



**ANNUAL COMPREHENSIVE
FINANCIAL REPORT (ACFR)**
FISCAL YEAR ENDING JUNE 30, 2025



CITY OF DRAPER

State of Utah

ANNUAL COMPREHENSIVE FINANCIAL REPORT **FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**PREPARED BY:
DRAPER CITY FINANCE DEPARTMENT**

TABLE OF CONTENTS

INTRODUCTORY SECTION

Letter of Transmittal	i
List of Elected and Appointed Officials.....	iv
Other Bodies Under the Direction of the City Council	v
Organization Chart	vi

FINANCIAL SECTION

Independent Auditor's Report.....	1
Management's Discussion and Analysis.....	5

Basic Financial Statements

Government-wide Financial Statements	
Statement of Net Position	17
Statement of Activities.....	18
Governmental Funds Financial Statements	
Balance Sheet – Governmental Funds	19
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position.....	20
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	21
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds to the Statement of Activities	22
Proprietary Funds Financial Statements	
Statement of Net Position – Proprietary Funds.....	23
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds.....	25
Statement of Cash Flows – Proprietary Funds.....	26
Notes to the Financial Statements	29

Required Supplementary Information

Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund.....	65
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Redevelopment Agency	67
Schedule of Proportionate Share of the Net Pension Liability.....	68
Schedule of Pension Contributions	69
Notes to the Required Supplementary Information.....	70

Supplemental Information

Combining Balance Sheet – Nonmajor Governmental Funds	71
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds.....	72
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Major Capital Projects Fund – Budget and Actual	73
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Fire Impact Fee Capital Projects Fund – Budget and Actual.....	74
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Transportation Impact Fee Capital Projects Fund – Budget and Actual.....	75
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Park Impact Fee Capital Projects Fund – Budget and Actual.....	76

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Police Impact Fee Capital Projects Fund – Budget and Actual	77
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Traverse Ridge Special Service District Special Revenue Fund – Budget and Actual	78
Statement of Net Position – Internal Service Funds.....	79
Statement of Revenues, Expenses, and Changes in Net Position – Internal Service Funds	80
Statement of Cash Flows – Internal Service Funds.....	81

STATISTICAL SECTION

Financial Trend Data

Schedule 1 - Net Position by Component	84
Schedule 2 - Changes in Net Position	85
Schedule 3 - Fund Balances – Governmental Funds.....	89
Schedule 4 - Changes in Fund Balances – Governmental Funds.....	90

Revenue Capacity Data

Schedule 5 – Tax Revenues by Source – Governmental Funds.....	92
Schedule 6 - Assessed Value and Estimated Actual Value of Taxable Property	93
Schedule 7 - Direct and Overlapping Property Tax Rates	94
Schedule 8 - Property Tax Levied and Collected.....	98
Schedule 9 - Principal Property Tax Payers.....	99
Schedule 10 - Direct and Overlapping Sales Tax Rates.....	100
Schedule 11 – Principal Sales Tax Payers.....	101

Debt Capacity Data

Schedule 12 - Ratios of General Bonded Debt Outstanding	102
Schedule 13 - Ratios of Outstanding Debt by Type.....	103
Schedule 14 - Direct and Overlapping Governmental Activities Debt	104
Schedule 15 - Legal Debt Margin Information	105
Schedule 16 - Pledged Revenue Coverage.....	106

Demographic and Economic Information

Schedule 17 - Demographic and Economic Statistics.....	107
Schedule 18 - Principal Employers	108

Operating Information

Schedule 19 - Full-Time Equivalent City Government Employees by Function/Program	109
Schedule 20 - Operating Indicators by Function/Program.....	110

COMPLIANCE REPORTS

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	115
Independent Auditors' Report on Compliance and Report on Internal Control Over Compliance as Required by the <i>State Compliance Audit Guide</i>	117

INTRODUCTORY SECTION

Troy Walker, *Mayor*
Mike Green, *Council Member*
Bryn Johnson, *Council Member*
Tasha Lowery, *Council Member*
Fred Lowry, *Council Member*
Marsha Vawdrey, *Council Member*



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

November 18, 2025

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, 2025, 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, 2025, 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, 2025. 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 City'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 an estimated population of 50,160, making it one of the largest cities 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 approximately 30.12 square miles located mainly within the Salt Lake metropolitan area, with a portion overlapping into northern Utah County.

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 and street lighting. The City provides community and cultural events, including Draper Days.

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, appointing 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 appropriated 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 demonstrate strong economic momentum heading into 2026, with a steady stream of new businesses opening across the city, including restaurants, salons, medical offices, and new pickleball facilities that add both amenities and local jobs. This growth is complemented by the completion of all four station area plans required by the state legislature. These plans position Draper for long-term success by encouraging new housing options and vibrant, transit-oriented retail districts around key transit stops. Together, these investments strengthen Draper's economic base, support future revenue stability, and enhance the overall quality of life for residents and businesses alike.

Relevant Financial Policies

Cash during the year was invested in the Public Treasurer's Investment Fund and with both Moreton Asset Management and Meeder Public Funds. 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 and general liability exposures. The City is a member of the Utah Risk Management Association, which provides general liability coverage for claims 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	Marsha Vawdrey

APPOINTED OFFICIALS AND DEPARTMENT HEADS

City Manager	Mike Barker
Assistant City Manager	Kellie Chalburg
City Attorney	Traci Gundersen
City Recorder	Nicole Smedley
City Treasurer	Lourdes Ramos
Communications Director	Linda Peterson
Community Development Director	Jennifer Jastermsky
Finance Director	John Vuyk
Human Resources Director	Derek Orth
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

Community Reinvestment Agency
Municipal Building Authority Board
Traverse Ridge Special Service District Administrative Control Board (TRSSDACB)

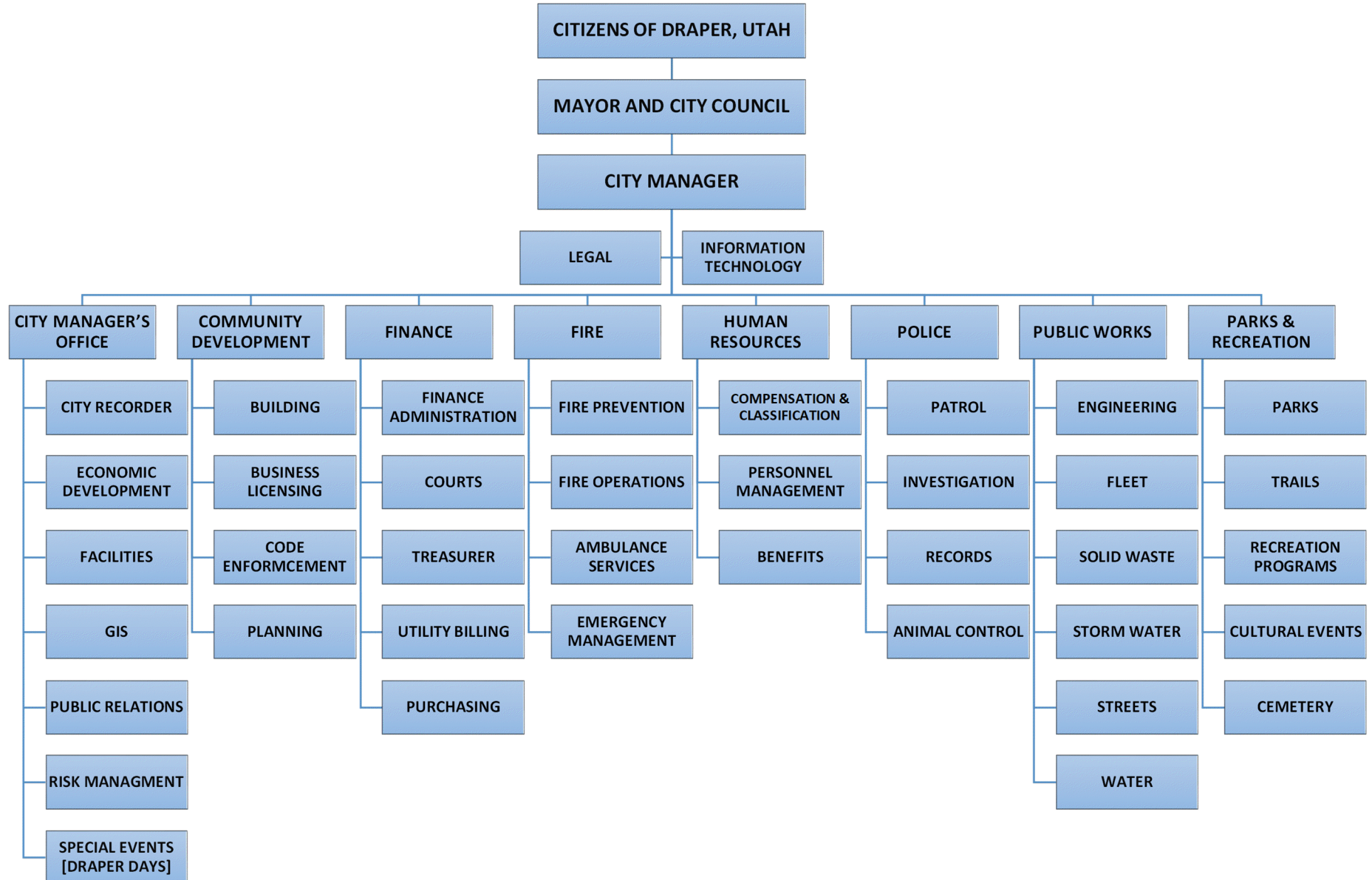
COMMISSIONS

Planning Commission
Historic Preservation Commission

COMMITTEES

Audit Committee
Community Engagement Committee
Parks, Trails and Recreation Committee
Special Events Arena Committee
Tree Committee

ORGANIZATIONAL CHART



FINANCIAL SECTION



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

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, 2025, 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, 2025, 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.

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 13, 2025 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.

HBMC, LLC

November 13, 2025
Bountiful, Utah

MANAGEMENT’S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2025

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, 2025. 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 2025 (FY2025) by \$640,519,807 (net position). Of this amount, \$112,203,541 is in unrestricted net position, which is available to meet ongoing obligations.
- The City’s net position increased by \$7,226,333. Of this increase, \$4,207,561 is attributable to governmental activities. Business-type activities accounted for an increase of \$3,018,772 to the City’s net position.
- FY2025 general fund final revenues before other financing sources was \$54,824,396. This represented an increase of \$3,314,227 or 6.4% change from the prior fiscal year. Taxes continued to be the largest source of the revenue, which accounted for \$38,467,964 or 70.2%. Overall, total tax revenues increased by \$2,098,465 or 5.8%.
- Actual expenditures for operations in the general fund were \$43,604,718 before other financing uses. The excess of revenues over expenditures within the general fund was \$11,219,678 before other financing sources (uses). The net other financing sources (uses) was (\$10,050,899). The cumulative effect was an increase in fund balance of \$1,168,779.
- The outstanding bonds (including unamortized premiums) at year-end decreased by \$2,637,147 after scheduled bond payments, leaving total bonds payable of \$12,473,591. The City also had outstanding notes payable of \$10,549,306, which is a slight decrease from FY24.

Report Overview

This discussion and analysis are 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 provide a comprehensive overview of the City’s financial position and changes that occurred during the current fiscal year. These statements are structured similarly to consolidated financial statements used in the private sector, offering a comprehensive view of the City’s financial health.

The Statement of Net Position presents information on all of the City’s assets, liabilities, and deferred outflows/inflows of resources, with the net position representing the difference between the two. This measure serves as a key indicator of the City’s financial condition – growth in net position suggests improvement, while a decline may be a sign of potential fiscal challenges.

The Statement of Activities details how the City’s net position has changed over the reporting period. It captures all revenue and expense activity as it occurs, regardless of when cash is received or paid. This accrual-based approach means that some revenues and expenses—such as interest on debt—may impact cash flows in future periods, even though they are recognized in the current fiscal year.

The government-wide financial statements differentiate between two types of City functions: governmental activities and business-type activities. Governmental activities are primarily funded through taxes and intergovernmental revenues and include essential public services such as general government, public safety (police and fire), streets, planning, economic development, and parks and recreation. In contrast, business-type activities are designed to recover all or a substantial portion of their costs through user fees and charges. These include services such as

culinary water, storm drainage, sanitation, and ambulance operations. This distinction provides readers with a clearer understanding of how the City finances its various operations and the extent to which each function relies on public funding versus self-sustaining revenue sources.

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 Community Reinvestment 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 is 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 segregated for specific activities or objectives. Some funds are required to be established by State law and/or bond covenants. City funds can be divided into three categories: governmental funds, proprietary funds and internal service funds.

Governmental Funds - The City’s core services are primarily accounted for through governmental funds, which emphasize the inflows and outflows of financial resources and the balances available for future spending. These funds are presented using the modified accrual basis of accounting, which recognizes revenues when they become available and measurable and expenditures when liabilities are incurred. This approach provides a short-term financial perspective, offering insight into the City’s ability to meet current obligations and sustain essential operations. The governmental fund statements are instrumental in evaluating changes in financial resources that may affect the City’s capacity to fund programs and services in the near term. The relationship between governmental activities – presented in the Statement of Net Position and the Statement of Activities – is described in the reconciliations presented 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
- Community Reinvestment Agency
- Cemetery Permanent Fund
- Traverse Ridge Special Service District (special revenue)

Proprietary Funds - When the City provides services for a fee—whether to external customers or internally to other City departments—these activities are generally accounted for in proprietary funds. Proprietary funds are presented using the same accrual accounting methods as the government-wide financial statements, specifically in the Statement of Net Position and the Statement of Activities. The City’s enterprise funds, which are a component of proprietary funds, are reported as business-type activities in the government-wide statements. Separate statements, including cash flow statements, are provided for proprietary funds to enhance transparency and analysis of these activities.

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 delivers services internally these activities are accounted for in internal service funds. Although they operate similarly to business-type activities, internal service funds are included with governmental activities in the government-wide financial statements because they primarily support governmental functions. Detailed information on each internal service fund is presented in the supplementary section of this report, providing additional insight into the City’s internal operations and cost allocation practices.

The City has two internal service funds:

- Fleet
- Risk

Notes to the Financial Statements - The notes provide additional information critical to a full understanding of the data presented 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 includes budget to actual comparison schedules for the City’s general fund and major special revenue funds, including the Community Reinvestment Agency (CRA) 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:

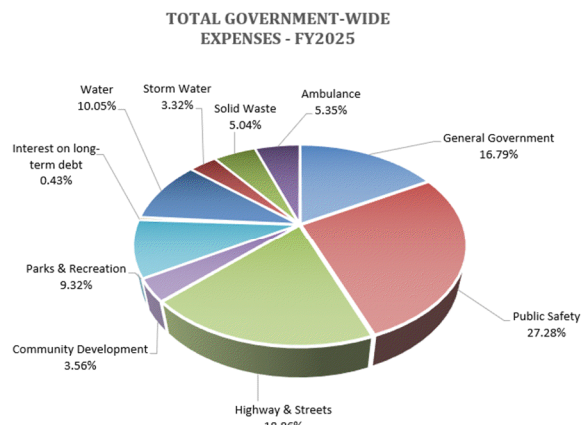
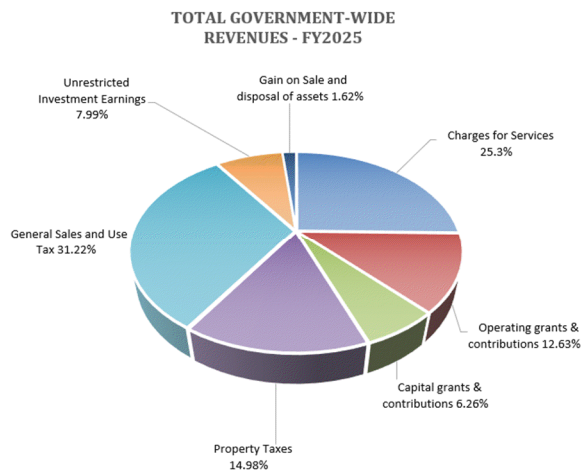
As of the end of the fiscal year, the City’s net position continues to be primarily comprised of its investment in capital assets, which accounts for approximately 78.1% of the total. These assets—such as infrastructure, buildings, and equipment—are essential for delivering public services and are not considered liquid resources available for future spending. While this investment is reported net of related debt, it is important to note that the repayment of this debt must be funded through other financial resources, as capital assets themselves cannot be used to satisfy these obligations. The City has \$28,323,238 of funds with restrictions either based on funding source or potential expense. The remaining portion of the City’s net position, classified as unrestricted, provides flexibility to meet ongoing operational needs and financial commitments to both 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	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Current and other assets	\$ 132,093,744	\$ 125,226,846	\$ 42,231,873	\$ 38,761,252	\$ 174,325,617	\$ 163,988,098
Capital assets	465,143,060	472,558,283	60,232,814	59,943,071	525,375,874	532,501,354
Total Assets	597,236,804	597,785,129	102,464,687	98,704,323	699,701,491	696,489,452
Deferred outflows of resources						
Deferred loss on refunding	5,948	25,927	-	-	5,948	25,927
Deferred outflows related to pensions	6,203,285	6,160,059	1,019,757	768,986	7,223,042	6,929,045
Total Deferred Outflows of Resources	6,209,233	6,185,986	1,019,757	768,986	7,228,990	6,954,972
Current and other liabilities	12,297,881	15,265,483	2,312,638	1,387,558	14,610,519	16,653,041
Long-term liabilities	29,858,601	31,237,284	2,401,530	2,336,236	32,260,131	33,573,520
Total Liabilities	42,156,482	46,502,767	4,714,168	3,723,794	46,870,650	50,226,561
Deferred inflows of resources						
Deferred revenue-property taxes	18,901,545	19,170,233	-	-	18,901,545	19,170,233
Deferred gain on refunding	569,613	653,379	-	-	569,613	653,379
Deferred inflows related to pensions	52,653	86,553	16,213	14,224	68,866	100,777
Total Deferred Inflows of Resources	19,523,811	19,910,165	16,213	14,224	19,540,024	19,924,389
Net Position:						
Net investment in capital assets	442,086,951	446,821,338	57,906,077	57,864,503	499,993,028	504,685,841
Restricted	27,915,893	29,092,234	407,345	395,914	28,323,238	29,488,148
Unrestricted	71,762,900	61,644,611	40,440,641	37,474,874	112,203,541	99,119,485
Total Net Position	\$ 541,765,744	\$ 537,558,183	\$ 98,754,063	\$ 95,735,291	\$ 640,519,807	\$ 633,293,474

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>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Revenues:						
Program revenues:						
Charges for services	\$ 7,182,253	\$ 6,310,678	\$ 14,683,522	\$ 13,055,434	\$ 21,865,775	\$ 19,366,112
Operating grants & contributions	10,916,467	8,560,338	4,483	-	10,920,950	8,560,338
Capital grants & contributions	3,924,826	5,000,356	1,482,029	1,044,535	5,406,855	6,044,891
General revenues:						
Property taxes	12,944,327	10,849,707	-	-	12,944,327	10,849,707
General sales and franchise tax	26,987,495	27,056,902	-	-	26,987,495	27,056,902
Unrestricted investment earnings	5,441,749	5,803,440	1,466,568	1,463,748	6,908,317	7,267,188
Gain on sale and disposal of assets	1,401,972	-	-	2,523	1,401,972	2,523
Total revenues	68,799,089	63,581,421	17,636,602	15,566,240	86,435,691	79,147,661
Expenses:						
General government	13,298,884	13,267,543	-	-	13,298,884	13,267,543
Public safety	21,608,486	18,545,091	-	-	21,608,486	18,545,091
Streets & public improvements	14,942,434	12,743,555	-	-	14,942,434	12,743,555
Community development	2,818,157	2,468,503	-	-	2,818,157	2,468,503
Parks & recreation	7,386,186	7,516,648	-	-	7,386,186	7,516,648
Interest on long-term debt	337,381	525,333	-	-	337,381	525,333
Water	-	-	7,956,901	7,386,803	7,956,901	7,386,803
Storm drain	-	-	2,629,970	5,664,144	2,629,970	5,664,144
Solid waste	-	-	3,992,105	3,601,243	3,992,105	3,601,243
Ambulance	-	-	4,238,854	4,007,888	4,238,854	4,007,888
Total expenses	60,391,528	55,066,673	18,817,830	20,660,078	79,209,358	75,726,751
Increase in net position before transfers	8,407,561	8,514,748	(1,181,228)	(5,093,838)	7,226,333	3,420,910
Transfers - net	(4,200,000)	(5,215,000)	4,200,000	5,215,000	-	-
Increase in net position	4,207,561	3,299,748	3,018,772	121,162	7,226,333	3,420,910
Net position - beginning	537,558,183	534,258,435	95,735,291	95,614,129	633,293,474	629,872,564
Net position - ending	\$ 541,765,744	\$ 537,558,183	\$ 98,754,063	\$ 95,735,291	\$ 640,519,807	\$ 633,293,474



Governmental Activities -

Net position for governmental activities increased in FY2025. Total revenues for governmental activities, which is made up of both program revenues and general revenues (taxes and investments) was \$68,799,089 and expenses for the same governmental activities was \$60,391,528 resulting in a change of net position before transfers at \$8,407,561. After transfers out of \$4,200,000, the final increase in net position was \$4,207,561. Overall net position improved, with the current year's change exceeding the prior year's change by \$907,813. Total revenue increased by \$5,217,668 a change of 8.2%, while total expense increased by \$5,324,855 a change of 9.7%. The City decreased transfers out by \$1,015,000 allowing the City to have a positive change in net position.

- Significant changes to revenues included, a change of \$2,152,174 in program revenues, and an increase of \$3,065,494 in general revenues. Program revenues saw increases in charges for services of \$871,575 and operating grants of \$2,356,129 which were offset by a decrease in capital grants and developer contributions of (\$1,075,530).
- Tax revenue saw an increase of property tax of \$2,094,620 resulting from the change in property tax rate adopted by the City Council last year. This increase was associated with an increase in the cost to provide public safety.
- The City also experienced increases in program expenses, the largest increases were in public safety and streets and public improvements. Public safety increased by \$3,063,395, or 16.5%, due to increases in staffing to enhance public safety and general increases in personnel costs. Streets and public improvements saw an increase in cost of \$2,198,879 due to increased costs associated with supplies and personnel expense.

The City continues to rely heavily on general revenue from taxes to cover program expenses. Program revenue did not cover \$38,367,982 in the program expense in fiscal year 2025. This required the City to use 96.1% of its tax revenue to cover program costs. The City’s reliance on property and sales tax to fund programs continues to be a challenge that will require careful management in the future.

Business-Type Activities -

Net position for business-type activities increased \$3,018,772. Revenue for business-type activities totaled \$17,636,602 before transfers and \$21,836,602 after the transfer from the general fund of \$4,200,000. Business revenues increased \$2,070,362 compared to the previous year where revenues before transfers were \$15,566,240. The City decreased transfers to enterprise funds by \$1,015,000. In FY2025, charges for services represented 67.25% of the total revenues. Each business unit saw increases in operating revenue over FY2024. Water saw an increase of \$1,505,304, storm water has an increase of \$38,827, solid waste had an increase of \$30,608, while ambulance had an increase of \$53,349.

Expenses for business-type activities totaled \$18,817,830. This is a decrease of \$1,842,424 from the previous year. All business units experienced relatively flat costs except storm water which had a decrease of (\$3,013,749), costs for FY24 were above normal due to repairs associated with a large storm. The increases in water, solid waste and ambulance were associated with cost increases in supplies and personnel.

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, 2025.

As the City completed the year, its governmental funds reported a combined fund balance of \$90,385,516, which is an increase of \$5,271,145 compared to the prior fiscal year. Of that available fund balance, \$56,927,432 is available for spending (assigned & unassigned). The remaining balances are nonspendable or restricted. The nonspendable amount of \$6,401,621 is primarily a note receivable from the Loveland Planet Aquarium. The restricted amount of \$27,056,463 consists of the following fees: impact fees, B&C road funds, transportation, grants, debt service and perpetual care. The total assigned balance is \$37,947,787. Assigned funds related to capital remained fairly flat with a slight increase of \$407,089 as funds earmarked for specific projects remained consistent with FY2024. The unassigned balance in the general fund is \$18,979,645 or 34.6% 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, 2025, the fund balance of the combined general fund was \$41,357,229 which is an increase of \$1,168,779.

General Government Fund – The general government fund accounts for all of the general services provided by the City. Revenues exceeded expenditures by \$11,219,678 before other financing sources and uses.

General Fund Revenues – General Fund revenues increased over FY2024 by 6.43%, or an increase of \$3,314,227. Taxes continued to be the largest source of revenue in the general fund and represented 70.2% of total revenues. This category was made up of sales tax, property tax, energy tax, and franchise taxes. Tax revenue as a whole increased by \$2,098,465 when compared to the prior year.

Sales tax revenues were the largest tax revenue contributor in 2025, but saw a slight decrease from the prior year of (\$151,502) or (0.7%) as compared to 2024. While sales tax remained consistent the general increases in consumer prices had an impact on the types of spending.

The largest increases in revenue in 2025 came from property tax and licenses and permits. Property tax increased by \$2,167,872 as a result of the change in tax rate adopted by the City Council. Licenses and permits increased by \$1,223,966 or a 38.7% increase.

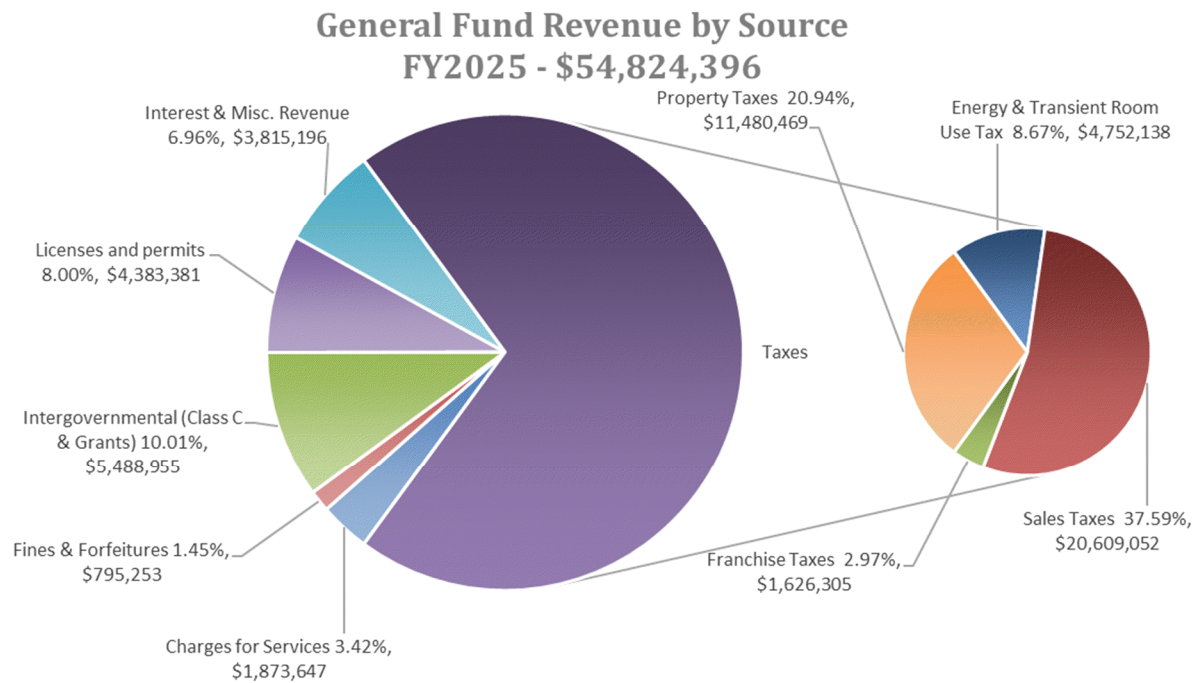
Interest revenue remained strong, but saw a decrease from 2024 of (\$76,327) due to the reduction in interest rates. Revenue from fines and forfeitures also remained consistent with a minimal increase of \$64,196.

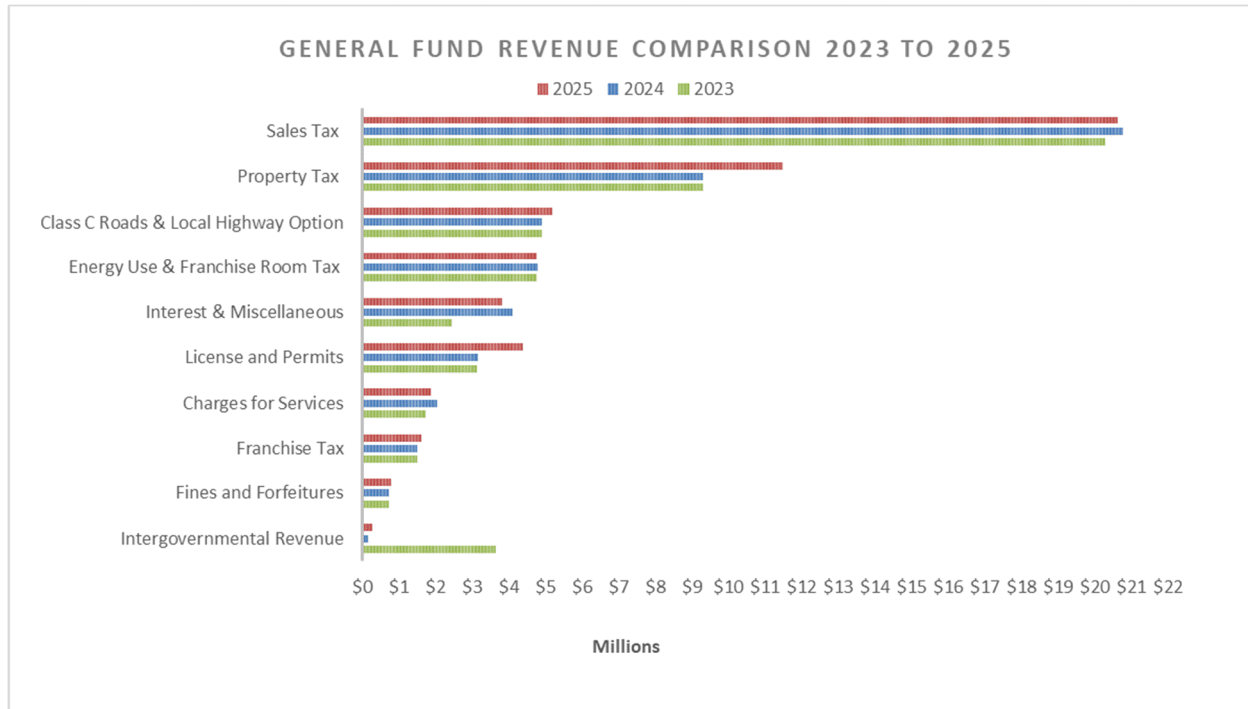
Charges for services decreased slightly by \$189,871, fees in this classification include rents and leases, recreation program fees, park reservation fees, passport fees, and other fees. For FY2024, the increase was associated with event and program registrations as well as sponsorship agreements and 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 Supported

Program	Amount of Program funded w/GF	% of Program Funded with General Revenues	
		FY2025	FY2024
1st Public safety	\$ 20,433,558	94.56%	94.93%
2nd Streets and public improvements	8,656,072	57.93%	32.85%
3rd Parks and recreation	5,169,246	69.99%	79.68%
4th General government	5,029,669	37.82%	54.47%
5th Interest on long-term debt	337,381	100.00%	100.00%
6th Community development	(1,257,944)	-	0.00%





General Fund Expenditures – General fund expenditures increased from \$41,691,606 in FY2024 to \$43,604,718 in FY2025, which represents a 4.6% increase. The net change in expense was an increase of \$1,913,112.

General cost increases associated with inflation as well as increases to employee compensation were the major contributors to the additional costs experienced in FY2025. Public safety was the largest expense for the City and costs over FY2024 increased by \$1,818,684 for a total of \$20,410,136. Expenditures for general government activity totaled \$7,773,031 for FY2025, which is an increase of \$81,385. Parks & Recreation also saw an increase over the prior fiscal year bringing total expense in FY2025 to \$5,555,656. Community Development costs rose \$46,224 from FY2024 to \$2,861,695.

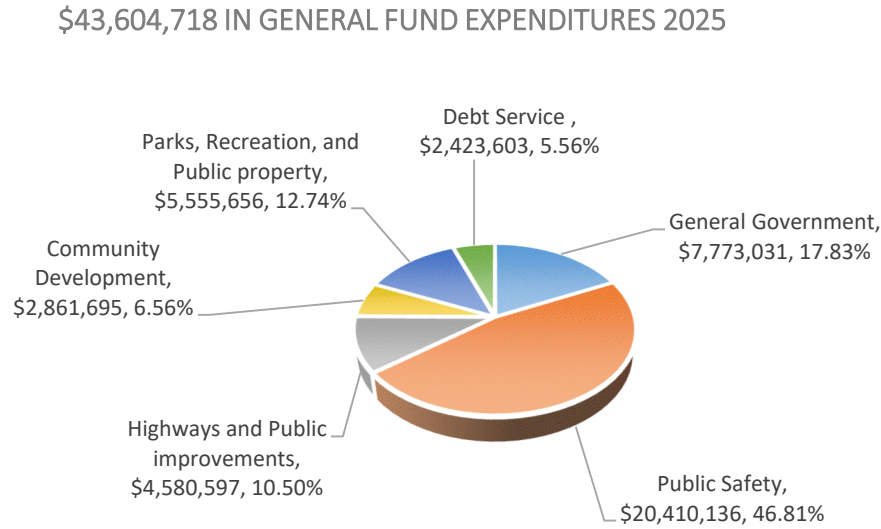
The City completed payment of the series 2014 general obligation bond in 2025. Completion of this payment will result in a decrease in debt service in FY2026. FY2025 also had a slight decrease, with total debt and interest payments from the general fund coming in at \$2,423,603.

Class B&C Roads, Highway Option & Highway Projects Funds – The class B&C roads 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. Highways projects funding come from the State of Utah as allocated in SB0051-2022.

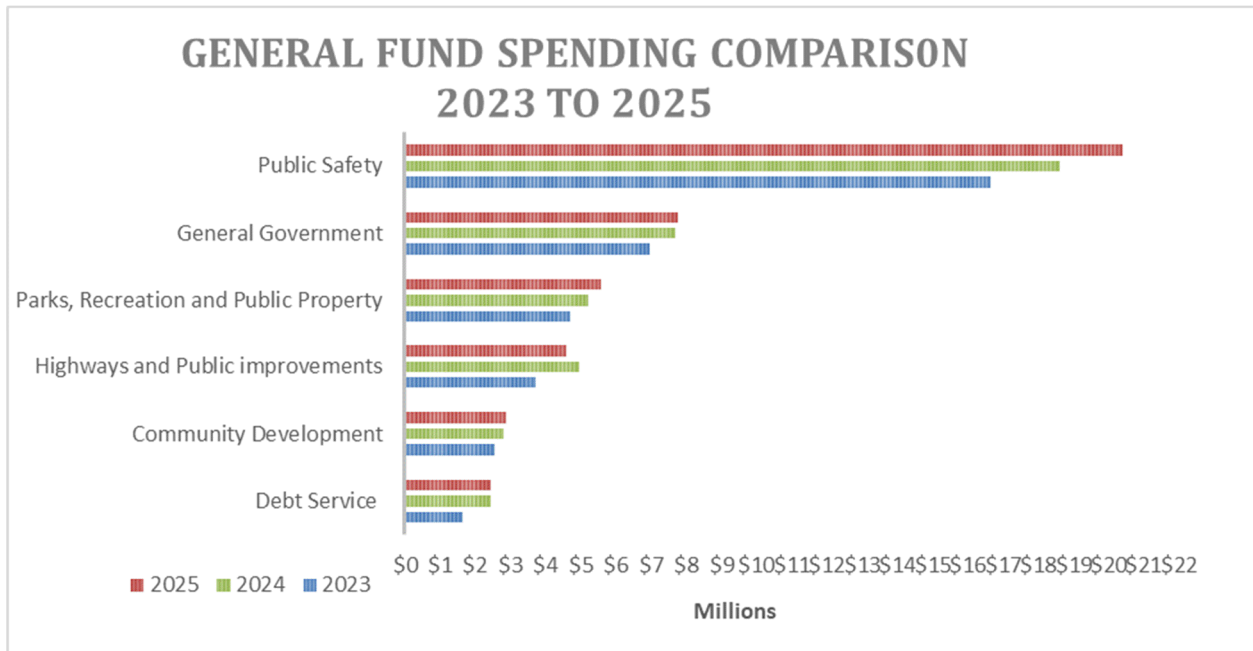
At June 30, 2025, the restricted fund balance for B&C roads was \$6,230,370 held in the general fund. The amount restricted for the Highway Option Tax (transportation) and Highway Projects is a combined \$9,071,220.

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 decreased in FY25 by (\$864,203). 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:



The next chart compares general fund spending grouped by governmental activities.



General Fund Budgetary Highlights

The original adopted fiscal year 2025 expenditure budget for the general fund totaled \$47,181,600 before other financing sources (uses). The final adopted budget for the general fund totaled \$47,615,100. 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 – October 2024, February 2025, May 2025 and June 2025. Actual expenditures were less than the final budget by \$4,010,382.

Other Governmental Funds

Capital Improvement Projects Fund – The capital projects fund has a total fund balance of \$15,825,589 at June 30, 2025, all of which is either externally restricted or assigned for unfinished projects. This is an increase of \$346,299 from the prior fiscal year due to the changes in budgeted projects.

Community Reinvestment Agency Fund – Revenue, plus investment income, from the established redevelopment areas decreased (\$71,204) from the prior year for annual revenue. Total CRA revenue for 2025 was \$9,278,762. For more detailed information on the Community Reinvestment 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 from permit fees more than doubled for the year by \$1,153,371. The total impact fee revenue for governmental related impact fees was \$1,816,808. Impact fees saw a significant increase due to increased construction and permit from FY2024. 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 parks impact fund that ended the year with \$5,567,042. The other impact related fund balances are transportation impact fund with \$5,207,712, fire impact fund \$130,920, and police impact fund with \$4,567. The total restricted impact fee fund balance at the end of the fiscal year is \$10,910,241. 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:

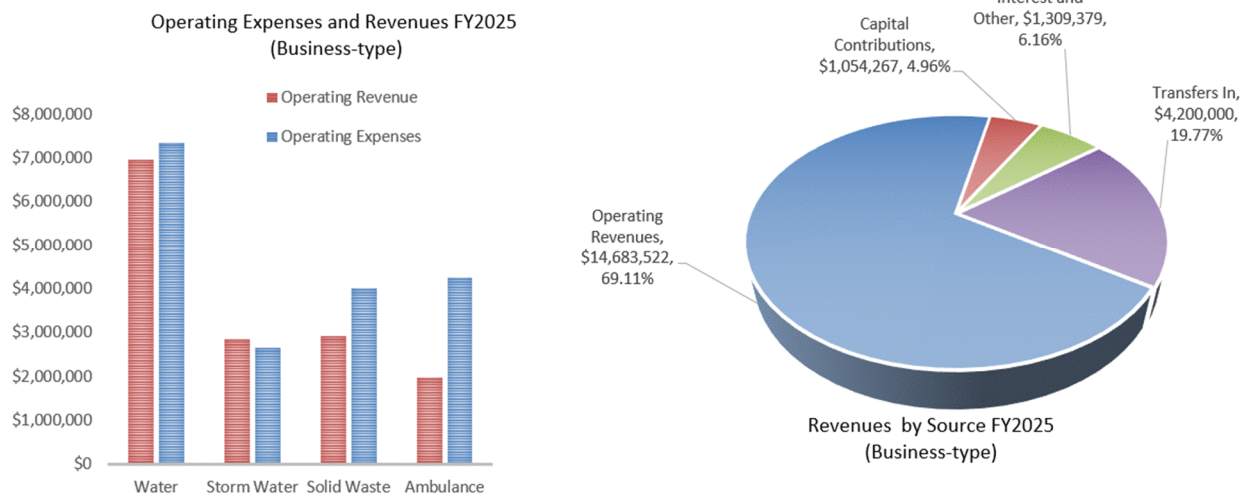
Water Fund – Unrestricted net position in the water fund increased by \$2,833,942 when compared to the previous year, with an ending unrestricted net position at June 30, 2025 of \$12,167,621. Operating revenues from water activities increased \$1,504,304 as compared to the previous fiscal year 2024. This is due to an increase in water usage and the adopted water rate change. Operating expenses decreased slightly by (\$15,262) from \$7,362,304 in FY2024 to \$7,347,042 in FY2025. Personnel costs rose \$352,433 due to a full year of salary for the three new positions added midway through FY2024. Water purchases increased by \$547,092 over fiscal year 2024. The water fund recognized a loss of (\$387,791) before nonoperating revenues/expenses and before capital contributions/transfers. The loss is a result of the City maintaining rates over the past few years but is offset compared to last year due to the rate change implemented in the current fiscal year. The City has raised rates again to counteract the operating loss it has had over the past two years. The water fund posted a change in net position of \$2,422,089 as a result of a \$2,000,000 transfer from the general fund.

Storm Water Fund – Unrestricted net position in the storm water fund increased \$547,681 to a balance of \$16,973,233 at June 30, 2025. Operating revenues from storm water utility fees increased \$39,827 (or 1.4%) as compared to the previous fiscal year. Operating expenses decreased (\$3,013,749). Personnel costs rose approximately \$162,000. Costs decreased due to a one-time increase in FY2024 as a result of 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 income from operations of \$191,256 before nonoperating revenues/expenses and before capital contributions. After capital contributions of \$66,350, interest income of \$739,066 and a gain on the sale of assets of \$20,425 the storm water fund had a positive change in net position of \$1,017,097.

Solid Waste Fund – Unrestricted net position in the solid waste fund decreased (\$543,873) leaving a balance of \$9,404,801 at June 30, 2025. Revenues from solid waste utility fees increased \$30,608 as compared to the previous fiscal year. Operating expenses showed an increase of \$390,862. Personnel costs rose approximately \$221,000. The solid waste fund had an operating loss of (\$1,080,265) before nonoperating revenues/expenses and before capital contributions. After nonoperating revenues totaling \$640,183, the solid waste fund had a negative change in net position of (\$440,082) leaving a net position of \$10,864,105.

Ambulance Fund –Unrestricted net position in the ambulance fund increased \$128,017, after transfers from the general fund of \$2,200,000 the ambulance fund had an unrestricted net position of \$1,894,986 at June 30, 2025. Revenues from charges for services were \$1,953,510 up slightly by \$36,147 as a result of the number of ambulance transports. Operating expenses were also up by \$246,418. The ambulance fund recognized an operating loss of (\$2,268,074) before nonoperating revenues/expenses. After nonoperating revenue of \$87,742, the total loss was equal to (\$2,180,332). The City’s general fund transferred in \$2,200,000 to cover annual operational deficits associated with staffing decisions made by the City. This resulted in a positive change of net position of \$19,668 for the fiscal year.

The chart on the left illustrates operating program revenues to operating expenses per the Statement of Activities. The chart on the right 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 \$525,375,874 net of combined depreciation and amortization on June 30, 2025. 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 a decrease of (\$7,415,223) in governmental activities and increase of \$289,743 in business-type activities for a combined decrease of (\$7,125,480).

Overall depreciation in the governmental activities increased by \$397,179. The business-type funds depreciation decreased by (\$23,844). Changes were the result of changes in the number of assets held by the City.

	Governmental Activities 2025	Governmental Activities 2024	Business-type Activities 2025	Business-type Activities 2024
Land and right of ways	\$ 349,043,550	\$ 354,661,205	\$ -	\$ -
Intangible asset - water tank capacity	-	-	2,000,000	2,000,000
Water shares	-	-	131,907	131,907
Construction in progress	6,313,957	4,661,339	1,672,344	4,116,413
Infrastructure	70,074,789	74,364,958	-	-
Buildings	16,774,983	17,018,725	319,702	333,967
Improvements - other than buildings	11,339,946	11,951,406	51,416,472	49,617,592
Machinery and equipment	10,853,953	9,120,183	4,641,371	3,678,568
Intangible right-to-use lease assets	150,724	174,377	-	-
Intangible right-to-use subscription assets	394,374	488,465	-	-
Furniture and fixtures	196,784	117,625	51,018	64,624
Total Capital Assets	\$ 465,143,060	\$ 472,558,283	\$ 60,232,814	\$ 59,943,071

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

Long-term Debt

As of June 30, 2025, the City’s outstanding bonds, notes payable and lease payable amount to \$23,455,487. This is a net decrease of \$2,919,109. The City has issued several bonds in previous years to assist in building and acquiring capital assets. The City completed the final payment on its general obligation bond in FY2025 and currently has no outstanding balance. As of June 30, 2025, the City has three sales tax revenue bonds outstanding totaling \$10,615,000, 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 \$9,744,594 (transportation impact fees) and the business-type activities are \$804,712 (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 \$815,000.

	Governmental Activities 2025	Governmental Activities 2024	Business-type Activities 2025	Business-type Activities 2024
Bonds Payable	\$ 11,658,591	\$ 14,189,738	\$ 815,000	\$ 921,000
Notes Payable	9,744,594	9,857,929	804,712	884,403
Lease Payable	143,680	166,575	-	-
Subscriptions Payable	288,910	354,951	-	-
Total Debt	\$ 21,835,775	\$ 24,569,193	\$ 1,619,712	\$ 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, 2025 – CITY OF DRAPER, UTAH**

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 11,213,369	\$ 13,116,165	\$ 24,329,534
Investments	73,102,277	-	73,102,277
Receivables:			
Accounts, net	6,610,580	2,367,964	8,978,544
Property taxes	18,901,545	-	18,901,545
Internal balances	(20,800,000)	20,800,000	-
Inventory	-	456,000	456,000
Prepays	215,421	11,550	226,971
Notes receivable	6,186,200	-	6,186,200
Restricted cash and cash equivalents	35,804,922	295,674	36,100,596
Equity investments in joint venture	-	5,033,849	5,033,849
Net pension asset	859,430	150,671	1,010,101
Capital assets, not being depreciated:			
Land and right of ways	349,043,550	-	349,043,550
Intangible asset - water tank capacity	-	2,000,000	2,000,000
Water shares	-	131,907	131,907
Construction in progress	6,313,957	1,672,344	7,986,301
Capital assets, net of accumulated depreciation:			
Buildings and improvements	16,774,983	319,702	17,094,685
Improvements other than buildings	11,339,946	51,416,472	62,756,418
Machinery, equipment, vehicles	10,853,953	4,641,371	15,495,324
Intangible right-to-use lease assets	150,724	-	150,724
Intangible right-to-use subscription assets	394,374	-	394,374
Furniture and fixtures	196,784	51,018	247,802
Infrastructure	70,074,789	-	70,074,789
Total assets	597,236,804	102,464,687	699,701,491
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred loss on refunding	5,948	-	5,948
Pension related	6,203,285	1,019,757	7,223,042
Total deferred outflows of resources	6,209,233	1,019,757	7,228,990
<u>LIABILITIES</u>			
Accounts payable	2,465,607	1,846,284	4,311,891
Accrued liabilities	994,879	407,223	1,402,102
Accrued interest payable	88,936	20,131	109,067
Developer and customer deposits	8,748,459	39,000	8,787,459
Noncurrent liabilities:			
Due within one year	2,252,772	196,495	2,449,267
Due in more than one year	22,787,321	1,762,935	24,550,256
Net pension liability	4,818,508	442,100	5,260,608
Total liabilities	42,156,482	4,714,168	46,870,650
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred revenue-property taxes	18,901,545	-	18,901,545
Deferred gain on refunding	569,613	-	569,613
Pension related	52,653	16,213	68,866
Total deferred inflows of resources	19,523,811	16,213	19,540,024
<u>NET POSITION</u>			
Net investment in capital assets	442,086,951	57,906,077	499,993,028
Restricted for:			
Debt service	674,373	256,674	931,047
Retirement	859,430	150,671	1,010,101
Impact fees	10,910,241	-	10,910,241
Perpetual care	170,259	-	170,259
Road and transportation projects	15,301,590	-	15,301,590
Unrestricted	71,762,900	40,440,641	112,203,541
Total net position	\$ 541,765,744	\$ 98,754,063	\$ 640,519,807

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

STATEMENT OF ACTIVITIES – FOR THE YEAR ENDED JUNE 30, 2025 – 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
Functions/Programs:						
Primary government:						
Governmental activities						
General government	\$ 13,298,884	\$ 963,429	\$ 7,305,786	\$ -	\$ (5,029,669)	\$ (5,029,669)
Public safety	21,608,486	901,850	184,820	88,258	(20,433,558)	(20,433,558)
Streets and public improvements	14,942,434	235,954	3,414,701	2,635,707	(8,656,072)	(8,656,072)
Community development	2,818,157	4,076,101	-	-	1,257,944	1,257,944
Parks and recreation	7,386,186	1,004,919	11,160	1,200,861	(5,169,246)	(5,169,246)
Interest on long-term debt	337,381	-	-	-	(337,381)	(337,381)
Total governmental activities	60,391,528	7,182,253	10,916,467	3,924,826	(38,367,982)	(38,367,982)
Business-type activities						
Water	7,956,901	6,959,251	-	987,917		\$ (9,733)
Storm water	2,629,970	2,841,651	-	66,350		278,031
Solid Waste	3,992,105	2,911,840	-	427,762		(652,503)
Ambulance	4,238,854	1,970,780	4,483	-		(2,263,591)
Total business-type activities	18,817,830	14,683,522	4,483	1,482,029		(2,647,796)
Total primary government	\$ 79,209,358	\$ 21,865,775	\$ 10,920,950	\$ 5,406,855	(38,367,982)	(2,647,796)
						(41,015,778)
General revenues and transfers:						
General revenues:						
Taxes						
Property					12,944,327	-
Sales					20,609,052	-
Franchise					6,378,443	-
Investment earnings					5,441,749	1,466,568
Gain on sale of capital assets					1,401,972	-
Transfers - net					(4,200,000)	4,200,000
Total general revenues and transfers					42,575,543	5,666,568
Change in net position					4,207,561	3,018,772
Net position - beginning					537,558,183	95,735,291
Net position - ending					\$ 541,765,744	\$ 98,754,063
						\$ 640,519,807

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

BALANCE SHEET – GOVERNMENTAL FUNDS – JUNE 30, 2025 – CITY OF DRAPER, UTAH

	General Fund	Capital Projects Fund	Community Reinvestment Agency	Nonmajor Governmental Funds	Total Governmental Funds
<u>ASSETS</u>					
Cash and cash equivalents	\$ 80,616	\$ 143,815	\$ 1,005,118	\$ 304,778	\$ 1,534,327
Investments	66,279,818	-	6,822,459	-	73,102,277
Receivables:					
Property taxes	10,186,796	-	8,169,906	544,843	18,901,545
Other, net	6,173,886	234,475	-	4,784	6,413,145
Due from other funds	69,010	17,000,000	14,000,000	54,069	31,123,079
Prepays	215,421	-	-	-	215,421
Restricted cash and cash equivalents	24,724,422	-	-	11,080,500	35,804,922
Notes receivable	6,186,200	-	-	-	6,186,200
Total assets	\$ 113,916,169	\$ 17,378,290	\$ 29,997,483	\$ 11,988,974	\$ 173,280,916
<u>LIABILITIES</u>					
Accounts payable	\$ 795,160	\$ 1,552,701	\$ -	\$ -	\$ 2,347,861
Accrued liabilities	974,456	-	-	-	974,456
Due to other funds	51,854,069	-	-	69,010	51,923,079
Developer and customer deposits	8,748,459	-	-	-	8,748,459
Total liabilities	62,372,144	1,552,701	-	69,010	63,993,855
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Unavailable revenue-property taxes	10,186,796	-	8,169,906	544,843	18,901,545
Total deferred inflows of resources	10,186,796	-	8,169,906	544,843	18,901,545
<u>FUND BALANCES</u>					
Nonspendable	6,401,621	-	-	-	6,401,621
Restricted:					
Debt service	674,373	-	-	-	674,373
Perpetual care	-	-	-	170,259	170,259
B & C roads	6,230,370	-	-	-	6,230,370
Transportation	9,071,220	-	-	-	9,071,220
Impact fees	-	-	-	10,910,241	10,910,241
Assigned:					
Capital projects	-	15,825,589	-	-	15,825,589
CRA fund and projects	-	-	21,827,577	-	21,827,577
Traverse Ridge fund	-	-	-	294,621	294,621
Unassigned	18,979,645	-	-	-	18,979,645
Total fund balances	41,357,229	15,825,589	21,827,577	11,375,121	90,385,516
Total liabilities, deferred inflows of resources and fund balances	\$ 113,916,169	\$ 17,378,290	\$ 29,997,483	\$ 11,988,974	\$ 173,280,916

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, 2025 – CITY OF DRAPER, UTAH***

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

Total fund balances for governmental funds	\$ 90,385,516
Capital assets, including intangible right-to-use assets, used in governmental activities are not financial resources and therefore, are not reported in the funds.	465,143,060
Other long-term assets are not available for current period expenditures and, therefore, are not reported in the funds balance sheet.	7,068,663
Accrued interest on long-term debt is not due and payable in the current period and, therefore, is not recorded in the funds.	(88,936)
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.	(25,040,093)
Other long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds balance sheet.	(5,440,774)
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.	<u>9,738,308</u>
Net position of governmental activities	<u>\$ 541,765,744</u>

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, 2025 – CITY OF DRAPER, UTAH**

	General Fund	Capital Projects Fund	Community Reinvestment Agency	Nonmajor Governmental Funds	Total Governmental Funds
<u>REVENUES</u>					
Taxes:					
Property	\$ 11,480,469	\$ -	\$ 864,120	\$ 599,738	\$ 12,944,327
Sales	20,609,052	-	-	-	20,609,052
Franchise	6,378,443	-	-	-	6,378,443
Licenses and permits	4,383,381	-	-	-	4,383,381
Intergovernmental	5,488,955	-	7,305,786	54,069	12,848,810
Charges for services	1,873,647	-	-	-	1,873,647
Impact fees	-	-	-	1,816,808	1,816,808
Fines and forfeitures	795,253	-	-	-	795,253
Interest and investment earnings	3,685,224	-	1,108,856	549,022	5,343,102
Miscellaneous	129,972	-	-	-	129,972
Total revenues	54,824,396	-	9,278,762	3,019,637	67,122,795
<u>EXPENDITURES</u>					
Current:					
General government	7,773,031	-	-	44,603	7,817,634
Public safety	20,410,136	-	-	-	20,410,136
Streets and public improvements	4,580,597	-	-	489,578	5,070,175
Community development	2,861,695	-	-	-	2,861,695
Park, recreation, and public property	5,555,656	-	-	-	5,555,656
CRA expenditures	-	-	4,518,214	-	4,518,214
Capital outlay	-	9,795,487	-	-	9,795,487
Debt service:					
Principal	1,848,936	113,335	605,000	-	2,567,271
Interest	574,667	-	12,221	-	586,888
Total expenditures	43,604,718	9,908,822	5,135,435	534,181	59,183,156
Excess (deficiency) of revenues over (under) expenditures	11,219,678	(9,908,822)	4,143,327	2,485,456	7,939,639
<u>OTHER FINANCING SOURCES (USES)</u>					
Sale of capital assets	7,168,124	-	-	-	7,168,124
Transfers in	923,081	10,255,121	-	192,007	11,370,209
Transfers out	(18,142,104)	-	(462,456)	(2,602,267)	(21,206,827)
Total other financing sources (uses)	(10,050,899)	10,255,121	(462,456)	(2,410,260)	(2,668,494)
Net change in fund balances	1,168,779	346,299	3,680,871	75,196	5,271,145
Fund balances, beginning	40,188,450	15,479,290	18,146,706	11,299,925	85,114,371
Fund balances, ending	\$ 41,357,229	\$ 15,825,589	\$ 21,827,577	\$ 11,375,121	\$ 90,385,516

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, 2025 – 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	\$ 5,271,145
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.	
Capital outlay	5,092,221
Depreciation and amortization expense	(8,199,753)
Cost of capital assets sold	(5,850,850)
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.	
	175,675
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.	
Reduction of long-term liability	2,567,271
Amortization of bond premiums and deferred loss and gain on refundings	229,934
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.	
	(1,244,372)
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.	
Accrued interest	19,573
Compensated absences	(688,275)
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.	
	6,834,992
Change in net position of governmental activities	<u>\$ 4,207,561</u>

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

STATEMENT OF NET POSITION – PROPRIETARY FUNDS – JUNE 30, 2025
CITY OF DRAPER, UTAH

	Business-type Activities - Enterprise Funds					Governmental
	Water	Storm Water	Solid Waste	Ambulance	Total	Activities Internal Service Fund
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 5,884,551	\$ 1,909,198	\$ 4,251,345	\$ 1,071,071	\$ 13,116,165	9,679,042
Accounts receivable, net	1,080,502	266,584	264,911	755,967	2,367,964	197,435
Inventory	456,000	-	-	-	456,000	-
Due from other funds	5,800,000	15,000,000	-	-	20,800,000	-
Prepays	10,560	-	-	990	11,550	-
Total current assets	13,231,613	17,175,782	4,516,256	1,828,028	36,751,679	9,876,477
Noncurrent assets:						
Restricted cash and cash equivalents	295,674	-	-	-	295,674	-
Capital assets:						
Intangible asset - water tank	2,000,000	-	-	-	2,000,000	-
Water shares	131,907	-	-	-	131,907	-
Construction in progress	965,270	482,072	225,002	-	1,672,344	922,394
Buildings and improvements	91,972	99,000	345,107	-	536,079	-
Improvements other than buildings	41,010,442	46,882,922	-	-	87,893,364	-
Machinery and equipment	2,123,297	2,615,671	4,703,365	1,527,751	10,970,084	20,652,053
Furniture and fixtures	116,933	95,130	95,429	-	307,492	-
Accumulated depreciation	(20,871,929)	(17,687,741)	(3,909,599)	(809,187)	(43,278,456)	(10,408,773)
Net capital assets	25,567,892	32,487,054	1,459,304	718,564	60,232,814	11,165,674
Other assets:						
Equity investment in joint venture	-	-	5,033,849	-	5,033,849	-
Net pension asset	-	-	-	150,671	150,671	-
Total other assets	-	-	5,033,849	150,671	5,184,520	-
Total noncurrent assets	25,863,566	32,487,054	6,493,153	869,235	65,713,008	11,165,674
Total assets	39,095,179	49,662,836	11,009,409	2,697,263	102,464,687	21,042,151
DEFERRED OUTFLOWS OF RESOURCES						
Pension related	158,348	119,785	208,983	532,641	1,019,757	115,468
Total deferred outflows of resources	158,348	119,785	208,983	532,641	1,019,757	115,468

(continued)

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

STATEMENT OF NET POSITION – PROPRIETARY FUNDS (continued) – JUNE 30, 2025
CITY OF DRAPER, UTAH

	Business-type Activities - Enterprise Funds				Governmental Activities Internal Service Fund
	Water	Storm Water	Solid Waste	Ambulance	Total
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 1,521,167	\$ 191,759	\$ 116,517	\$ 16,841	\$ 1,846,284
Accrued liabilities	190,513	19,044	27,063	170,603	407,223
Deposits	39,000	-	-	-	39,000
Accrued interest payable	20,131	-	-	-	20,131
Compensated absences	19,217	11,013	18,632	39,633	88,495
Bonds payable	108,000	-	-	-	108,000
Claims and judgments	-	-	-	-	-
Total current liabilities	1,898,028	221,816	162,212	227,077	2,509,133
Noncurrent liabilities:					
Compensated absences	53,697	38,401	42,672	116,453	251,223
Bonds payable	707,000	-	-	-	707,000
Notes payable	804,712	-	-	-	804,712
Net pension liability	97,710	86,780	147,847	109,763	442,100
Claims and judgments	-	-	-	-	-
Total noncurrent liabilities	1,663,119	125,181	190,519	226,216	2,205,035
Total liabilities	3,561,147	346,997	352,731	453,293	4,714,168
DEFERRED INFLOWS OF RESOURCES					
Pension related	1,407	860	1,556	12,390	16,213
Total deferred outflows of resources	1,407	860	1,556	12,390	16,213
NET POSITION					
Net investment in capital assets	23,266,678	32,461,531	1,459,304	718,564	57,906,077
Restricted for retirement	-	-	-	150,671	150,671
Restricted for debt service	256,674	-	-	-	256,674
Unrestricted	12,167,621	16,973,233	9,404,801	1,894,986	40,440,641
Total net position	\$ 35,690,973	\$ 49,434,764	\$ 10,864,105	\$ 2,764,221	\$ 98,754,063

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, 2025 – CITY OF DRAPER, UTAH**

	Business-type Activities - Enterprise Funds					Governmental Activities Internal Service Fund
	Water	Storm Water	Solid Waste	Ambulance	Total	
<u>OPERATING REVENUES</u>						
Sales and charges for services	\$ 6,868,879	\$ 2,817,280	\$ 2,890,940	\$ 1,953,510	\$ 14,530,609	\$ 4,627,003
Connection fees	51,595	-	-	-	51,595	-
Miscellaneous income	38,777	24,371	20,900	17,270	101,318	28,600
Total operating revenues	6,959,251	2,841,651	2,911,840	1,970,780	14,683,522	4,655,603
<u>OPERATING EXPENSES</u>						
Salaries and benefits	1,503,064	981,777	1,174,118	2,589,971	6,248,930	1,072,673
Utilities	443,622	10,520	10,849	13,367	478,358	91,786
Water charges	3,003,681	-	-	-	3,003,681	-
Landfill fees	-	-	618,570	-	618,570	-
Supplies and repairs	267,785	262,058	1,018,049	206,411	1,754,303	134,297
Claims and insurance	37,200	25,500	178,500	39,300	280,500	845,425
Administrative	735,850	541,655	643,139	1,269,416	3,190,060	33,053
Depreciation	1,355,840	828,885	348,880	120,389	2,653,994	1,463,340
Total operating expenses	7,347,042	2,650,395	3,992,105	4,238,854	18,228,396	3,640,574
Operating income (loss)	(387,791)	191,256	(1,080,265)	(2,268,074)	(3,544,874)	1,015,029
<u>NONOPERATING REVENUES (EXPENSES)</u>						
Equity income of joint venture	-	-	427,762	-	427,762	-
Grant revenues	-	-	-	4,483	4,483	-
Interest income	431,822	739,066	212,421	83,259	1,466,568	98,647
Interest and fiscal expenses	(20,131)	-	-	-	(20,131)	-
Gain/(loss) on disposal of assets	(589,728)	20,425	-	-	(569,303)	84,698
Total nonoperating revenues (expenses)	(178,037)	759,491	640,183	87,742	1,309,379	183,345
Income (loss) before contributions and transfers	(565,828)	950,747	(440,082)	(2,180,332)	(2,235,495)	1,198,374
Capital contributions	987,917	66,350	-	-	1,054,267	-
Transfers in	2,000,000	-	-	2,200,000	4,200,000	5,657,563
Transfers out	-	-	-	-	-	(20,945)
Change in net position	2,422,089	1,017,097	(440,082)	19,668	3,018,772	6,834,992
Total net position, beginning	33,268,884	48,417,667	11,304,187	2,744,553	95,735,291	13,345,874
Total net position, ending	\$ 35,690,973	\$ 49,434,764	\$ 10,864,105	\$ 2,764,221	\$ 98,754,063	\$ 20,180,866

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

**STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2025 – CITY OF DRAPER, UTAH**

	Enterprise Funds					Governmental Activities
	Water	Storm Water	Solid Waste	Ambulance	Total	Internal Service Funds
Cash flows from operating activities						
Receipts from customers and users	\$ 6,762,763	\$ 2,847,223	\$ 2,916,285	\$ 1,969,234	\$ 14,495,505	\$ 4,458,272
Payments to suppliers	(3,740,020)	(725,009)	(2,480,854)	(1,526,420)	(8,472,303)	(1,428,949)
Payments to employees	(1,495,271)	(944,309)	(1,136,168)	(2,679,842)	(6,255,590)	(1,052,852)
Net cash provided (used) by operating activities	1,527,472	1,177,905	(700,737)	(2,237,028)	(232,388)	1,976,471
Cash flows from noncapital financing activities						
Transfers from other funds	2,000,000	-	-	2,200,000	4,200,000	5,657,563
Transfers to other funds	-	-	-	-	-	(20,945)
Advances to other funds	700,000	-	-	-	700,000	-
State, county, and local grants	-	-	-	4,483	4,483	-
Net cash provided by noncapital financing activities	2,700,000	-	-	2,204,483	4,904,483	5,636,618
Cash flows from capital and related financing activities						
Acquisition of capital assets	(1,380,545)	(1,197,375)	(452,671)	-	(3,030,591)	(2,830,824)
Capital grants	493,443	-	-	-	493,443	-
Proceeds from sale of assets	57,950	20,425	-	-	78,375	84,698
Principal paid on capital debt	(185,691)	-	-	-	(185,691)	-
Interest paid	(22,749)	-	-	-	(22,749)	-
Net cash used by capital and related financing activities	(1,037,592)	(1,176,950)	(452,671)	-	(2,667,213)	(2,746,126)
Cash flows from investing activities						
Interest received	431,822	739,066	212,421	83,259	1,466,568	98,647
Net cash provided by investing activities	431,822	739,066	212,421	83,259	1,466,568	98,647
Net increase (decrease) in cash and cash equivalents	3,621,702	740,021	(940,987)	50,714	3,471,450	4,965,610
Cash and cash equivalents, beginning of year	2,558,523	1,169,177	5,192,332	1,020,357	9,940,389	4,713,432
Cash and cash equivalents, end of year	\$ 6,180,225	\$ 1,909,198	\$ 4,251,345	\$ 1,071,071	\$ 13,411,839	\$ 9,679,042
Unrestricted cash	\$ 5,884,551	\$ 1,909,198	\$ 4,251,345	\$ 1,071,071	\$ 13,116,165	\$ 9,679,042
Restricted cash	295,674	-	-	-	295,674	-
Total cash and cash equivalents	\$ 6,180,225	\$ 1,909,198	\$ 4,251,345	\$ 1,071,071	\$ 13,411,839	\$ 9,679,042

(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, 2025 – CITY OF DRAPER, UTAH

	Enterprise Funds					Governmental Activities
	Water	Storm Water	Solid Waste	Ambulance	Total	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities						
Operating income (loss)	\$ (387,791)	\$ 191,256	\$ (1,080,265)	\$ (2,268,074)	\$ (3,544,874)	\$ 1,015,029
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	1,355,840	828,885	348,880	120,389	2,653,994	1,463,340
Changes in assets and liabilities:						
Accounts receivable	(205,488)	5,572	4,445	(1,546)	(197,017)	(197,331)
Inventory	(53,000)	-	-	-	(53,000)	-
Prepays	(10,560)	-	-	1,208	(9,352)	-
Accounts payable	811,678	114,724	(11,747)	866	915,521	(95,625)
Accrued liabilities	(37,080)	2,911	7,546	29,800	3,177	9,524
Deposits	9,000	-	-	-	9,000	-
Compensated absences	26,980	13,142	13,281	54,159	107,562	11,967
Net pension adjustments	17,893	21,415	17,123	(173,830)	(117,399)	(1,670)
Claims and judgments	-	-	-	-	-	(228,763)
Net cash provided (used) by operating activities	\$ 1,527,472	\$ 1,177,905	\$ (700,737)	\$ (2,237,028)	\$ (232,388)	\$ 1,976,471
Noncash investing, capital and financing activities						
Capital contributions - developers	\$ 494,474	\$ 66,350	\$ -	\$ -	\$ 560,824	\$ -
Equity investment adjustment for net income and ownership changes	\$ -	\$ -	\$ 427,762	\$ -	\$ 427,762	\$ -

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), streets and engineering, 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 Community Reinvestment Agency (CRA) was established to prepare and carry out plans to improve, rehabilitate and redevelop blighted areas within the City. The CRA is governed by a board composed of the members of the City Council. Although it is a legally separate entity from the City, the CRA 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 CRA. In conformity with accounting principles generally accepted in the United States of America, the financial statements of the CRA have been included in the financial reporting entity as a blended component unit. The CRA is included in these financial statements as the Community Reinvestment Agency Special Revenue Fund. Separate financial statements are not issued for the CRA.

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, 2025, 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 street 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 streets 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 *Community Reinvestment 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.

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 monthly. 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, 2025, 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 \$460,336 (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 a useful life in excess of one year and an initial, individual cost in excess of the amount listed in the following table:

Assets	Capitalization	
	Threshold	Years
Water tanks	\$ 50,000	100
Infrastructure	20,000	10 - 60
Buildings and improvements	20,000	7 - 40
Improvements other than buildings	10,000	7 - 40
Machinery and equipment	10,000	5 - 15
Vehicles	20,000	5 - 10
Furniture and equipment	10,000	5 - 10
Office equipment	10,000	3 - 7

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 listed above.

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. Sick leave was analyzed for usage based on historical and projected percentages and accrued using the LIFO basis of accounting.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Compensated Absences (continued): Per the criteria outlined by GASB 101, *Compensated Absences*, all other potential leave benefits (i.e. holiday, bereavement leave, post-partum, military, etc.) have been deemed insignificant to the City's respective reporting funds as they do not result in any termination or retirement payments, but are rather a use-it or lose-it benefits to the employees and are dependent upon the occurrence of a sporadic event. As such, they are recognized more appropriately when the leave commences and is used.

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, 2025.

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, 2025.

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.

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, 2025, the City had the following recurring fair value measurements.

	06/30/25	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Securities				
PTIF	\$ 58,058,925	\$ -	\$ 58,058,925	\$ -
Certificates of deposit	29,194,204	-	29,194,204	-
Corporate bonds	30,568,669	-	30,568,669	-
US Treasuries	12,053,509	12,053,509	-	-
Money market funds	1,285,895	-	1,285,895	-
Total debt securities	<u>\$ 131,161,202</u>	<u>\$ 12,053,509</u>	<u>\$ 119,107,693</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, 2025, \$3,003,469 of the City's \$3,878,337 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 \$58,058,925, 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, 2025, the City had the following investments and quality rating:

Investment Type	06/30/25	Quality Ratings					
		AAA	AA	A	BBB	BB	Unrated
PTIF	\$ 58,058,925	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,058,925
Certificates of deposit	29,194,204	-	1,864,885	1,204,449	234,432	-	25,890,438
Corporate bonds	30,568,669	-	19,716,208	6,627,989	-	-	4,224,472
US Treasuries	12,053,509	-	12,053,509	-	-	-	-
Money market funds	1,285,895	1,285,895	-	-	-	-	-
Total debt securities	\$ 131,161,202	\$ 1,285,895	\$ 33,634,602	\$ 7,832,438	\$ 234,432	\$ -	\$ 88,173,835

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, 2025, the City's investments had the following maturities:

Investment Type	Fair Value	Investment Maturities (in Years)	
		Less Than 1	1-5
PTIF	\$ 58,058,925	\$ 58,058,925	\$ -
Certificates of deposit	29,194,204	9,869,528	19,324,676
Corporate bonds	30,568,669	6,462,227	24,106,442
US Treasuries	12,053,509	3,744,293	8,309,216
Money market funds	1,285,895	1,285,895	-
	<u>\$ 131,161,202</u>	<u>\$ 79,420,868</u>	<u>\$ 51,740,334</u>

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, 2025, the City had investments of \$58,058,925 with the PTIF. The fair value of these investments was \$58,174,196 using a fair value factor of 1.00198542.

Following are the City's cash and investments at June 30, 2025:

	<u>Carrying Value</u>
Cash on hand and on deposit:	
Cash on hand	\$ 6,440
Cash on deposit	2,364,765
PTIF accounts	58,058,925
Total cash on hand and deposit	<u>\$ 60,430,130</u>
Investments:	
Debt securities	73,102,277
	<u>\$ 73,102,277</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:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 923,081	\$ 18,142,104
Capital Projects Fund	10,255,121	-
Redevelopment Agency	-	462,456
Nonmajor Governmental Funds	192,007	2,602,267
Water Fund	2,000,000	-
Ambulance Fund	2,200,000	-
Internal Service Fund	5,657,563	20,945
	<u>\$ 21,227,772</u>	<u>\$ 21,227,772</u>

4. RESTRICTED CASH AND CASH EQUIVALENTS

Certain cash and cash equivalents are restricted to use as follows as of June 30, 2025:

	<u>Amount</u>
Governmental activities	
Restricted for debt service	\$ 674,373
Restricted for cemetery	170,259
Restricted for future development - impact fees	10,910,241
Restricted for developer and customer deposits	8,748,459
Restricted for "C" roads	6,230,370
Restricted for transportation	9,071,220
Total governmental activities	<u>35,804,922</u>
Business-type activities	
Restricted for debt service	256,674
Restricted for developer and customer deposits	39,000
Total business-type activities	<u>295,674</u>
Total restricted cash and cash equivalents	<u>\$ 36,100,596</u>

5. EQUITY INVESTMENT IN JOINT VENTURE

TRANS-JORDAN CITIES LANDFILL

The Solid Waste Fund has a 10.41% 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%, 7.57%, 26.63%, 17.18%, 21.88% and 11.12% 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 \$551,308 for fiscal year 2025.

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 2025, Trans-Jordan reported an increase in net position of \$4,193,988. The City recognized its 10.41% of the landfill's income, as well as a change in the City's percent of ownership in the landfill, as equity income of a joint venture of \$427,762 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, 2025, 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, 2025, was as follows:

	6/30/2024	Increases	Decreases	06/30/25
<u>Governmental activities</u>				
Capital assets, not being depreciated:				
Land	\$ 114,412,290	\$ 192,832	\$ (5,850,850)	\$ 108,754,272
Right of ways - canals	636,300	-	-	636,300
Right of ways - roads	239,612,615	40,363	-	239,652,978
Construction in progress	4,661,339	3,139,603	(1,486,985)	6,313,957
Total capital assets, not being depreciated	359,322,544	3,372,798	(7,337,835)	355,357,507
Capital assets, being depreciated:				
Buildings	23,694,534	237,732	-	23,932,266
Building improvements	3,212,593	349,315	-	3,561,908
Improvements	7,541,845	-	-	7,541,845
Park assets/sporting fields	19,205,505	438,421	(47,935)	19,595,991
Paved trails	2,581,141	-	-	2,581,141
Machinery, equipment, vehicles	21,038,702	3,309,782	(658,759)	23,689,725
Office equipment	1,648,726	67,427	(186,926)	1,529,227
Intangible right-to-use lease assets	236,533	-	-	236,533
Intangible right-to-use subscription assets	605,298	-	-	605,298
Furniture and fixtures	567,683	89,586	-	657,269
Infrastructure: roadways	143,898,173	1,499,162	(65,000)	145,332,335
Infrastructure: sidewalks	18,513,010	169,931	-	18,682,941
Infrastructure: street lights	2,509,951	-	-	2,509,951
Infrastructure: surfaces - parking lots	4,292,532	-	-	4,292,532
Infrastructure: traffic lights	2,832,761	51,551	-	2,884,312
Total capital assets, being depreciated	252,378,987	6,212,907	(958,620)	257,633,274
Accumulated depreciation and amortization:				
Buildings	(8,479,674)	(732,418)	-	(9,212,092)
Building improvements	(1,408,728)	(98,371)	-	(1,507,099)
Improvements	(6,764,727)	(96,693)	-	(6,861,420)
Park assets/sporting fields	(9,118,628)	(840,519)	47,935	(9,911,212)
Paved trails	(1,493,730)	(112,669)	-	(1,606,399)
Machinery, equipment, vehicles	(12,131,302)	(1,552,772)	658,759	(13,025,315)
Office equipment	(1,435,943)	(90,667)	186,926	(1,339,684)
Intangible right-to-use lease assets	(62,156)	(23,653)	-	(85,809)
Intangible right-to-use subscription assets	(116,833)	(94,091)	-	(210,924)
Furniture and fixtures	(450,058)	(10,427)	-	(460,485)
Infrastructure: roadways	(83,041,169)	(5,081,839)	65,000	(88,058,008)
Infrastructure: sidewalks	(11,164,297)	(569,319)	-	(11,733,616)
Infrastructure: street lights	(1,776,492)	(46,294)	-	(1,822,786)
Infrastructure: surfaces - parking lots	(1,136,416)	(170,239)	-	(1,306,655)
Infrastructure: traffic lights	(563,095)	(143,122)	-	(706,217)
Total accumulated depreciation and amortization	(139,143,248)	(9,663,093)	958,620	(147,847,721)
Total capital assets being depreciated, net	113,235,739	(3,450,186)	-	109,785,553
Governmental capital assets, net	\$ 472,558,283	\$ (77,388)	\$ (7,337,835)	\$ 465,143,060

6. CAPITAL ASSETS (CONTINUED)

	6/30/2024	Increases	Decreases	06/30/25
<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	4,116,413	1,315,066	(3,759,135)	1,672,344
Total capital assets, not being depreciated	6,248,320	1,315,066	(3,759,135)	3,804,251
Capital assets, being depreciated:				
Buildings and improvements	536,079	-	-	536,079
Water tanks	4,185,508	-	-	4,185,508
Distribution systems	81,215,421	4,332,485	(1,840,050)	83,707,856
Vehicles	5,170,424	1,411,101	(171,276)	6,410,249
Machinery and equipment	4,382,466	291,898	(114,529)	4,559,835
Office equipment	295,658	-	-	295,658
Furniture and fixtures	11,834	-	-	11,834
Total capital assets, depreciated	95,797,390	6,035,484	(2,125,855)	99,707,019
Accumulated depreciation:				
Buildings and improvements	(202,112)	(14,265)	-	(216,377)
Water tanks	(774,666)	(90,988)	-	(865,654)
Distribution systems	(35,008,671)	(1,804,257)	1,201,690	(35,611,238)
Vehicles	(3,419,698)	(444,681)	161,958	(3,702,421)
Machinery and equipment	(2,454,624)	(286,197)	114,529	(2,626,292)
Office equipment	(231,034)	(13,606)	-	(244,640)
Furniture and fixtures	(11,834)	-	-	(11,834)
Total accumulated depreciation	(42,102,639)	(2,653,994)	1,478,177	(43,278,456)
Total capital assets being depreciated, net	53,694,751	3,381,490	(647,678)	56,428,563
Business-type capital assets, net	\$ 59,943,071	\$ 4,696,556	\$ (4,406,813)	\$ 60,232,814

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

<u>Governmental activities:</u>	
General government	\$ 538,280
Public safety	1,088,705
Streets and public improvements	6,321,905
Community development	60,601
Parks and recreation	1,653,602
Total depreciation and amortization expense - governmental activities	<u>\$ 9,663,093</u>
<u>Business-type activities:</u>	
Water Fund	\$ 1,355,840
Storm Water Fund	828,885
Solid Waste Fund	348,880
Ambulance Fund	120,389
Total depreciation expense - business-type activities	<u>\$ 2,653,994</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 Community Reinvestment Agency in the amounts of \$10,186,796, \$544,843, and \$8,169,906, respectively at June 30, 2025.

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, 2025, 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, 2025.

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, 2025, the value of the lease payable was \$143,680. 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, 2025 was \$236,533, at cost, with accumulated amortization of \$85,809 (see note 6). The City has one extension option for 60 months, which they anticipate to renew.

The future minimum lease obligations as of June 30, 2025 are as follows:

Year end June 30,	Principal	Interest	Total
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	24,404	631	25,035
2031	24,717	317	25,034
	<u>\$ 143,680</u>	<u>\$ 6,526</u>	<u>\$ 150,206</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, 2025, the value of the subscription payable was \$117,343. 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, 2025 was \$174,948 with accumulated amortization of \$51,080. 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, 2025, the value of the subscription payable was \$28,200. 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 \$38,642. 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, 2025, the value of the subscription payable was \$143,367. 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, 2025 was \$363,605, which included a prepayment of \$148,671 for development that was completed, with accumulated amortization of \$121,202.

The amount of the intangible right-to-use subscription asset by major classes is as follows as of June 30, 2025:

Governmental Activities

<u>Asset Class</u>	<u>Subscription Asset Value</u>	<u>Accumulated Amortization</u>
Software	\$ 605,298	\$ 210,924

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>
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	19,930	515	20,445
2031-2032	20,186	259	20,445
	<u>\$ 288,910</u>	<u>\$ 16,518</u>	<u>\$305,428</u>

10. LONG-TERM DEBT

CHANGES IN LONG-TERM LIABILITIES

Long-term debt activity for the year ended June 30, 2025, was as follows:

	6/30/2024	Increases	Decreases	06/30/25	Due in One Year
<u>Governmental activities</u>					
Bonds payable:					
General obligation bonds	\$ 505,000	\$ -	\$ (505,000)	\$ -	\$ -
Sales tax revenue bonds	12,475,000	-	(1,860,000)	10,615,000	1,315,000
Plus: unamortized premiums	1,209,738	-	(166,147)	1,043,591	-
Total bonds payable	14,189,738	-	(2,531,147)	11,658,591	1,315,000
Notes payable	9,857,929	-	(113,335)	9,744,594	-
Leases payable	166,575	-	(22,895)	143,680	23,189
Subscriptions payable	354,951	-	(66,041)	288,910	67,021
Compensated absences *	1,801,580	700,242	-	2,501,822	595,543
Other liabilities - URMA	931,259	94,254	(323,017)	702,496	252,019
Governmental activities, long-term liabilities	<u>\$ 27,302,032</u>	<u>\$ 794,496</u>	<u>\$ (3,056,435)</u>	<u>\$ 25,040,093</u>	<u>\$ 2,252,772</u>
<u>Business-type activities</u>					
Water revenue bonds	\$ 921,000	\$ -	\$ (106,000)	815,000	\$ 108,000
Notes payable	884,403	-	(79,691)	804,712	-
Compensated absences *	197,440	134,615	-	339,718	88,495
Business-type activities, long-term liabilities	<u>\$ 2,002,843</u>	<u>\$ 134,615</u>	<u>\$ (185,691)</u>	<u>\$ 1,959,430</u>	<u>\$ 196,495</u>

10. LONG-TERM DEBT (CONTINUED)

The following is a summary and description of the individual bonds and debt obligations of the City during the year ended June 30, 2025:

GOVERNMENTAL ACTIVITIES:

Sales Tax Revenue Bonds

Amount

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.

\$ 405,000

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.

5,630,000

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.

4,580,000

Total Sales Tax Revenue Bonds - Governmental Activities

\$ 10,615,000

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.

\$ 815,000

Total Water Revenue Bonds - Business-type Activities

\$ 815,000

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.

\$ 10,549,306

Total Notes Payable - Governmental Activities

\$ 9,744,594

Total Notes Payable - Business-type Activities

\$ 804,712

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 \$13,439,825 in sales tax has been pledged through 2040. Total future water net revenues of \$897,449 have been pledged through 2032. The current revenue recognized during the period for pledged Sales Tax Revenue bonds was \$20,609,052 compared to principal and interest of \$1,805,525, which equals a coverage multiple of 11.4. The current year revenue recognized during the year for pledged Water Revenue was \$6,868,879 compared to principal and interest of \$128,749 which equals a coverage ratio of 53.4.

The annual debt service requirements to maturity are as follows:

Year Ending June 30,	Governmental Activities Sales Tax Revenue Bonds		
	Principal	Interest	Totals
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	1,105,000	286,425	1,391,425
2031-2035	3,335,000	692,050	4,027,050
2036-2040	1,860,000	188,800	2,048,800
	<u>\$ 10,615,000</u>	<u>\$ 2,824,825</u>	<u>\$ 13,439,825</u>

Year Ending June 30,	Business-type Activities Water Revenue Bonds		
	Principal	Interest	Totals
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	119,000	9,040	128,040
2031-2032	247,000	9,189	256,189
	<u>\$ 815,000</u>	<u>\$ 82,449</u>	<u>\$ 897,449</u>

June 30,	Notes Payable
2026 (estimated)	\$ -
To be determined	10,549,306
Total notes payable	<u>\$ 10,549,306</u>

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, 2025 are as follows:

Utah Retirement Systems

	Employee	Employer	Employer 401(k)
Contributory System			
111 - Local Governmental Division Tier 2	0.70%	16.01%	N/A
Noncontributory System			
15 - Local Governmental Division Tier 1	N/A	16.97%	N/A
Public Safety System			
Contributory			
122 - Tier 2 DB Hybrid Public Safety	4.73%	25.33%	N/A
Noncontributory			
43 - Other Div A with 2.5% COLA	N/A	33.54%	N/A
Firefighters Retirement System			
31 - Other Division A	15.05%	3.61%	N/A
132 Tier 2 DB Hybrid Firefighters	4.73%	14.08%	N/A
Tier 2 DC Only			
211- Local Government	N/A	5.19%	10.00%
222 - Public Safety	N/A	11.33%	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, 2025, the employer and employee contributions to the Systems were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 862,445	\$ -
Public Safety System	729,524	-
Firefighter System	42,200	394,475
Tier 2 Public Employees System	1,007,800	46,268
Tier 2 Public Safety and Firefighter System	818,146	187,978
Tier 2 DC Only System	95,272	-
Tier 2 DC Public Safety and Firefighter System	29,788	-
Total Contributions	<u>\$ 3,585,175</u>	<u>\$ 628,721</u>

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, 2025, the City reported a net pension asset of \$1,010,101 and a net pension liability of \$5,260,608.

	(Measurement Date): December 31, 2024			Proportionate Share	
	Net Pension Asset	Net Pension Liability	Proportionate Share	December 31, 2023	Change
Noncontributory System	\$ -	\$ 2,037,142	0.6394416%	0.6394416%	0.0000000%
Public Safety System	-	2,251,651	1.4292179%	1.4292179%	0.0000000%
Firefighter System	1,010,101	-	6.1127729%	6.1127729%	0.0000000%
Tier 2 Public Employees System	-	608,114	0.1999230%	0.1999230%	0.0000000%
Tier 2 Public Safety and Firefighter System	-	363,701	0.8430235%	0.8430235%	0.0000000%
Total Net Pension Asset / Liability	\$ 1,010,101	\$ 5,260,608			

The net pension asset and liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2024 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, 2025, the City recognized pension expense of \$4,706,885. At June 30, 2025, 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	\$ 3,044,654	\$ 23,300
Changes in assumptions	656,602	5,774
Net difference between projected and actual earnings on pension plan investments	1,354,477	-
Changes in proportion and differences between contributions and proportionate share of contributions	345,485	39,792
Contributions subsequent to the measurement date	1,821,824	-
Total	\$ 7,223,042	\$ 68,866

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

The \$1,821,824 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, 2024. 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
2025	\$ 2,135,292
2026	2,715,141
2027	(158,859)
2028	48,701
2029	213,859
Thereafter	378,218

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

For the year ended June 30, 2025, the City recognized pension expense of \$1,860,446. At June 30, 2025, 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	\$ 1,213,845	\$ -
Changes in assumptions	168,510	-
Net difference between projected and actual earnings on pension plan investments	613,620	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	13,172
Contributions subsequent to the measurement date	440,916	-
Total	<u>\$ 2,436,891</u>	<u>\$ 13,172</u>

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

The \$440,916 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, 2024. 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
2025	\$ 1,158,093
2026	1,119,164
2027	(248,987)
2028	(45,467)

Public Safety System

For the year ended June 30, 2025, the City recognized pension expense of \$1,382,936. At June 30, 2025, 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	\$ 237,934	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	389,694	-
Changes in proportion and differences between contributions and proportionate share of contributions	3,834	-
Contributions subsequent to the measurement date	356,732	-
Total	\$ 988,194	\$ -

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

The \$356,732 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, 2024. 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
2025	\$ 265,298
2026	553,143
2027	(158,286)
2028	(28,693)

Firefighters System

For the year ended June 30, 2025, the City recognized pension expense of \$274,051. At June 30, 2025, 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	\$ 1,109,793	\$ -
Changes in assumptions	81,020	-
Net difference between projected and actual earnings on pension plan investments	288,721	-
Changes in proportion and differences between contributions and proportionate share of contributions	208,024	4,869
Contributions subsequent to the measurement date	21,513	-
Total	\$ 1,709,071	\$ 4,869

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

The \$21,513 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, 2024. 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
2025	\$ 600,792
2026	870,795
2027	178,170
2028	32,932

Tier 2 Public Employees System

For the year ended June 30, 2025, the City recognized pension expense of \$663,950. At June 30, 2025, 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	\$ 262,892	\$ 4,189
Changes in assumptions	203,102	63
Net difference between projected and actual earnings on pension plan investments	38,868	-
Changes in proportion and differences between contributions and proportionate share of contributions	93,544	7,924
Contributions subsequent to the measurement date	570,294	-
Total	\$ 1,168,700	\$ 12,176

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

The \$570,294 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, 2024. 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
2025	\$ 69,883
2026	108,103
2027	46,626
2028	57,379
2029	135,974
Thereafter	168,265

Tier 2 Public Safety and Firefighter System

For the year ended June 30, 2025, the City recognized pension expense of \$525,501. At June 30, 2025, 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	\$ 220,190	\$ 19,111
Changes in assumptions	203,970	5,711
Net difference between projected and actual earnings on pension plan investments	23,574	-
Changes in proportion and differences between contributions and proportionate share of contributions	40,083	13,827
Contributions subsequent to the measurement date	432,369	-
Total	<u>\$ 920,186</u>	<u>\$ 38,649</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 \$432,369 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, 2024. 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
2025	\$ 41,226
2026	63,936
2027	23,618
2028	32,550
2029	77,885
Thereafter	209,953

ACTUARIAL ASSUMPTIONS

The total pension liability in the December 31, 2024 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, 2024, valuation were based on an actuarial experience study for the period ending December 31, 2023.

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%	7.01%	2.45%
Debt securities	20%	2.54%	0.51%
Real assets	18%	5.45%	0.98%
Private equity	12%	10.05%	1.21%
Absolute return	15%	4.36%	0.65%
Cash and cash equivalents	0%	0.49%	0.00%
Totals	100%		5.80%
	Inflation		2.50%
	Expected arithmetic nominal return		8.30%

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	\$ 8,615,445	\$ 2,037,142	\$ (3,479,923)
Public Safety System	6,917,397	2,251,651	(1,555,524)
Firefighters System	2,198,262	(1,010,101)	(3,626,146)
Tier 2 Public Employees System	1,816,288	608,114	(331,727)
Tier 2 Public Safety and Firefighter System	1,240,187	363,701	(337,063)
Total	<u>\$ 20,787,579</u>	<u>\$ 4,250,507</u>	<u>\$ (9,330,383)</u>

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:

	2025	2024	2023
401(k) Plan*			
Employer contributions	\$ 948,551	\$ 899,358	\$ 740,659
Employee contributions	940,941	859,275	767,267
457 Plan			
Employer contributions	-	-	-
Employee contributions	326,175	309,547	285,774
Roth IRA Plan			
Employer contributions	N/A	N/A	N/A
Employee contributions	117,132	90,906	82,270

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

13. COMMUNITY REINVESTMENT AGENCY OF DRAPER CITY

In accordance with Utah State law, the City makes the following disclosures relative to the Community Reinvestment Agency (CRA): The CRA collected \$8,169,906 of tax increment monies for its project areas. The CRA incurred expenditures of \$5,066,588 for development incentives and bond obligations. The CRA has several commitments for reimbursement to developers associated with the CRA 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 CRA nor the City is reducing any amount of the property taxes that are assessed on the property. During 2025, the CRA expended \$531,303 for administrative and other general costs.

14. COMMITMENTS AND AGREEMENTS

CRA COMMITMENTS AND TAX ABATEMENTS

The City may negotiate property, sales, and transient room tax abatement agreements with local businesses primarily through its CRA 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, 2025, 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, 2025, the City abated the following taxes:

Project Area	Developer	Tax Type	FY2025 Payment	Total Paid to Date	Total Maximum Abatement	Purpose	Expiration Year
Frontrunner	BG Vista, L.C	Property Tax	\$ 1,763,910	\$ 14,790,179	\$ 58,820,533	Transit supportive development	FY2035
	Draper Holdings, LLC	Property Tax	\$ 1,783,910	\$ 15,385,463	\$ 18,637,006	Transit supportive development	FY2035
South Mountain	Pluralsight	Property Tax	\$ -	\$ 1,693,102	\$ 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, 2025 the City made water purchases of \$3,003,681 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, 2025 were \$9,218,552 on original contracts totaling \$10,841,834.

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, 2025 the outstanding amount of this obligation is \$6,213,197.

16. CHANGE IN ACCOUNTING PRINCIPLES

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections*, which was an amendment of GASB No. 62. The statement is meant to enhance the accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The City adopted and implemented this statement during the current fiscal year, but management has determined no accounting changes or error corrections were significant enough to merit a restatement.

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*, to improve the recognition and measurement of liabilities for compensated absences, including vacation, sick leave, and other paid leave benefits. The City has implemented GASB 101 and analyzed all leave policies in relation to the new standard. The City also evaluated the effects of this implementation on the beginning compensated absences for fiscal year ended June 30, 2024, and determined that no significant or material adjustment to any reported fund or entity-wide activity were noted and, therefore, no restatement was required. As such, the impacts on the City's financial position, results of operations, and cash flows have been reported in the current year. The calculations were updated to match the standard and defined contributions were added to the salary related costs where necessary.

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. The City has adopted and implemented this standard by reviewing all revenues and expenditures to check for concentration or constraints risks which may limit the City's ability to acquire resources or control spending. There were no substantial concentrations of revenue sources or suppliers, and no substantial constraints on the City's ability to provide services.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND – FOR THE YEAR ENDED JUNE 30, 2025 – CITY OF DRAPER, UTAH

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes:				
Property	\$ 11,057,500	\$ 11,057,500	\$ 11,480,469	\$ 422,969
Sales	20,900,000	20,900,000	20,609,052	(290,948)
Franchise	6,253,000	6,253,000	6,378,443	125,443
Licenses and permits	3,021,500	3,021,500	4,383,381	1,361,881
Intergovernmental	5,730,000	5,860,600	5,488,955	(371,645)
Charges for services	1,652,200	1,652,200	1,873,647	221,447
Fines and forfeitures	675,000	675,000	795,253	120,253
Interest	2,475,000	2,525,000	3,685,224	1,160,224
Miscellaneous	190,000	200,000	129,972	(70,028)
Total revenues	<u>51,954,200</u>	<u>52,144,800</u>	<u>54,824,396</u>	<u>2,679,596</u>
<u>EXPENDITURES</u>				
Current:				
General government:				
Legislative:				
Mayor and city council	313,000	313,000	288,602	24,398
Executive:				
City manager	1,187,700	1,012,700	933,605	79,095
Recorder	380,500	380,500	367,475	13,025
Elections	150,000	150,000	1,240	148,760
Legal services	609,100	609,100	459,621	149,479
Economic development	757,000	757,000	361,844	395,156
Information systems	925,800	925,800	870,685	55,115
GIS	371,600	406,600	343,792	62,808
Public relations	361,300	371,300	362,312	8,988
Community events	812,800	987,800	971,943	15,857
Administrative Services:				
Human resources	611,300	511,300	483,865	27,435
Finance	1,167,600	1,191,245	1,158,611	32,634
Facilities:				
Facilities maintenance	1,111,600	1,111,600	988,949	122,651
Nondepartmental:				
Nondepartmental	204,900	204,900	180,487	24,413
Total general government	<u>8,964,200</u>	<u>8,932,845</u>	<u>7,773,031</u>	<u>1,159,814</u>

(continued)

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND – FOR THE YEAR ENDED JUNE 30, 2025 – CITY OF DRAPER, UTAH (CONTINUED)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Public safety:				
Police	12,447,800	12,133,915	11,966,389	167,526
Fire	7,642,700	8,032,700	7,357,942	674,758
Court	912,000	912,000	733,410	178,590
Animal control	413,900	413,900	352,395	61,505
Total public safety	21,416,400	21,492,515	20,410,136	1,082,379
Streets and public improvements:				
Public works	899,200	899,200	656,009	243,191
Engineering	1,316,100	1,416,100	1,121,082	295,018
Streets	2,988,800	2,988,800	2,490,106	498,694
B & C road expenditures	315,000	315,000	313,400	1,600
Total streets and public improvements	5,519,100	5,619,100	4,580,597	1,038,503
Community Development:				
Development services	624,700	620,949	522,671	98,278
Planning	932,900	932,900	875,330	57,570
Ordinance enforcement	140,300	140,300	130,448	9,852
Building	1,565,600	1,570,600	1,333,246	237,354
Total community development	3,263,500	3,264,749	2,861,695	403,054
Parks, recreation, and public property:				
Parks and recreation	5,685,400	5,813,900	5,550,590	263,310
Cemetery	7,200	7,200	5,066	2,134
Total parks and recreation	5,692,600	5,821,100	5,555,656	265,444
Debt service:				
Principal	1,760,000	1,910,000	1,848,936	61,064
Interest	565,800	574,791	574,667	124
Total debt service	2,325,800	2,484,791	2,423,603	61,188
Total expenditures	47,181,600	47,615,100	43,604,718	4,010,382
Excess of revenues over expenditures	4,772,600	4,529,700	11,219,678	6,689,978
<u>OTHER FINANCING SOURCES (USES)</u>				
Sale of capital assets	2,721,500	7,221,500	7,168,124	(53,376)
Issuance of debt	-	100,000	-	(100,000)
Transfers in	670,900	1,620,900	923,081	(697,819)
Transfers out	(14,796,200)	(29,101,700)	(18,142,104)	10,959,596
Net other financing sources (uses)	(11,403,800)	(20,159,300)	(10,050,899)	10,108,401
Net change in fund balance	\$ (6,631,200)	\$ (15,629,600)	1,168,779	\$ 16,798,379
Fund balance, beginning of year			40,188,450	
Fund balance, end of year			\$ 41,357,229	

***SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
– BUDGET AND ACTUAL – COMMUNITY REINVESTMENT AGENCY -
FOR THE YEAR ENDED JUNE 30, 2025 – CITY OF DRAPER, UTAH***

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUES</u>				
Property taxes	\$ 2,024,829	\$ 2,024,829	\$ 864,120	\$ (1,160,709)
Intergovernmental	5,908,571	5,908,571	7,305,786	1,397,215
Interest	800,000	800,000	1,108,856	308,856
Total revenues	8,733,400	8,733,400	9,278,762	545,362
<u>EXPENDITURES</u>				
Current:				
CRA expenditures	9,678,500	9,678,500	4,518,214	5,160,286
Debt service:				
Principal	605,000	605,000	605,000	-
Interest	12,300	12,300	12,221	79
Total debt service	617,300	617,300	617,221	79
Total expenditures	10,295,800	10,295,800	5,135,435	5,160,365
Excess of revenues over expenditures	(1,562,400)	(1,562,400)	4,143,327	5,705,727
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	(599,800)	(2,364,800)	(462,456)	1,902,344
Net other financing sources (uses)	(599,800)	(2,364,800)	(462,456)	1,902,344
Net change in fund balance	\$ (2,162,200)	\$ (3,927,200)	3,680,871	\$ 7,608,071
Fund balance, beginning of year			18,146,706	
Fund balance, end of year			\$ 21,827,577	

***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	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%
	2024	0.6424059%	2,037,142	5,142,072	39.62%	96.02%
Public Safety System	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%
	2024	1.4552116%	2,251,651	2,266,688	99.34%	93.30%
Firefighters System	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%
	2024	5.7505709%	(1,010,101)	2,416,499	-41.80%	104.64%
Tier 2 Public Employees System	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%
	2024	0.2039014%	608,114	6,039,594	10.07%	87.44%
Tier 2 Public Safety and Firefighter System	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%
	2024	0.8041349%	363,701	3,670,639	9.91%	90.10%

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	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%
	2025	862,445	862,445	-	5,141,435	16.77%
Public Safety System	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%
	2025	729,524	729,524	-	2,303,492	31.67%
Firefighters System	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%
	2025	42,200	42,200	-	2,621,100	1.61%
Tier 2 Public Employees System*	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%
	2025	1,007,800	1,007,800	-	6,859,705	14.69%
Tier 2 Public Safety and Firefighter System*	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%
	2025	818,146	818,146	-	3,974,150	20.59%
Tier 2 DC Only System*	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%
	2025	95,272	95,272	-	1,835,690	5.19%
Tier 2 DC Public Safety and Firefighter System*	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%
	2025	29,788	29,788	-	677,483	4.40%

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, 2025 - 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

There were no changes in the actuarial assumptions or methods since the prior actuarial valuation.

3. BUDGETARY INFORMATION

See note 1 in the notes to the financial statements.

SUPPLEMENTAL INFORMATION

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2025 – 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	\$ -	\$ -	\$ -	\$ -	\$ 304,778	\$ -	\$ 304,778
Receivables:							
Accounts, net	-	-	-	-	4,784	-	4,784
Property taxes	-	-	-	-	544,843	-	544,843
Due from other funds	-	-	-	-	54,069	-	54,069
Restricted cash and cash equivalents	130,920	5,207,712	5,567,042	4,567	-	170,259	11,080,500
Total assets	\$ 130,920	\$ 5,207,712	\$ 5,567,042	\$ 4,567	\$ 908,474	\$ 170,259	\$ 11,988,974
LIABILITIES							
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ 69,010	\$ -	\$ 69,010
Total liabilities	-	-	-	-	69,010	-	69,010
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue-property taxes	-	-	-	-	544,843	-	544,843
Total deferred inflows of resources	-	-	-	-	544,843	-	544,843
FUND BALANCES							
Restricted:							
Impact fees	130,920	5,207,712	5,567,042	4,567	-	-	10,910,241
Perpetual care						170,259	170,259
Assigned	-	-	-	-	294,621	-	294,621
Total fund balances	130,920	5,207,712	5,567,042	4,567	294,621	170,259	11,375,121
Total liabilities and fund balances	\$ 130,920	\$ 5,207,712	\$ 5,567,042	\$ 4,567	\$ 908,474	\$ 170,259	\$ 11,988,974

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS – FOR THE YEAR ENDED JUNE 30, 2025 – 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	\$ -	\$ -	\$ -	\$ -	\$ 599,738	\$ -	\$ 599,738
Intergovernmental	-	-	-	-	54,069	-	54,069
Impact fees	37,631	620,404	1,108,146	50,627	-	-	1,816,808
Interest	5,252	256,273	252,541	16,502	18,454	-	549,022
Total revenues	42,883	876,677	1,360,687	67,129	672,261	-	3,019,637
EXPENDITURES							
Current:							
General government	-	-	-	-	44,603	-	44,603
Streets and public improvements	-	-	-	-	489,578	-	489,578
Total expenditures	-	-	-	-	534,181	-	534,181
Excess of revenues over (under) expenditures	42,883	876,677	1,360,687	67,129	138,080	-	2,485,456
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	192,007	-	-	192,007
Transfers out	-	(1,220,093)	(842,576)	(539,598)	-	-	(2,602,267)
Total other financing sources (uses)	-	(1,220,093)	(842,576)	(347,591)	-	-	(2,410,260)
Net change in fund balances	42,883	(343,416)	518,111	(280,462)	138,080	-	75,196
Fund balances, beginning of year	88,037	5,551,128	5,048,931	285,029	156,541	170,259	11,299,925
Fund balances, end of year	\$ 130,920	\$ 5,207,712	\$ 5,567,042	\$ 4,567	\$ 294,621	\$ 170,259	\$ 11,375,121

***SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
MAJOR CAPITAL PROJECTS FUND – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025 – 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>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
<u>EXPENDITURES</u>				
Capital outlay	35,738,400	42,149,365	9,795,487	32,353,878
Debt service: principal	-	113,335	113,335	-
Total expenditures	35,738,400	42,262,700	9,908,822	32,353,878
Excess (deficiency) of revenues over (under) expenditures	(35,738,400)	(42,262,700)	(9,908,822)	32,353,878
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	20,589,900	28,715,700	10,255,121	(18,460,579)
Net other financing sources (uses)	20,589,900	28,715,700	10,255,121	(18,460,579)
Net change in fund balance	<u>\$ (15,148,500)</u>	<u>\$ (13,547,000)</u>	346,299	<u>\$ 13,893,299</u>
Fund balance, beginning of year			15,479,290	
Fund balance, end of year			<u>\$ 15,825,589</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, 2025 – CITY OF DRAPER, UTAH***

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUES</u>				
Impact fees	\$ -	\$ -	\$ 37,631	\$ 37,631
Interest	-	-	5,252	5,252
Total revenues	-	-	42,883	42,883
<u>EXPENDITURES</u>				
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	\$ -	\$ -	42,883	\$ 42,883
Fund balance, beginning of year			88,037	
Fund balance, end of year			<u>\$ 130,920</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, 2025 – CITY OF DRAPER, UTAH***

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUES</u>				
Impact fees	\$ -	\$ -	\$ 620,404	\$ 620,404
Interest	-	-	256,273	256,273
Total revenues	-	-	876,677	876,677
<u>EXPENDITURES</u>				
Current:				
Streets and public improvements	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	-	-	876,677	876,677
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	(4,680,300)	(5,159,500)	(1,220,093)	3,939,407
Net other financing sources (uses)	(4,680,300)	(5,159,500)	(1,220,093)	3,939,407
Net change in fund balance	<u>\$ (4,680,300)</u>	<u>\$ (5,159,500)</u>	<u>(343,416)</u>	<u>\$ 4,816,084</u>
Fund balance, beginning of year			<u>5,551,128</u>	
Fund balance, end of year			<u>\$ 5,207,712</u>	

***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, 2025 – 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	\$ -	\$ -	\$ 1,108,146	\$ 1,108,146
Interest	-	-	252,541	252,541
Total revenues	-	-	1,360,687	1,360,687
<u>EXPENDITURES</u>				
Current:				
Parks	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	-	-	1,360,687	1,360,687
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	(4,189,100)	(3,077,800)	(842,576)	2,235,224
Net other financing sources (uses)	(4,189,100)	(3,077,800)	(842,576)	2,235,224
Net change in fund balance	<u>\$ (4,189,100)</u>	<u>\$ (3,077,800)</u>	518,111	<u>\$ 3,595,911</u>
Fund balance, beginning of year			5,048,931	
Fund balance, end of year			<u>\$ 5,567,042</u>	

***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, 2025 – CITY OF DRAPER, UTAH***

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUES</u>				
Impact fees	\$ -	\$ -	\$ 50,627	\$ 50,627
Interest	-	-	16,502	16,502
Total revenues	-	-	67,129	67,129
<u>EXPENDITURES</u>				
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	-	-	67,129	67,129
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	192,000	192,007	7
Transfers out	(175,400)	(713,800)	(539,598)	174,202
Net other financing sources (uses)	(175,400)	(521,800)	(347,591)	174,209
Net change in fund balance	\$ (175,400)	\$ (521,800)	(280,462)	\$ 241,338
Fund balance, beginning of year			285,029	
Fund balance, end of year			<u>\$ 4,567</u>	

***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, 2025 – CITY OF DRAPER, UTAH***

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>REVENUES</u>				
Property taxes	\$ 630,870	\$ 630,870	\$ 599,738	\$ (31,132)
Intergovernmental	49,822	49,822	54,069	4,247
Interest	12,617	12,617	18,454	5,837
Total revenues	693,309	693,309	672,261	(21,048)
<u>EXPENDITURES</u>				
Current:				
General government	66,834	66,834	44,603	22,231
Streets and public improvements	520,221	520,221	489,578	30,643
Total expenditures	587,055	587,055	534,181	52,874
Net change in fund balance	\$ 106,254	\$ 106,254	138,080	\$ 31,826
Fund balance, beginning of year			156,541	
Fund balance, end of year			\$ 294,621	

STATEMENT OF NET POSITION – INTERNAL SERVICE FUNDS
JUNE 30, 2025 – CITY OF DRAPER, UTAH

	Risk Management Fund	Fleet Management Fund	Total
<u>ASSETS</u>			
Current assets:			
Cash and cash equivalents	\$ 3,469,173	\$ 6,209,869	\$ 9,679,042
Accounts receivable, net	-	197,435	197,435
Total current assets	3,469,173	6,407,304	9,876,477
Noncurrent assets:			
Capital assets:			
Construction in progress	-	922,394	922,394
Machinery, equipment, vehicles	-	20,652,053	20,652,053
Accumulated depreciation	-	(10,408,773)	(10,408,773)
Net capital assets	-	11,165,674	11,165,674
Total noncurrent assets	-	11,165,674	11,165,674
Total assets	3,469,173	17,572,978	21,042,151
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Pension related	10,985	104,483	115,468
Total deferred outflows of resources	10,985	104,483	115,468
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	37,492	80,254	117,746
Accrued liabilities	2,528	17,895	20,423
Compensated absences	607	16,452	17,059
Claims and judgments	252,019	-	252,019
Total current liabilities	292,646	114,601	407,247
Noncurrent liabilities:			
Compensated absences	1,293	44,316	45,609
Net pension liability	5,716	66,697	72,413
Claims and judgments	450,477	-	450,477
Total noncurrent liabilities	457,486	111,013	568,499
Total liabilities	750,132	225,614	975,746
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Pension related	114	893	1,007
Total deferred outflows of resources	114	893	1,007
<u>NET POSITION</u>			
Net investment in capital assets	-	11,165,674	11,165,674
Unrestricted	2,729,912	6,285,280	9,015,192
Total net position	\$ 2,729,912	\$ 17,450,954	\$ 20,180,866

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2025 – CITY OF DRAPER, UTAH

	Risk Management Fund	Fleet Management Fund	Total
<u>OPERATING REVENUES</u>			
Sales and charges for services	\$ 1,390,000	\$ 3,237,003	\$ 4,627,003
Miscellaneous income	28,600	-	28,600
Total operating revenues	1,418,600	3,237,003	4,655,603
<u>OPERATING EXPENSES</u>			
Salaries and benefits	114,402	958,271	1,072,673
Utilities	-	91,786	91,786
Supplies and repairs	32,872	101,425	134,297
Claims and insurance	818,825	26,600	845,425
Administrative	3,901	29,152	33,053
Depreciation	-	1,463,340	1,463,340
Total operating expenses	970,000	2,670,574	3,640,574
Operating income (loss)	448,600	566,429	1,015,029
<u>NONOPERATING REVENUES (EXPENSES)</u>			
Interest income	113,589	(14,942)	98,647
Gain/(loss) on disposal of assets	-	84,698	84,698
Total nonoperating revenues (expenses)	113,589	69,756	183,345
Income (loss) before contributions and transfers	562,189	636,185	1,198,374
Transfers in	-	5,657,563	5,657,563
Transfers out	(20,945)	-	(20,945)
Change in net position	541,244	6,293,748	6,834,992
Total net position, beginning	2,188,668	11,157,206	13,345,874
Total net position, ending	\$ 2,729,912	\$ 17,450,954	\$ 20,180,866

STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2025 – CITY OF DRAPER, UTAH

	Risk Management Fund	Fleet Management Fund	Total
Cash flows from operating activities			
Receipts from customers and users	\$ 1,418,600	\$ 3,039,672	\$ 4,458,272
Payments to suppliers	(1,071,691)	(357,258)	(1,428,949)
Payments to employees	(113,881)	(938,971)	(1,052,852)
Net cash provided by operating activities	233,028	1,743,443	1,976,471
Cash flows from noncapital financing activities			
Transfers from other funds	-	5,657,563	5,657,563
Transfers to other funds	(20,945)	-	(20,945)
Net cash provided (used) by noncapital financing activities	(20,945)	5,657,563	5,636,618
Cash flows from capital and related financing activities			
Aquisition of capital assets	-	(2,830,824)	(2,830,824)
Proceeds from sale of assets	-	84,698	84,698
Net cash used by capital and related financing activities	-	(2,746,126)	(2,746,126)
Cash flows from investing activities			
Interest received	113,589	(14,942)	98,647
Net cash provided (used) by investing activities	113,589	(14,942)	98,647
Net increase in cash and cash equivalents	325,672	4,639,938	4,965,610
Cash and cash equivalents, beginning of year	3,143,501	1,569,931	4,713,432
Cash and cash equivalents, end of year	\$ 3,469,173	\$ 6,209,869	\$ 9,679,042
Total cash and cash equivalents	\$ 3,469,173	\$ 6,209,869	\$ 9,679,042
Reconciliation of operating income to net used by operating activities			
Operating income	\$ 448,600	\$ 566,429	\$ 1,015,029
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation	-	1,463,340	1,463,340
Changes in assets and liabilities:			
Accounts receivable	-	(197,331)	(197,331)
Accounts payable	12,670	(108,295)	(95,625)
Accrued liabilities	455	9,069	9,524
Compensated absences	(284)	12,251	11,967
Net pension adjustments	350	(2,020)	(1,670)
Claims and judgments	(228,763)	-	(228,763)
Net cash used by operating activities	\$ 233,028	\$ 1,743,443	\$ 1,976,471

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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)

	2016	2017	2018	2019	2020
Governmental Activities					
Net investment in capital assets	\$ 364,762,906	\$ 381,985,718	\$ 398,586,894	\$ 410,564,276	\$ 415,426,098
Restricted	22,188,324	19,765,746	13,980,259	16,426,406	17,571,469
Unrestricted	45,136,966	55,189,852	48,826,778	53,248,295	51,490,530
Prior Period Adjustment	9,437,465	-	-	-	-
Total Governmental Activities					
Net Position	<u>\$ 441,525,661</u>	<u>\$ 456,941,316</u>	<u>\$ 461,393,931</u>	<u>\$ 480,238,977</u>	<u>\$ 484,488,097</u>
Business-Type Activities					
Net investment in capital assets	\$ 48,593,305	\$ 47,343,227	\$ 47,752,564	\$ 51,788,368	\$ 52,312,893
Restricted	206,470	219,288	231,942	244,875	257,183
Unrestricted	12,980,306	15,094,842	19,257,839	24,190,876	29,283,632
Prior Period Adjustment	(2,718,983)	-	-	-	-
Total Business-type Activities					
Net Position	<u>\$ 59,061,098</u>	<u>\$ 62,657,357</u>	<u>\$ 67,242,345</u>	<u>\$ 76,224,119</u>	<u>\$ 81,853,708</u>
Primary Government					
Net investment in capital assets	\$ 413,356,211	\$ 429,328,945	\$ 446,339,458	\$ 462,352,644	\$ 467,738,991
Restricted	22,394,794	19,985,034	14,212,201	16,671,281	17,828,652
Unrestricted	58,117,272	70,284,694	68,084,617	77,439,171	80,774,162
Prior Period Adjustment	6,718,482	-	-	-	-
Total Primary Government					
Net Position	<u>\$ 500,586,759</u>	<u>\$ 519,598,673</u>	<u>\$ 528,636,276</u>	<u>\$ 556,463,096</u>	<u>\$ 566,341,805</u>
	2021	2022	2023	2024	2025
Governmental Activities					
Net investment in capital assets	\$ 428,641,181	\$ 429,598,296	\$ 435,998,210	\$ 446,821,338	\$ 442,086,951
Restricted	20,086,020	24,542,905	27,320,806	29,092,234	27,915,893
Unrestricted	55,476,167	65,267,117	70,939,419	61,644,611	71,762,900
Total Governmental Activities					
Net Position	<u>\$ 504,203,368</u>	<u>\$ 519,408,318</u>	<u>\$ 534,258,435</u>	<u>\$ 537,558,183</u>	<u>\$ 541,765,744</u>
Business-Type Activities					
Net investment in capital assets	\$ 54,369,592	\$ 55,686,449	\$ 59,284,426	\$ 57,864,503	\$ 57,906,077
Restricted	257,738	257,302	256,817	395,914	407,345
Unrestricted	34,062,925	37,621,809	36,072,886	37,474,874	40,440,641
Total Business-type Activities					
Net Position	<u>\$ 88,690,255</u>	<u>\$ 93,565,560</u>	<u>\$ 95,614,129</u>	<u>\$ 95,735,291</u>	<u>\$ 98,754,063</u>
Primary Government					
Net investment in capital assets	\$ 483,010,773	\$ 485,284,745	\$ 495,282,636	\$ 504,685,841	\$ 499,993,028
Restricted	20,343,758	24,800,207	27,577,623	29,488,148	28,323,238
Unrestricted	89,539,092	102,888,926	107,012,305	99,119,485	112,203,541
Total Primary Government					
Net Position	<u>\$ 592,893,623</u>	<u>\$ 612,973,878</u>	<u>\$ 629,872,564</u>	<u>\$ 633,293,474</u>	<u>\$ 640,519,807</u>

Notes: Prior period 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)

	2016	2017	2018	2019	2020
Expenses					
Governmental activities:					
General government	\$ 16,920,589	\$ 8,583,411	\$ 9,056,349	\$ 9,600,137	\$ 10,379,534
Public safety	10,336,154	12,527,353	11,815,383	12,384,390	13,066,189
Streets and public improvements	9,928,621	10,395,696	15,427,559	10,670,263	12,148,438
Community development	-	1,953,945	1,990,225	2,369,139	2,394,847
Parks and recreation	4,063,272	4,687,923	8,382,432	5,332,282	7,172,495
Interest on long-term debt	1,274,476	1,118,392	826,780	769,351	687,827
Total governmental activities expenses	42,523,112	39,266,720	47,498,728	41,125,562	45,849,330
Business-type activities:					
Water	4,444,945	4,622,995	4,442,047	4,620,864	5,230,180
Storm water	1,509,626	1,732,415	1,592,573	1,530,497	1,601,848
Solid waste	1,869,733	1,858,396	2,088,835	2,278,154	2,415,102
Ambulance	-	235,224	1,911,914	3,063,948	3,137,237
Total business-type activities expenses	7,824,304	8,449,030	10,035,369	11,493,463	12,384,367
Total primary government expenses	\$ 50,347,416	\$ 47,715,750	\$ 57,534,097	\$ 52,619,025	\$ 58,233,697
Program Revenues					
Governmental activities:					
Charges for services					
General government	\$ 5,777,093	\$ 1,617,580	\$ 918,577	\$ 924,127	\$ 1,018,092
Public safety	805,876	982,633	860,433	965,234	854,777
Streets and public improvements	6,834	291,480	60,308	81,984	57,929
Community development	-	3,463,617	4,245,511	4,809,612	3,779,126
Parks and recreation	487,515	498,636	505,985	519,049	359,021
Operating grants and contributions	7,008,060	7,258,729	8,499,074	8,503,426	7,606,653
Capital grants and contributions	5,665,882	5,207,304	9,070,007	15,136,893	6,985,659
Total governmental activities program rev.	19,751,260	19,319,979	24,159,895	30,940,325	20,661,257
Business-type activities:					
Charges for services:					
Water	4,572,537	5,062,507	5,006,641	5,095,170	5,290,881
Storm water	2,340,590	2,752,068	3,174,051	3,244,775	3,297,721
Solid waste	2,436,564	2,480,632	2,531,277	2,603,043	2,658,744
Capital grants and contributions	3,497,131	1,245,868	1,560,318	5,933,367	3,036,128
Total business-type activities program rev.	12,846,822	11,541,075	13,592,176	18,576,785	15,734,225
Total primary government program rev.	\$ 32,598,082	\$ 30,861,054	\$ 37,752,071	\$ 49,517,110	\$ 36,395,482

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

	2021	2022	2023	2024	2025
Expenses					
Governmental activities:					
General government	\$ 11,629,655	\$ 11,263,352	\$ 12,048,111	\$ 13,267,543	\$ 13,298,884
Public safety	13,763,801	14,143,046	16,324,607	18,545,091	21,608,486
Streets and public improvements	8,899,167	11,526,831	11,225,898	12,743,555	14,942,434
Community development	2,274,909	2,226,816	2,430,304	2,468,503	2,818,157
Parks and recreation	5,484,580	5,749,333	6,550,806	7,516,648	7,386,186
Interest on long-term debt	501,251	469,164	598,446	525,333	337,381
Total governmental activities expenses	42,553,363	45,378,542	49,178,172	55,066,673	60,391,528
Business-type activities:					
Water	5,576,316	5,402,191	5,703,132	7,386,803	7,956,901
Storm water	1,845,995	1,719,238	2,094,225	5,664,144	2,629,970
Solid waste	2,424,928	2,694,021	3,076,214	3,601,243	3,992,105
Ambulance	2,769,925	3,211,912	4,074,613	4,007,888	4,238,854
Total business-type activities expenses	12,617,164	13,027,362	14,948,184	20,660,078	18,817,830
Total primary government expenses	\$ 55,170,527	\$ 58,405,904	\$ 64,126,356	\$ 75,726,751	\$ 79,209,358
Program Revenues					
Governmental activities:					
Charges for services					
General government	\$ 1,177,573	\$ 1,424,056	\$ 1,187,316	\$ 1,336,510	\$ 963,429
Public safety	755,070	782,069	779,625	796,252	901,850
Streets and public improvements	6,988	33,726	78,400	372,543	235,954
Community development	4,005,290	4,264,290	3,131,539	2,805,989	4,076,101
Parks and recreation	608,034	563,394	834,395	999,384	1,004,919
Operating grants and contributions	12,404,716	12,080,745	12,588,902	8,560,338	10,916,467
Capital grants and contributions	12,048,134	9,404,510	6,397,343	5,000,356	3,924,826
Total governmental activities program rev.	31,005,805	28,552,790	24,997,520	19,871,372	22,023,546
Business-type activities:					
Charges for services:					
Water	5,951,627	5,203,872	5,235,287	5,454,947	6,959,251
Storm water	3,342,262	2,705,715	2,744,628	2,801,824	2,841,651
Solid waste	2,744,942	2,825,767	2,862,835	2,881,232	2,911,840
Ambulance	1,572,802	1,867,058	1,935,620	1,917,431	1,970,780
Operating grants and contributions	-	-	4,868	-	4,483
Capital grants and contributions	3,664,193	2,448,296	1,358,138	1,044,535	1,482,029
Total business-type activities program rev.	17,275,826	15,050,708	14,141,376	14,099,969	16,170,034
Total primary government program rev.	\$ 48,281,631	\$ 43,603,498	\$ 39,138,896	\$ 33,971,341	\$ 38,193,580

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

	2016	2017	2018	2019	2020
Net (Expense)/Revenue					
Governmental activities	\$ (22,771,852)	\$ (19,946,741)	\$ (23,338,833)	\$ (10,185,237)	\$ (25,188,073)
Business-type activities	5,022,518	3,092,045	3,556,807	7,083,322	3,349,858
Total primary government net (exp) rev.	<u>\$ (17,749,334)</u>	<u>\$ (16,854,696)</u>	<u>\$ (19,782,026)</u>	<u>\$ (3,101,915)</u>	<u>\$ (21,838,215)</u>

General Revenues and Other Changes in Net Position

Governmental activities:

Taxes					
Property taxes	\$ 8,216,888	\$ 8,913,119	\$ 8,746,336	\$ 8,957,745	\$ 9,261,840
Sales taxes	10,561,361	11,774,335	12,946,117	13,450,317	14,255,962
Franchise taxes	5,171,626	5,329,131	5,333,829	5,269,126	5,261,476
Unrestricted investment earnings	926,815	1,179,625	1,418,777	2,233,836	2,373,785
Gain (loss) on sale of capital assets	60,209	8,511,186	10,024	324,949	50,180
Total governmental activities	<u>24,933,699</u>	<u>35,362,396</u>	<u>27,791,448</u>	<u>29,030,283</u>	<u>29,437,193</u>

Unrestricted investment earnings	84,883	159,214	350,607	640,481	510,345
Gain (loss) on sale of capital assets	2,069	-	13,939	52,281	3,336
Transfers	3,200	345,000	663,635	1,205,690	1,766,050
Total Business-Type Activities	<u>90,152</u>	<u>504,214</u>	<u>1,028,181</u>	<u>1,898,452</u>	<u>2,279,731</u>
Total primary government	<u>\$ 25,023,851</u>	<u>\$ 35,866,610</u>	<u>\$ 28,819,629</u>	<u>\$ 30,928,735</u>	<u>\$ 31,716,924</u>

Change in Net Position

Governmental activities	\$ 2,161,847	\$ 15,415,655	\$ 4,452,615	\$ 18,845,046	\$ 4,249,120
Prior period adjustment	9,437,465	-	-	-	-
Business-type activities	5,112,670	3,596,259	4,584,988	8,981,774	5,629,589
Prior period adjustment	(2,718,983)	-	-	-	-
Total primary government	<u>\$ 13,992,999</u>	<u>\$ 19,011,914</u>	<u>\$ 9,037,603</u>	<u>\$ 27,826,820</u>	<u>\$ 9,878,709</u>

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

	2021	2022	2023	2024	2025
Net (Expense)/Revenue					
Government activities	\$ (11,547,558)	\$ (16,825,752)	\$ (24,180,652)	\$ (35,195,301)	\$ (38,367,982)
Business-type activities	4,658,662	2,023,346	(806,808)	(6,560,109)	(2,647,796)
	<u>\$ (6,888,896)</u>	<u>\$ (14,802,406)</u>	<u>\$ (24,987,460)</u>	<u>\$ (41,755,410)</u>	<u>\$ (41,015,778)</u>
Total primary government net (expense) revenue					
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 10,134,491	\$ 10,289,429	\$ 10,732,835	\$ 10,849,707	\$ 12,944,327
Sales taxes	16,788,860	19,216,512	20,282,317	20,760,554	20,609,052
Franchise taxes	5,476,814	5,610,870	6,281,901	6,296,348	6,378,443
Unrestricted investment earnings	828,914	(461,109)	3,583,716	5,803,440	5,441,749
Gain (loss) on sale of capital assets	-	-	-	-	1,401,972
Transfers	(1,966,250)	(2,625,000)	(1,850,000)	(5,215,000)	(4,200,000)
Total Governmental Activities	<u>31,262,829</u>	<u>32,030,702</u>	<u>39,030,769</u>	<u>38,495,049</u>	<u>42,575,543</u>
Business-type activities:					
Unrestricted investment earnings	191,302	179,729	922,789	1,463,748	1,466,568
Gain (loss) on sale of capital assets	20,333	47,230	82,588	2,523	-
Transfers	1,966,250	2,625,000	1,850,000	5,215,000	4,200,000
Total business-type activities	<u>2,177,885</u>	<u>2,851,959</u>	<u>2,855,377</u>	<u>6,681,271</u>	<u>5,666,568</u>
Total primary government	<u>\$ 33,440,714</u>	<u>\$ 34,882,661</u>	<u>\$ 41,886,146</u>	<u>\$ 45,176,320</u>	<u>\$ 48,242,111</u>
Change in Net Position					
Governmental activities	\$ 19,715,271	\$ 15,204,950	\$ 14,850,117	\$ 3,299,748	\$ 4,207,561
Business-type activities	6,836,547	4,875,305	2,048,569	121,162	3,018,772
Total primary government	<u>\$ 26,551,818</u>	<u>\$ 20,080,255</u>	<u>\$ 16,898,686</u>	<u>\$ 3,420,910</u>	<u>\$ 7,226,333</u>

Notes: Prior period 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)

	2016	2017	2018	2019	2020
General fund					
Nonspendable	\$ 13,347,903	\$ 13,391,514	\$ 11,127,060	\$ 10,521,574	\$ 9,844,768
Restricted	3,802,273	3,740,654	2,937,133	4,313,504	4,906,715
Unassigned	12,784,627	16,334,304	8,183,435	12,857,711	13,936,253
Total general fund	29,934,803	33,466,472	22,247,628	27,692,789	28,687,736
All other governmental funds					
Nonspendable, reported in:					
Restricted, reported in:					
Capital projects funds	5,387,731	4,122,428	329,631	1,329,631	429,948
Special revenue funds	12,998,320	11,902,664	10,713,495	10,783,271	12,234,806
Assigned, reported in:					
Capital projects funds	10,874,201	15,580,334	16,426,939	14,895,362	13,412,500
Special revenue funds	9,918,649	12,520,797	15,268,267	17,118,956	16,163,443
Total all other gov. funds	39,178,901	44,126,223	42,858,486	44,375,074	42,468,966
Total governmental funds	\$ 69,113,704	\$ 77,592,695	\$ 65,106,114	\$ 72,067,863	\$ 71,156,702

	2021	2022	2023	2024	2025
General fund					
Nonspendable	\$ 9,208,677	\$ 8,481,401	\$ 7,823,322	\$ 7,113,395	\$ 6,401,621
Restricted	7,382,761	10,161,084	13,222,567	16,592,058	15,975,963
Unassigned	13,562,617	12,343,698	21,019,714	16,482,997	18,979,645
Total general fund	30,154,055	30,986,183	42,065,603	40,188,450	41,357,229
All other governmental funds					
Nonspendable, reported in:					
Special revenue funds	92,708	-	285	-	-
Restricted, reported in:					
Capital projects funds	60,790	60,790	60,790	60,790	-
Special revenue funds	12,642,469	14,321,031	14,037,449	11,143,384	11,080,500
Assigned, reported in:					
Capital projects funds	16,749,553	26,015,700	19,731,323	15,418,500	15,825,589
Special revenue funds	14,650,181	14,993,353	17,424,901	18,303,247	22,122,198
Total all other gov. funds	44,195,701	55,390,874	51,254,748	44,925,921	49,028,287
Total governmental funds	\$ 74,349,756	\$ 86,377,057	\$ 93,320,351	\$ 85,114,371	\$ 90,385,516

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

	2016	2017	2018	2019	2020
Revenues:					
Taxes	\$ 23,949,875	\$ 26,016,585	\$ 27,026,282	\$ 27,677,188	\$ 28,779,278
Licenses and permits	3,944,808	3,483,912	4,281,729	4,832,300	3,783,877
Intergovernmental	7,056,946	7,903,771	13,407,860	12,440,066	9,672,491
Charges for services	2,270,778	1,960,286	1,526,418	1,625,856	1,304,299
Impact fees	4,579,545	2,463,363	3,759,029	4,767,585	3,342,156
Fines and forfeitures	748,234	842,952	734,373	826,774	708,741
Interest and Investment Earnings	926,815	1,159,284	1,376,215	2,164,757	2,318,840
Lease revenue	245,131	227,248	231,666	229,071	231,491
Donations and reimbursements	134,387	1,344,194	357,306	166,768	62,996
Miscellaneous	127,342	544,286	177,045	33,971	54,546
Total revenues	43,983,861	45,945,881	52,877,923	54,764,336	50,258,715
Expenditures:					
General government	8,835,135	6,727,072	6,394,954	6,626,593	6,669,758
Public safety	10,165,655	12,578,561	13,078,171	11,122,962	12,294,433
Streets and public improvements	5,515,786	5,153,195	5,853,710	4,112,082	4,755,868
Community development	-	1,902,542	2,011,041	2,317,925	2,397,038
Parks, recreation and public property	3,009,632	3,452,201	3,896,494	3,703,991	3,835,845
Redevelopment agency	8,926,596	2,100,264	3,157,620	3,462,583	3,934,448
Capital outlay	5,178,629	10,262,592	20,211,097	11,263,861	11,942,344
Debt service					
Principal	3,114,789	2,720,161	2,601,000	2,877,333	2,769,000
Interest	1,375,710	1,362,315	1,035,876	955,628	875,372
Bond issuance cost	60,985	32,502	15,950	-	-
Total expenditures	46,182,917	46,291,405	58,255,913	46,442,958	49,474,106
Excess (deficiency) of revenues over (under) expenditures	(2,199,056)	(345,524)	(5,377,990)	8,321,378	784,609
Other financing sources (uses):					
Transfers in	13,058,217	13,756,788	14,342,038	7,813,765	9,487,395
Transfers out	(14,061,417)	(14,101,788)	(15,855,673)	(9,530,155)	(11,253,445)
Bond and loan proceeds	5,612,000	1,919,000	-	-	-
Premium on bond issued	-	-	-	-	-
Pmt. to refunding bond escrow agent	-	(1,879,149)	(5,630,205)	-	-
Issuance of SBITAs	-	-	-	-	-
Sale of capital assets	86,782	9,129,664	35,249	356,761	70,280
Total other financing sources (uses)	4,695,582	8,824,515	(7,108,591)	(1,359,629)	(1,695,770)
Net change in fund balances	\$ 2,496,526	\$ 8,478,991	\$ (12,486,581)	\$ 6,961,749	\$ (911,161)
Debt service as a percentage of non-capital expenditures	11%	11%	10%	11%	10%

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

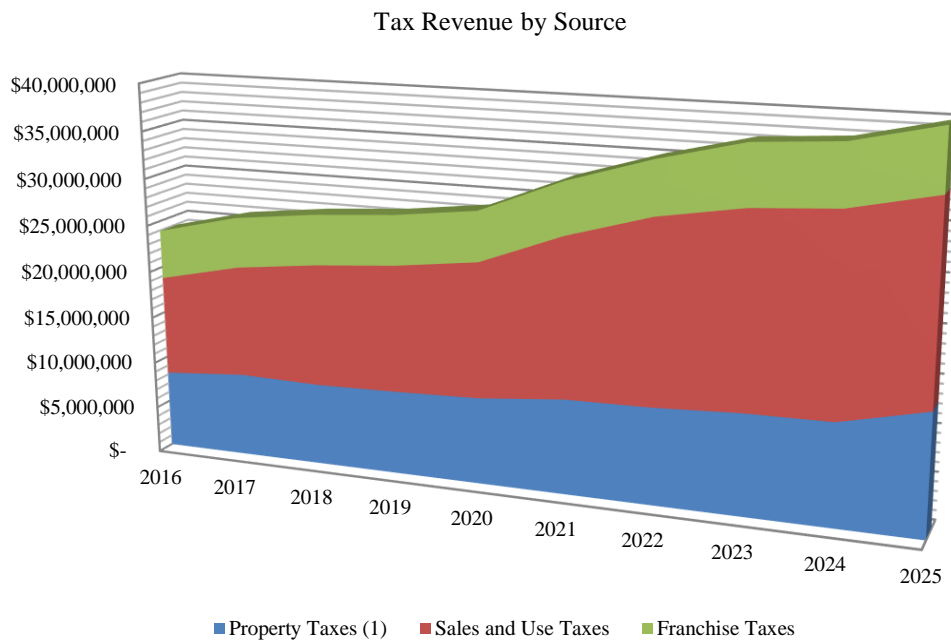
	2021	2022	2023	2024	2025
Revenues:					
Taxes	\$ 32,400,165	\$ 35,116,811	\$ 37,297,053	\$ 37,906,609	\$ 39,931,822
Licenses and permits	4,051,318	4,256,149	3,131,365	3,159,415	4,383,381
Intergovernmental	13,750,440	15,249,679	15,587,950	12,319,218	12,848,810
Charges for services	1,669,719	2,075,395	1,743,883	2,063,518	1,873,647
Impact fees	2,515,916	3,255,402	1,219,425	663,437	1,816,808
Fines and forfeitures	538,903	605,760	736,037	731,057	795,253
Interest and Investment Earnings	808,673	(481,129)	3,482,092	5,656,047	5,343,102
Lease revenue	229,230	-	-	-	-
Donations and reimbursements	102,730	293,410	-	10,000	-
Miscellaneous	36,117	58,272	53,357	356,688	129,972
Total revenues	56,103,211	60,429,749	63,251,162	62,865,989	67,122,795
Expenditures:					
General government	6,737,986	6,190,951	7,053,334	7,744,409	7,817,634
Public safety	12,867,701	14,702,870	16,657,928	18,591,452	20,410,136
Streets and public improvements	4,080,791	4,469,508	4,556,184	5,579,043	5,070,175
Community development	2,344,293	2,235,002	2,532,954	2,815,451	2,861,695
Parks, recreation and public property	3,936,810	4,079,591	4,704,164	5,203,629	5,555,656
Redevelopment agency	4,493,906	4,956,989	4,591,923	5,215,480	4,518,214
Capital outlay	6,991,367	6,363,914	14,310,134	16,713,880	9,795,487
Debt service					
Principal	6,380,000	2,113,174	1,477,579	2,363,523	2,567,271
Interest	876,898	585,471	518,303	686,488	586,888
Bond issuance cost	14,300	-	308,033	-	-
Total expenditures	48,724,052	45,697,470	56,710,536	64,913,355	59,183,156
Excess (deficiency) of revenues over (under) expenditures	7,379,159	14,732,279	6,540,626	(2,047,366)	7,939,639
Other financing sources (uses):					
Transfers in	11,106,873	16,078,785	12,933,961	15,094,733	11,370,209
Transfers out	(15,323,123)	(18,783,785)	(17,981,761)	(21,633,979)	(21,206,827)
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	30,145	22	315,918	165,698	7,168,124
Total other financing sources (uses)	(4,186,105)	(2,704,978)	402,668	(6,158,614)	(2,668,494)
Net change in fund balances	\$ 3,193,054	\$ 12,027,301	\$ 6,943,294	\$ (8,205,980)	\$ 5,271,145
Debt service as a percentage of non-capital expenditures	17%	7%	5%	6%	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
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
2025	12,944,327	20,609,052	6,378,443	39,931,822
Growth 2016-2025	4,727,439	10,047,691	1,206,817	15,981,947

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.



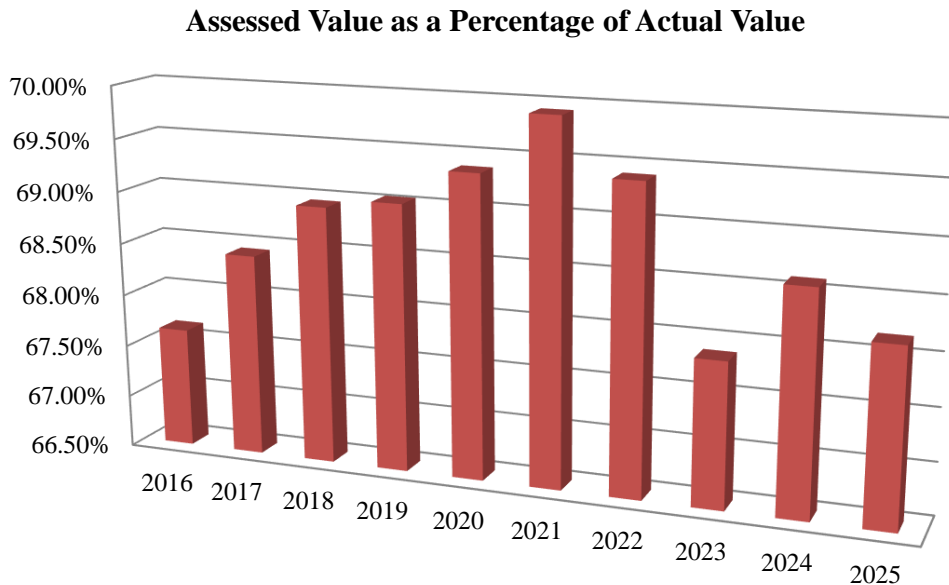
Schedule 6
CITY OF DRAPER, UTAH
Assessed Value and Estimate Actual Value of Taxable Property
Last Ten Fiscal Years

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
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%
2025	2024	6,617,157,037	4,979,712,623	11,596,869,660	0.001022	17,010,907,236	68.17%

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.



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

City Direct Rates					Overlapping Rates						
Fiscal Year	Tax Year	Operating	Debt Service	Total Direct	Salt Lake County	Traverse				Other	Total
						Canyons School District	Ridge Special District	Jordan School District			
SALT LAKE COUNTY											
Tax Area 51B											
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	
2025	2024	0.000971	0.000051	0.001022	0.001297			0.005390	0.001544	0.009253	
Tax Area 051, 051A											
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	
2025	2024	0.000971	0.000051	0.001022	0.001297	0.005677			0.001544	0.009540	
Tax Area 055, 52A, 55A, 55B, 55C, 55D, 55E, 55F, 55G											
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	
2025	2024	0.000971	0.000051	0.001022	0.001297	0.005677			0.001522	0.009518	

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

City Direct Rates					Overlapping Rates					
Fiscal Year	Tax Year	Operating	Debt Service	Total Direct	Traverse					
					Salt Lake County	Canyons School District	Ridge Special District	Jordan School District	Other	Total
SALT LAKE COUNTY - CONTINUED										
Tax Area 056										
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
2025	2024	0.000971	0.000051	0.001022	0.001297	0.005677			0.001335	0.009331
Tax Area 54B										
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
2025	2024	0.000971	0.000051	0.001022	0.001297	0.005677	0.000706		0.001522	0.010224

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

City Direct Rates					Overlapping Rates				
Fiscal Year	Tax Year	General Fund	Debt Service	Total Direct	Traverse				
					Utah County	Alpine School District	Ridge Special District	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
2025	2024	0.000971	0.000051	0.001022	0.000652	0.006115		0.001044	0.008833
Tax Area 014									
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
2025	2024	0.000971	0.000051	0.001022	0.000652	0.006115		0.000723	0.008512
Tax Area 017									
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
2025	2024	0.000971	0.000051	0.001022	0.000652	0.006115		0.001563	0.009352

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

City Direct Rates					Overlapping Rates				
Fiscal Year	Tax Year	General Fund	Debt Service	Total Direct	Traverse				
					Utah County	Alpine School District	Ridge Special District	Other	Total
UTAH COUNTY - CONTINUED									
Tax Area 018									
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
2025	2024	0.000971	0.000051	0.001022	0.000652	0.006115	0.000706	0.000857	0.009352
Tax Area 019									
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
2025	2024	0.000971	0.000051	0.001022	0.000652	0.006115	0.000706	0.001044	0.009539

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)
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	158,388	20,711	6,815,209	95.65%
2020	2019	0.001268	7,554,106	162,970	6,996,615	144,870	23,911	7,165,396	94.85%
2021	2020	0.001227	8,129,046	184,295	7,567,160	141,217	36,067	7,744,444	95.27%
2022	2021	0.001141	8,360,472	197,566	7,857,572	112,988	37,070	8,007,630	95.78%
2023	2022	0.000927	8,518,577	179,280	8,060,865	91,695	20,541	8,173,101	95.94%
2024	2023	0.000896	8,615,086	133,439	8,119,233	72,823	27,660	8,219,716	95.41%
2025	2024	0.001022	10,487,500	156,846	10,107,453	-	-	10,107,453	96.38%

(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	2025			2016		
	*Assessed Taxable Valuation	Rank	% of Total Assessed Valuation	Assessed Taxable Valuation	Rank	% of Total Assessed Valuation
Swire Pacific Holdings Inc	\$ 128,053,100		1.2%	\$ 38,732,700	7	0.9%
Women's Hospital Indianapolis LP	\$ 111,081,000		1.0%	\$ 67,739,700	1	1.5%
WSL - White Mountain 2346, LLC	\$ 94,600,100		0.9%			
Edward's Lifesciences, LLC	\$ 77,541,800		0.7%			
Pinnacle Reserve Associates, LLC	\$ 76,535,305		0.7%	\$ 65,809,600	2	1.5%
LD Bowerman Investments, LLC	\$ 73,396,700		0.7%	\$ 46,270,800	5	1.0%
Triview Apartment Associates, LLC	\$ 72,442,421		0.7%			
12588 S. Pone Express Rd. Owner, LLC	\$ 69,936,439		0.6%			
Inland Diversified Draper Peaks, LLC	\$ 68,830,300		0.6%			
X WH REDF2-TSE Lone Peak Propco	\$ 67,787,100		0.6%			
eBay, Inc.				\$ 56,985,400	3	1.3%
Inland Diversified Draper				\$ 49,190,600	4	1.1%
Harbert MSB Lone Peak Campus				\$ 44,622,300	6	1.0%
Liberty Hill Partners, LP				\$ 29,336,000	8	0.7%
Allegro Investors, LLC				\$ 27,661,600	9	0.6%
Ikea Property, INC				\$ 24,099,300	10	0.5%
	<u>\$ 840,204,265</u>		<u>7.55%</u>	<u>\$ 450,448,055</u>		<u>10.1%</u>
Total City Taxable Assessed Value	\$ 11,121,388,008			\$ 4,456,592,647		

* The City reports assessed values net of exempt amounts.

Source: Salt Lake & Utah County Assessor & Draper City's GIS Data - Based on 2024 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
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
2025	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	2025			2016		
	Sales Tax (1)	Rank	% of Total Sales Tax (1)	Sales Tax (1)	Rank	% of Total Sales Tax (1)
Larry H. Miller Ford Lincoln	N/A	1	N/A			
Karl Malone Toyota	N/A	2	N/A	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
Velocity Auto Sales	N/A	7	N/A	N/A	4	N/A
General RV	N/A	8	N/A	N/A	5	N/A
Trader Joe's	N/A	9	N/A			
Harmon's Bangerter Crossing	N/A	10	N/A	N/A	6	N/A
Harmon's Draper				N/A	8	N/A
Ardell Brown RV				N/A	9	N/A
Smith's Food & Drug				N/A	10	N/A
	<u>\$7,999,991</u>		<u>30.67%</u>	<u>\$4,679,921</u>		<u>36.61%</u>
Total Sales Tax (2)	\$26,087,538			\$12,783,388		

(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 (3) Obligation Bonds	Other Bonds	Total		
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
2025	-	-	-	0.00%	0

(1) See Schedule 6 for property values.

(2) See Schedule 17 for population data.

(3) Presented net of issuance discounts and premiums.

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

Fiscal Year	Governmental Activities					Notes Payable (2)
	General Obligation Bonds (4)	Sales Tax Revenue Bonds (4)	Lease Revenue Bonds	Leases	SBITAs	
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	1,550,018	12,549,921	-	297,384	-	9,903,508
2023	1,045,012	15,499,883	-	281,208	154,502	9,857,929
2024	530,006	13,659,732	-	166,576	354,950	9,857,929
2025	-	11,658,591	-	143,680	288,910	9,744,594

Fiscal Year	Business-type Activities				Percentage of Personal Income (1)	Personal Income (1)	Per Capita
	Revenue Bonds	Capital Leases	Notes Payable (2)	Total Primary Government	(1)	(1)	
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	26,551,905	0.68%	3,928,808,558	513
2023	1,024,000	-	884,403	28,746,937	0.88%	3,253,119,609	567
2024	921,000	-	884,403	26,374,596	0.81%	3,253,938,007	532
2025	815,000	-	804,712	23,455,487	0.70%	3,351,556,147 ⁽³⁾	468

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 tax year 2024 based on the average growth of the prior three years.
- (4) Presented net of issuance discounts and premiums.

Schedule 14
CITY OF DRAPER, UTAH
Direct and Overlapping Governmental Activities Debt
As of June 30, 2025

Entity	2024 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				
General Obligation Bonds	\$ 11,566,875,652	100%	\$ -	\$ -
Sales Tax Rev. Bonds				10,615,000
Unamortized Premiums				1,043,591
Notes Payable and Leases				10,177,184
Overlapping Debt				
CUWCD (2)	297,778,700,234	3.9%	105,507,820	4,098,332
Salt Lake County	206,395,201,576	5.6%	87,846,136	4,923,105
Canyons School District (3)	40,434,526,384	28.6%	334,040,000	95,556,928
Total Overlapping				<u>104,578,365</u>
Underlying Debt				
Alpine School District (4)	60,516,896,357	19.1%	267,680,000	51,162,922
Total Underlying				<u>51,162,922</u>
Total Overlapping and Underlying General Obligation Debt				155,741,288
Total Direct General Obligation Bonded Indebtedness				<u>21,835,775</u>
Total Direct and Overlapping General Obligation Debt				<u><u>\$ 177,577,063</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

	2016	2017	2018	2019	2020
Debt Limit	\$ 265,121,222	\$ 296,804,761	\$ 326,619,593	\$ 362,608,361	\$ 395,256,499
Total debt applicable to limit	4,090,000	3,680,000	3,260,000	2,830,000	2,390,000
Legal debt margin	<u>\$ 261,031,222</u>	<u>\$ 293,124,761</u>	<u>\$ 323,359,593</u>	<u>\$ 359,778,361</u>	<u>\$ 392,866,499</u>
Total debt applicable to the limit as a percentage of debt limit	1.54%	1.24%	1.00%	0.78%	0.60%
	2021	2022	2023	2024	2025
Debt Limit	\$ 433,586,520	\$ 486,098,545	\$ 616,309,629	\$ 643,773,784	\$ 680,436,289
Total debt applicable to limit	1,940,000	1,475,000	995,000	505,000	-
Legal debt margin	<u>\$ 431,646,520</u>	<u>\$ 484,623,545</u>	<u>\$ 615,314,629</u>	<u>\$ 643,268,784</u>	<u>\$ 680,436,289</u>
Total debt applicable to the limit as a percentage of debt limit	0.45%	0.30%	0.16%	0.08%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2025

Estimated Taxable value (1)	\$ 17,010,907,236
Debt Limit (4% of Taxable Value)	680,436,289
Debt Applicable to Limit	-
Legal Debt Margin	<u>\$ 680,436,289</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	
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
2025	20,609,052	1,860,000	562,746	2,422,746	8.51

Lease Revenue Bonds

Fiscal Year	Lease Revenue	Debt Service Requirements			Coverage
		Principal	Interest	Total	
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
2025	-	-	-	-	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)
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%	3,253,119,609	64,125	34,801	2.55%
2024	49,602	-4.15%	3,253,938,007	65,601	34,716	3.09%
2025	50,166	1.14%	3,351,556,147 ⁽²⁾	66,809	35,111	3.45%

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

(2) Utah State Tax Commission - State Return Data by City - Total Utah Taxable Income. FY25 is a 3% estimate over FY24.

(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	2025		2016	
	Number of Employees	Rank	Number of Employees	Rank
Edwards Lifesciences	1,000-1,999	1	500-999	6
Progressive Leasing	1,000-1,999	2	500-999	4
Pluralsight LLC	1,000-1,999	3		
Coca-Cola (Swire Pacific Holdings)	1,000-1,999	4	500-999	9
Seekwell Companies (1-800-Contacts)	500-999	5	500-999	5
Goldman Sach's Bank	500-999	6		
Prestige Financial Services Inc	500-999	7		
Lone Peak Hospital Inc	500-999	8		
DivvyPay LLC (Bill)	500-999	9		
Health Equity	500-999	10	500-999	8
Utah State Prison			1,000-1,999	1
Ebay			1,000-1,999	2
EMC Corporation			500-999	3
Affiliated Computer Services (ACS)			500-999	7
O'Curran			250-499	10

Source: Draper City business licensing database. Only employees who directly report to the Draper location are included. This can change year over year depending on work-from-home practices. 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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
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	12.87	14.87	15.49	15.79	16.79	16.79	17.39	19.02	21.10	21.38
Finance/Treasurer	7.75	7.88	8.25	8.25	8.25	8.25	8.25	8.25	9.25	9.25
Human Resources	2.15	2.50	2.50	2.50	2.00	2.00	2.00	3.00	3.00	3.00
Facilities Management	6.13	6.13	7.25	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	0.00	0.00	0.00	0.00
Public Safety										
Police	54.29	54.16	57.16	58.66	59.01	59.01	59.74	66.74	67.44	69.25
Fire (1)			36.50	38.50	31.72	31.72	34.22	37.72	38.22	40.22
Animal Control	3.38	3.63	3.63	3.38	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	2.67	3.00	4.00	4.00	4.00	4.00	4.00	4.50	4.50
Building	9.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Planning	4.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Code Enforcement	1.67	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Streets & Public Improvements										
Public Works Admin	2.00	4.00	4.00	4.00	5.00	5.00	5.00	5.00	4.72	4.72
Engineering (2)	7.50	12.13	11.63	13.13	12.13	12.13	12.13	12.13	11.63	11.63
Streets	7.00	7.00	8.00	8.00	8.00	8.00	8.00	9.00	9.00	9.00
Parks & Recreation										
Parks & Recreation Admin	5.25	5.25	5.25	5.25	5.19	5.19	5.19	4.19	4.19	4.19
Parks & Trails	20.00	23.00	27.00	28.00	28.00	28.00	31.00	31.00	31.50	31.50
Recreation	2.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	4.00	4.00
General Fund Total	160.79	176.02	223.09	230.14	223.52	223.52	228.35	241.48	246.78	250.87
Enterprise Funds										
Utility Admin		2.00	2.00	3.00	3.00	3.00	3.63	3.63	3.63	3.63
Water	9.24	6.00	6.00	7.00	7.00	7.00	7.00	9.00	12.00	12.00
Storm Water	8.00	5.00	5.50	5.50	6.50	6.50	6.50	7.50	8.72	9.00
Solid Waste	8.49	7.00	8.00	8.00	9.00	9.00	8.00	9.00	9.00	10.00
Ambulance			14.50	12.50	20.00	20.00	22.00	22.00	22.80	22.15
Enterprise Fund Total (2)	25.73	20.00	36.00	36.00	45.50	45.50	47.13	51.13	56.15	56.78
Internal Service Funds										
Class B&C Roads	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	1.00
Fleet Management							3.00	4.00	6.00	8.00
Traverse Ridge Special Service District										
Internal Service Funds Total	1.25	1.63	1.63	1.63	2.00	2.00	5.00	6.00	7.00	9.00
Total Positions	187.77	197.65	260.72	267.77	271.02	271.02	280.48	298.61	309.93	316.65

(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

	2016	2017	2018	2019	2020
Area (Square miles)	30.03	30.03	30.03	30.03	30.03
General Government					
Resolutions adopted	63	82	94	91	71
Public Safety					
Sworn police officers	40	40	43	44	44
Other police personnel (FTE)	8.76	8.63	8.63	9.37	9.13
Patrol calls for service	23,840	25,687	25,011	26,823	26,729
Records calls for service	14,200	15,782	15,339	17,703	N/a
Citations written	4,284	6,424	4,395	5,233	2,656
Fire Protection (UFA Contract 2008 - 2017)					
Fire stations	3	3	3	3	3
Firefighters (FTE)	29	29	27	27	28
Paramedics (FTE)			20	20	20
Medical Calls			2,890	2,895	2,871
Fire Calls			832	798	763
Other fire personnel (FTE)					1,573
Parks and Recreation					
Private reservations processed		1,949	2,036	2,474	1,720
Recreation participants	6,712	6,519	6,789	7,656	5,402
Recreation registrations processed	5,102	4,967	5,017	5,775	5,325
Parks (1)	42	42	44	44	45
Tennis courts	4	4	4	4	4
Soccer fields	10	10	10	10	10
Pickleball courts			6	6	8
Baseball diamonds	11	11	11	12	12
Trails (in miles)	89.63	103.63	116.00	121.63	124.14
Park Acreage	206	206	206	206	206
Community Development					
Building permits issued	981	1,054	1,337	1,692	1,784
Business licenses issued	2,286	2,333	1,943	1,792	1,329

(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

	2021	2022	2023	2024	2025
Area (Square miles)	30.03	30.03	30.03	30.03	28.39
General Government					
Resolutions adopted	64	76	69	56	58
Public Safety					
Sworn police officers	44	44	51	52	53.25
Other police personnel (FTE)	9.50	9.50	9.50	9.20	10.00
Patrol calls for service (4)	27,774	26,959	30,847	38,804	35,466
Records calls for service	N/a	N/a	N/a	N/a	N/a
Citations written	2,087	2,082	2,976	4,555	5,371
Fire Protection (UFA Contract 2008 - 2017)					
Fire stations	3	3	3	3	3
Firefighters (FTE) (3)	28	33.5	34.0	34.5	36.5
Paramedics (FTE)	20	22	22	22	21
Medical Calls	2,972	3,206	3,149	3,137	3,281
Fire Calls	733	772	1,140	1,136	1,259
Ambulance Transports	1,571	1,626	1,599	1,643	1,714
Parks and Recreation					
Private reservations processed	2,345	1,411	1,331	1,261	1,707
Recreation participants	7,157	6,611	8,610	7,950	8,187
Recreation registrations processed	5,450	5,793	6,718	6,971	6,400
Parks (1)	45	45	45	45	45
Tennis courts	4	4	4	4	4
Soccer fields	10	11	11	11	11
Pickleball Courts	8	8	14	14	15
Baseball diamonds	12	13	13	13	13
Trails (in miles)	145.96	146.47	143.94	146.26	150.10
Park Acreage	210	210	210	217	218
Community Development					
Building permits issued	1,955	1,662	1,514	1,137	1,339
Business licenses issued (2)	1,594	2,174	2,279	2,073	2,169

(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 documentation 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

	2016	2017	2018	2019	2020
Public Works					
Tons of salt spread	7,316	8,220	4,505	9,538	6,314
Snow Plow Hours	4,335	4,241	2,457	4,955	4,311
Gallons of brine spread	0	0	0	50,599	78,868
Street lights (1)	1,577	1,599	1,608	1,675	1,707
Street lane miles (2)	410	418	422	440	437
Traffic lights (3)	40	40	50	55	58
Utility - Solid Waste					
Number of customers	10,091	10,119	10,314	10,522	10,633
Annual waste tonnage	15,664	15,845	17,749	17,054	17,920
Average annual waste per household (in tons)	1.6	1.6	1.7	1.6	1.7
Annual recycling tonnage	2,073	2,110	2,201	1,889	1,811
Average annual recycling per household (in tons)	0.21	0.21	0.21	0.18	0.17
Dumpsters rented out	382	391	404	406	468
Utility - Storm Water					
Number of customers	10,668	10,730	10,927	11,127	11,284
Storm drain lines (in miles)	111.28	111.64	113.05	115.06	115.19
Utility - Water					
Number of customers	3,967	3,982	4,062	4,168	4,302
Average daily consumption per household (in gallons)	736	832	809	811	846
Gallons consumed (in millions)	1,066	1,209	1,200	1,234	1,328
Storage capacity (in millions of gallons)	11.4	11.4	11.4	11.4	11.4
Water lines (in miles)	72.9	73.2	75.3	76.4	81.7

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

	2021	2022	2023	2024	2025
Public Works					
Tons of salt spread	4,418	4,373	9,751	7,707	6,854
Snow Plow Hours	3,192	3,751	8,605	4,323	3,968
Gallons of brine spread	89,483	134,804	237,946	194,010	209,790
Street lights (1)	1,717	1,764	1,769	1,785	1,803
Street lane miles (2)	441	443	444	445	445
Traffic lights (3)	70	83	85	89	89
Utility - Solid Waste					
Number of customers	10,814	11,018	11,057	11,118	11,146
Annual residential waste tonnage	18,350	17,859	17,625	18,662	20,898
Average annual waste per household (in tons)	1.7	1.6	1.6	1.7	1.9
Annual residential recycling tonnage	1,526	1,642	1,690	1,659	1,662
Average annual recycling per household (in tons)	0.14	0.15	0.15	0.15	0.15
Dumpsters rented out	463	451	419	412	425
Utility - Storm Water					
Number of customers	11,424	11,614	11,662	11,728	11,795
Storm drain lines (in miles) (4)	124.37	128.99	128.82	130.30	131.16
Utility - Water					
Number of customers	4,409	4,545	4,577	4,635	4,695
Average daily consumption per household (in gallons)	903	729	750	779	851
Gallons consumed (in millions)	1,453	1,210	1,253	1,318	1,458
Storage capacity (in millions of gallons)	11.4	11.4	11.4	11.4	11.4
Water lines (in miles) (4)	84.8	84.5	84.9	84.7	85.1

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
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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, 2025, 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 13, 2025.

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.

HBMC, LLC

November 13, 2025
Bountiful, Utah



COMMITTED. EXPERIENCED. TRUSTED.

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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, 2025.

State compliance requirements were tested for the year ended June 30, 2025 in the following areas:

- Budgetary Compliance
- Fund Balance
- Justice Courts
- Restricted Taxes and Related Restricted Revenues
- Fraud Risk Assessment
- Government Fees
- Tax Levy Revenue Recognition
- Utah Retirement Systems
- Crime Insurance for Public Treasurers

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, 2025.

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)*, issued by the Office of the Utah State Auditor. 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

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

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

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.

HBMC, LLC

November 13, 2025
Bountiful, Utah