	11,662	11,728
Storm drain lines (in miles) (4)	115.19	124.37	128.99	128.82	130.30
Utility - Water					
Number of customers	4,302	4,409	4,545	4,577	4,635
Average daily consumption per household (in gallons)	846	903	729	750	779
Gallons consumed (in millions)	1,328	1,453	1,210	1,253	1,318
Storage capacity (in millions of gallons)	11.4	11.4	11.4	11.4	11.4
Water lines (in miles) (4)	81.7	84.8	84.5	84.9	84.7

(1) 2013 - 2015 Includes all street lights (city-owned and private). 2016 forward includes City owned and maintained street lights only.

(2) 2013 -2015 Included all lane miles (city-owned and private; excluding UDOT). 2016 forward includes only City owned and maintained lane miles.

(3) 2013 - 2015 included all traffic lights. 2016 forward includes only City owned and maintained traffic lights.

(4) 2013 - 2015 Included all water and storm drain lines in miles. 2016 forward includes only City owned lines.

Source: All data was collected by the City's software programs.

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COMMITTED. EXPERIENCED. TRUSTED.

PARTNERS

- MICHAEL L. SMITH, CPA
- JASON L. TANNER, CPA
- ROBERT D. WOOD, CPA
- AARON R. HIXSON, CPA
- TED C. GARDINER, CPA
- JEFFREY B. MILES, CPA
- JESSE S. MALMROSE, EA
- JANICE ANDERSON, EA
- TROY F. NILSON, CPA

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

Honorable Mayor and Members of City Council
City of Draper, Utah

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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Draper, Utah (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 November 22, 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.

ABMC, LLC

November 22, 2024
Bountiful, Utah



COMMITTED. EXPERIENCED. TRUSTED.

PARTNERS

MICHAEL L. SMITH, CPA
JASON L. TANNER, CPA
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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**

Honorable Mayor and Members of the City Council
City of Draper, Utah

Report On Compliance

We have audited City of Draper’s (the City) compliance with the applicable 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 Courts
- Restricted Taxes and Related Restricted Revenues
- Fraud risk Assessment
- Government Fees
- Cash Management
- Enterprise Fund Transfers, Reimbursements, Loans and Services

Opinion on Compliance

In our opinion, City of Draper complied, in all material respects, with the state compliance requirements referred 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 *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 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 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.

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.

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 and compliance and the results of that testing based on the requirements of the *State Compliance Audit Guide*. Accordingly, this report is not suitable for any other purpose.

ABMC, LLC

November 22, 2024
Bountiful, Utah