

BOUNTIFUL CITY, UTAH



Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024



MAYOR

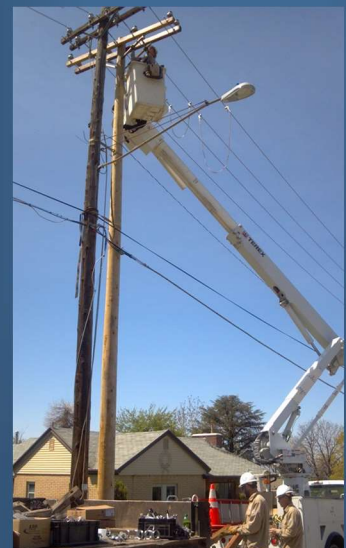
Kendalyn Harris

CITY COUNCIL

Jesse Bell
Kate Bradshaw
Richard Higginson
Matt Murri
Cecilee Price-Huish

CITY MANAGER

Gary R. Hill



BOUNTIFUL CITY, UTAH

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



Prepared by:

Bountiful City Finance Department

**Tyson Beck, CPA
Finance Director**

**David Burgoyne
Assistant Finance Director**

**Hunter Stone
Accountant/Treasurer**

**With assistance from:
Galen D. Rasmussen, MPA, CPA
Assistant City Manager**

BOUNTIFUL CITY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For The Fiscal Year Ended June 30, 2024

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ANNUAL COMPREHENSIVE FINANCIAL REPORT
For The Fiscal Year Ended June 30, 2024

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INTRODUCTORY SECTION



BOUNTIFUL CITY

**KENDALYN HARRIS
MAYOR**

CITY COUNCIL
Millie Segura Bahr
Jesse Bell
Kate Bradshaw
Richard Higginson
Cecilee Price-Huish

CITY MANAGER
Gary R. Hill

November 8, 2024

To the Mayor, City Council and Citizens of Bountiful City:

State law requires that all local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement and to the duty we owe to the citizens of Bountiful, we hereby issue the annual comprehensive financial report of Bountiful City (the City) for the fiscal year ended June 30, 2024.

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

Keddington & Christensen, LLC, a firm of certified public accountants, has audited the City's financial statements for the fiscal year ended June 30, 2024. The goal of the independent audit was to provide reasonable assurance that the City's financial statements are free of material misstatement. The independent 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 auditor has issued an unmodified ("clean") opinion on the City's financial statements for the fiscal year ended June 30, 2024. The independent auditor's report is presented as the first component of the financial section of this report.

Management's Discussion and Analysis (MD&A), found immediately following the report of the independent auditor, provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A compliments this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The City was incorporated December 14, 1892, under the laws of the Territory of Utah. The City is governed using a manager form of government. The City Manager is the chief administrative and budget officer of the City. The Mayor is part of a six-member elected body (five City Council Members) that develops policy and enacts local laws. The Mayor and Council Members are each elected for a four-year term to serve the citizens at large. The terms of office are staggered every two years (three council seats in one election and two council seats and mayor in the next). The Council is organized into committees over the functional areas/departments of the City, typically including three elected officials in each committee. The City Manager and department directors comprise the Executive Management Team that operate the City day-to-day and recommend priorities to the Mayor and City Council.

Profile of the Government (Continued)

The City Council is required to adopt a final budget for the next fiscal year no later than June 30th of the current fiscal year. If the next fiscal year's budget includes a property tax increase the final budget must be adopted by August 17th that falls within the budgeted fiscal year. This annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Upon approval by the City Manager, department directors may transfer resources within a department. Transfers between departments, however, need special approval from the governing body through budget amendment. Departments are the City's legal level of budgetary control.

The City provides the following services: public safety, public works (engineering, planning, parks and recreation, and streets), public utilities (electricity, water, recycling and refuse collection, landfill, storm water, and a fiber-optic network utility), and general government (legislative, executive, legal, finance, information technology, human resources, and treasury). The City also provides economic and redevelopment services through a legally separate, though financially and operationally dependent, Redevelopment Agency (RDA). In addition, the City provides a cemetery and an 18-hole golf course.

The City limits cover an area of approximately 14 square miles. The City's population for 2024 is estimated at 45,353, with a potential for an estimated 55,000 residents at final build-out, which should occur by approximately 2030.

Local economy

Bountiful is located in south Davis County and is predominantly a residential community. The City is host to a large regional hospital, some sizable commercial companies, car dealerships and professional firms.

Long-term financial planning

Bountiful prides itself in conservative financial management and prudent financial planning. The City maintains a pay-as-you-go financing mechanism for the majority of capital facility needs, but also utilizes the debt markets as market conditions become favorable and need arises. The City prepares and annually updates its ten-year capital improvement plan to ensure that capital needs are identified and funded. Operating budgets are reviewed extensively and balanced annually with conservatively estimated revenues, expenditures, and expenses.

Relevant financial policies

The City has adopted a formal fund balance/reserve policy adopted by City ordinance to ensure the continuity of the City's operations and ability to continue as a self-financing entity. Additional information on this policy can be found in Note 22 of this report.

The City has a policy that requires the adoption of a balanced annual operating budget (i.e., estimated revenues are equal to or in excess of appropriations).

Major initiatives

As the City is nearing its final build-out, the City's major initiatives are mostly focused on maintaining basic services and infrastructure. There are 7 major projects outside of the regular maintenance projects that are expected to be completed or initiated in fiscal years 2025 and 2026 as follows:

1. The City has recently completed a trails master plan process. During fiscal year (FY) 2024 \$1,487,139 was spent on design and construction of many of these trails. The capital budgets for fiscal year 2025 includes \$545,000 to continue the expansion of the City's trail system as guided by the master plan. The funding for these projects is from donations, grants, and the 2022 General Obligation bond issued on July 7, 2022.
2. A project to replace the City's Millcreek Reservoir is budgeted at \$1,000,000 in 2025 and \$2,000,000 in 2026.
3. During fiscal year 2023 the City Council approved a \$45,432,000 construction contract with UTOPIA Fiber to install a fiber-optic network throughout the City. This initiative was done to offer residents a fiber-network utility through which residents could contract broadband internet and telecommunications services with many mainstream internet service providers (ISP) at a reasonable price. Through the end of FY 2024 the City had already paid or accrued payment to UTOPIA for \$21,281,573 of the contract amount. The buildout of the network is estimated to be complete in the Fall of 2025. Funding for this project is from 2023 Sales Tax Revenue bonds, though it is the City's intent to repay the bonds with fiber subscription revenues. See Note 10 for further information on the bonds.

Major initiatives (Continued)

4. The City and the RDA have been involved financially in the large Renaissance Town Center development (~1500 to 1800 South on Main Street). This development will be built in phases but is planned as a mixed residential and commercial development that will bring several hundred new apartments to the City. It is unlikely that the City will have further financial investment, but this remains a significant initiative for the City. Through FY2024 one of the planned buildings was nearing completion with another in the foundation stage.
5. During FY2024 The RDA purchased a building on Main Street with the intent to remodel it into a restaurant and lease out the building. The FY2024 purchase costs totaled \$528,639 and the remodel costs are budgeted in FY2025 at \$1,500,000.
6. As part of an ongoing initiative to revitalize the City's Main Street, subsequent to FY2024 the RDA purchased Main Street land and a building for \$2,400,000 with the intent of future redevelopment. See Note 24 for further information.
7. The final major project is the rebuilding of the Light and Power department's North-West substation. This project will replace all major components of the existing substation. The project design began in FY24 (\$139,928 in costs) and is estimated to be completed in fiscal year 2026. The project has a budget of \$3,000,000 in 2025 and \$3,000,000 in 2026.

Almost all of these major initiatives discussed are anticipated to be completed without any external financing.

Awards and Acknowledgments

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to Bountiful City for its annual comprehensive financial report (ACFR) for the fiscal year ended June 30, 2024. This was the 43rd consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized ACFR which satisfied both GAAP and applicable program requirements.

The Certificate of Achievement is valid for a period of one year only. However, we believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The City also received the GFOA's Distinguished Budget Presentation Award for its fiscal year 2023 budget for the 7th consecutive year. To qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

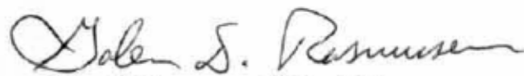
The preparation of this ACFR would not have been possible without the skill, effort, and dedication of the entire staff of the Finance Department. We appreciate all City departments for their assistance in providing the data necessary to prepare this report.

We also express our sincere appreciation to Mayor Kendalyn Harris, each member of the City Council, and City Manager Gary Hill for the many hours they spend in helping to run the City and to maintain the quality of life enjoyed by the citizens of this great community.

Respectfully submitted,



Tyson Beck, CPA
Finance Director



Galen D. Rasmussen, MPA, CPA
Assistant City Manager

**BOUNTIFUL CITY
PRINCIPAL OFFICIALS
As of June 30, 2024**

ELECTED OFFICIALS

Kendalyn Harris	Mayor
Jesse Bell	City Council Member
Kate Bradshaw	City Council Member
Richard Higginson	City Council Member
Matt Murri	City Council Member
Cecilee Price-Huish	City Council Member

EXECUTIVE BUDGETARY AND LEGAL OFFICIALS

Gary Hill	City Manager
Brad Jepps	City Attorney
Galen Rasmussen	Assistant City Manager

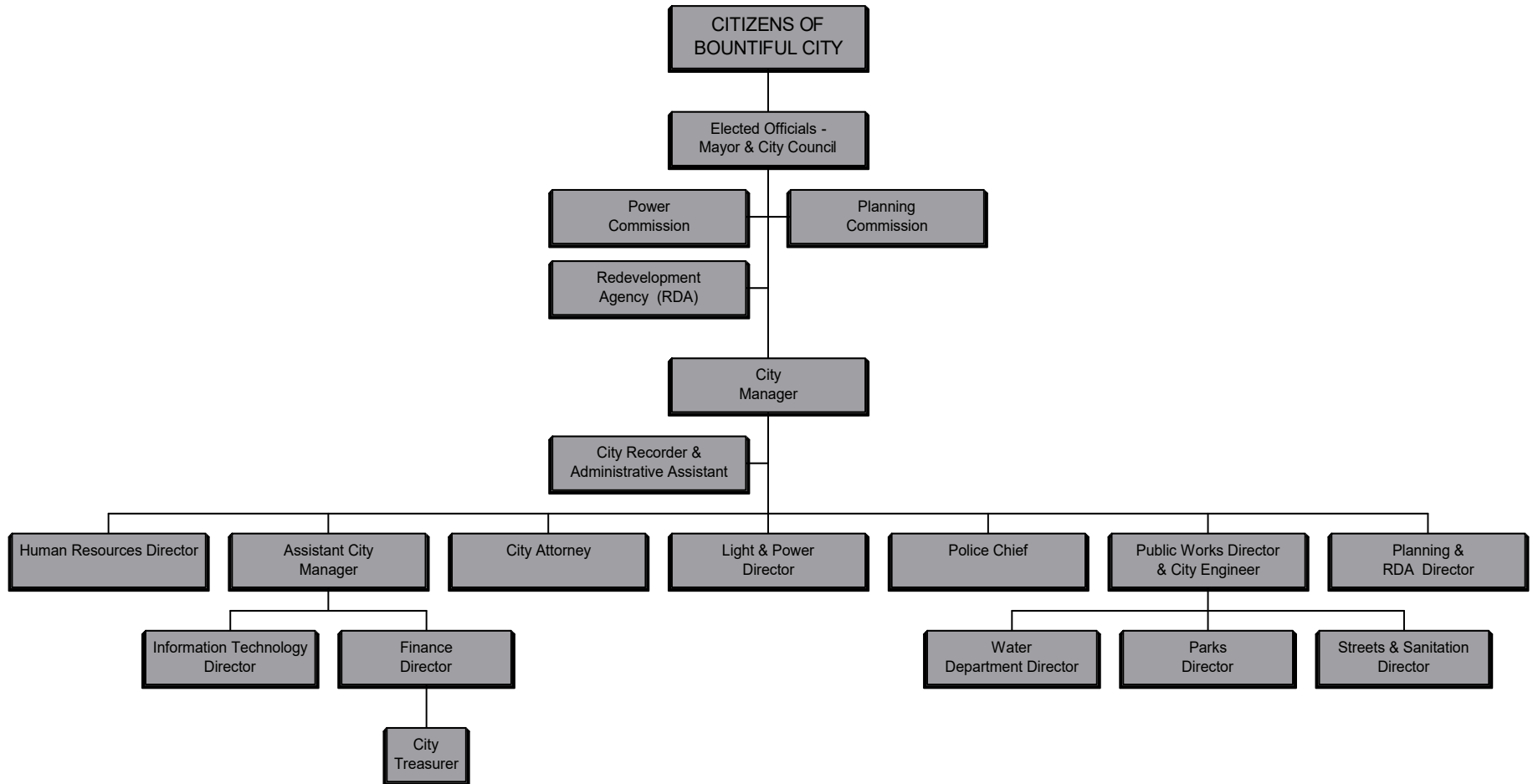
DEPARTMENT HEADS

Charles Benson	Streets & Sanitation Director
Francisco Astorga	Planning & Redevelopment Director
Brock Hill	Parks Director
Allen Johnson	Light & Power Director
Edward Biehler	Police Chief
Lloyd Cheney	Public Works Director/City Engineer
Greg Martin	Information Technology Director
Kraig Christensen	Water Department Director
Tyson Beck	Finance Director
Jessica Sims	Human Resources Director

STATUTORY APPOINTED OFFICIALS

Hunter Stone	City Treasurer
Shawna Andrus	City Recorder

**BOUNTIFUL CITY
ORGANIZATIONAL CHART
June 30, 2024**





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Bountiful City
Utah

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT



CERTIFIED PUBLIC
ACCOUNTANTS

Gary K. Keddington, CPA
Marcus K. Arbuckle, CPA
Steven M. Rowley, CPA

To the Mayor and City Council
Bountiful City
Bountiful, Utah

Report on the Audit of the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Bountiful City, Utah (the City) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above 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 the Bountiful City, Utah, as of June 30, 2024, and the respective changes in financial position, and the respective budgetary comparison for the General Fund and the Redevelopment Agency Special Revenue Fund, 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 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

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 generally accepted auditing standards and *Government Auditing Standards* 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 generally accepted auditing standards and *Government Auditing Standards*, 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 and other schedules and notes as noted on the table of contents, 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 accompanying combining and individual nonmajor fund financial statements and other schedules as noted on the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and other supplemental schedules listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual 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 8, 2024, on our consideration of the City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 the City’s 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.

K&C, CPAs

K&C, Certified Public Accountants
 Woods Cross City, Utah
 November 8, 2024

BOUNTIFUL CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For The Fiscal Year Ended June 30, 2024

As management of Bountiful City (the City), we offer to readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows on June 30, 2024, by \$308,525,800. Of this amount, unrestricted net position of \$113,903,079 may be used to meet the City's ongoing obligations to citizens and creditors. Unrestricted net position increased by \$15,238,519 from the prior year.
- The total net position increased by \$19,487,058 from the prior year. The increase was made up of a \$13,580,858 increase from governmental activities and a \$5,906,200 increase from business-type activities.
- As of the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$65,565,397, an increase of \$7,034,545 from the prior year. Of the current year fund balance amount, \$64,076,716 is unrestricted (the total of the committed, assigned, and unassigned components of fund balance) and available for spending. \$1,483,681 of the fund balance has been legally restricted while the remaining \$5,000 is non-spendable.
- At the end of the current fiscal year, unrestricted fund balance for the General Fund was \$6,005,572, or 27.32% of total General Fund expenditures.
- During the current fiscal year, the City issued sales tax revenue bonds with a par value of \$45,525,000 and premium amount of \$1,859,665 to fund construction costs of the a new fiber-optic utility. With the existing General Obligation bonds Series 2022, the City's bonded debt obligations had an outstanding balance at June 30, 2024 of \$54,784,529.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements - These statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all the City's assets, deferred outflows of resources, deferred inflow of resources, and liabilities. The difference between the assets plus deferred outflows and the liabilities plus deferred inflows is reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, earned but unused compensated absences, etc.).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, highways and streets, planning and engineering, parks and recreation, and redevelopment. The business-type activities of the City include a fiber-optic network, culinary water, light and power, sanitation services of refuse and recycle collection and a landfill, storm water, 18-hole golf course, and a cemetery.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate Redevelopment Agency for which the City is operationally responsible. Financial information for this component unit is reported as an integral part of the primary government.

Fund financial statements - A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

BOUNTIFUL CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Fiscal Year Ended June 30, 2024

Overview of the Financial Statements (Continued)

Governmental funds - These funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains seven individual governmental funds. Information is presented separately in the governmental funds balance sheet and governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Capital Projects Fund, and Redevelopment Agency Fund which are considered major funds. Data from the other four funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the supplemental information section of this report.

The City adopts an annual budget for its General Fund, Capital Projects Fund, Redevelopment Agency Fund, Landfill Closure Fund, RAP Tax Fund, Cemetery Perpetual Care Fund, and Debt Service Fund. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with the fiscal year 2024 budget.

Proprietary funds - Proprietary funds provide the same information provided in government-wide financial statements, only in more detail. The City maintains two different types of proprietary funds, namely enterprise funds and internal service funds.

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City maintains seven individual enterprise funds. Information is presented separately in the proprietary funds *statement of net position* and the proprietary funds statement of revenues, expenses, and changes in net position for the Fiber, Water, Light and Power, and the Sanitation funds, which are considered major funds. Data from the other three funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor proprietary funds is provided in the form of combining statements in the supplementary information section of this report.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its workers compensation and risk management activities. Both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the form of combining statements in the supplementary information section of this report.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City only maintains one fiduciary fund, which is a fiduciary component unit of the City. The other postemployment benefits (OPEB) trust fund is used to report resources held in trust for retirees covered by the City's OPEB plan.

Notes to the financial statements - The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements.

Other information - In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information (RSI) concerning the City's progress in funding its obligations to the pension and OPEB plans, the balances of the City's assets and liabilities associated with these plans, and the required contributions to these plans.

BOUNTIFUL CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Fiscal Year Ended June 30, 2024

Overview of the Financial Statements (Continued)

Other information (Continued) - The combining statements referred to earlier in connection with nonmajor funds and internal service funds are presented immediately after the RSI on pensions and OPEB. Also included in the combining statements are budget comparisons for governmental funds other than the General Fund and Redevelopment Agency Fund, which are included in the basic financial statements.

Government-wide Overall Financial Analysis

On June 30, 2024, the City's assets and deferred outflows exceeded its liabilities and deferred inflows by \$308,525,800. This is the City's net position at the close of the current fiscal year.

Bountiful City Net Position						
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 80,052,280	\$ 74,527,414	\$ 82,525,005	\$ 48,512,539	\$ 162,577,285	\$ 123,039,953
Capital and intangible assets	112,360,421	106,458,085	111,688,648	94,192,894	224,049,069	200,650,979
Total assets	<u>192,412,701</u>	<u>180,985,499</u>	<u>194,213,653</u>	<u>142,705,433</u>	<u>386,626,354</u>	<u>323,690,932</u>
Total deferred outflows of resources	<u>3,251,573</u>	<u>2,437,379</u>	<u>1,923,475</u>	<u>1,455,821</u>	<u>5,175,048</u>	<u>3,893,200</u>
Current liabilities	3,212,524	3,470,091	6,935,416	7,801,128	10,147,940	11,271,219
Long-term liabilities	15,354,485	15,668,453	51,730,143	4,732,025	67,084,628	20,400,478
Total liabilities	<u>18,567,009</u>	<u>19,138,544</u>	<u>58,665,559</u>	<u>12,533,153</u>	<u>77,232,568</u>	<u>31,671,697</u>
Total deferred inflows of resources	<u>6,027,227</u>	<u>6,795,154</u>	<u>15,807</u>	<u>78,539</u>	<u>6,043,034</u>	<u>6,873,693</u>
Net position:						
Net investment in capital assets	104,316,677	98,466,871	88,287,825	88,481,755	192,604,502	186,948,626
Restricted	2,018,219	3,224,984	-	200,572	2,018,219	3,425,556
Unrestricted	64,735,142	55,797,325	49,167,937	42,867,235	113,903,079	98,664,560
Total net position	<u>\$ 171,070,038</u>	<u>\$ 157,489,180</u>	<u>\$ 137,455,762</u>	<u>\$ 131,549,562</u>	<u>\$ 308,525,800</u>	<u>\$ 289,038,742</u>

Current and other assets increased in total by \$39,537,332 from the prior year. This large swing is due predominantly to a \$45,275,647 increase in cash and investments and a \$541,322 increase in receivables. These increases were partially offset by various smaller reductions in other current and other assets.

The increase in cash and investments is predominately the result of unspent Sales Tax Revenue Bond, Series 2023 proceeds, with the remainder coming from the fiscal year 2024 operations. The swing in receivables is a fairly normal fluctuation.

Long-term liabilities increased by a net total of \$46,684,150 from the prior year. This is predominantly due to the issuance of the Sales Tax Revenue Bond, Series 2023 increasing the long-term liabilities by \$47,322,676 from the prior year. These increases were partially offset by various smaller reductions in other long-term liabilities from principal payments and amortization.

By far the largest portion of the City's net position \$192,604,502 (62.43%) reflects its investment in capital assets, less any related debt that is still outstanding and which was used to acquire those assets. The City uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position, \$2,018,219 (0.65%), entails resources that are subject to external restrictions on how they may be used.

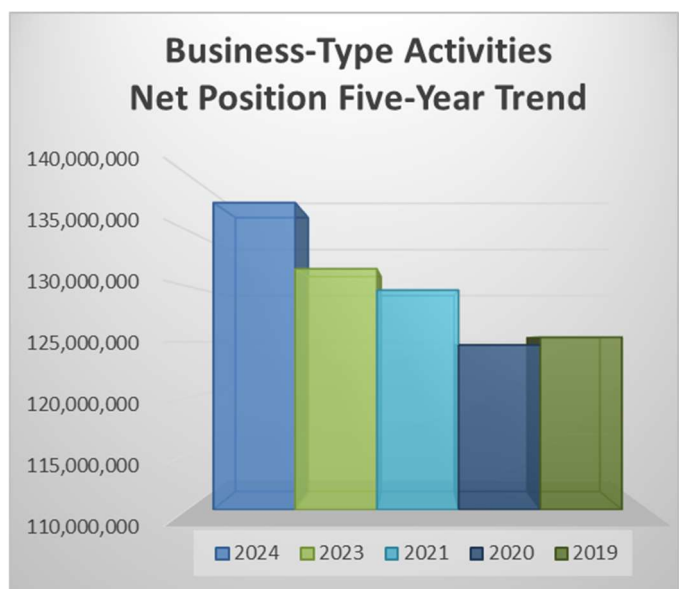
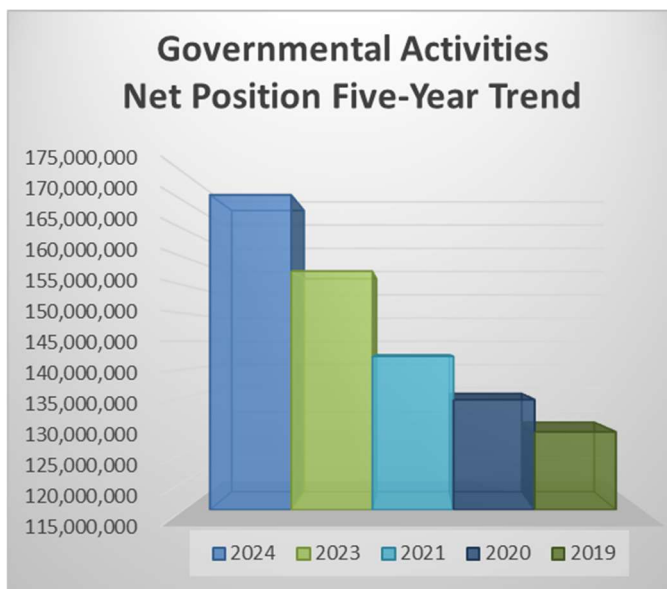
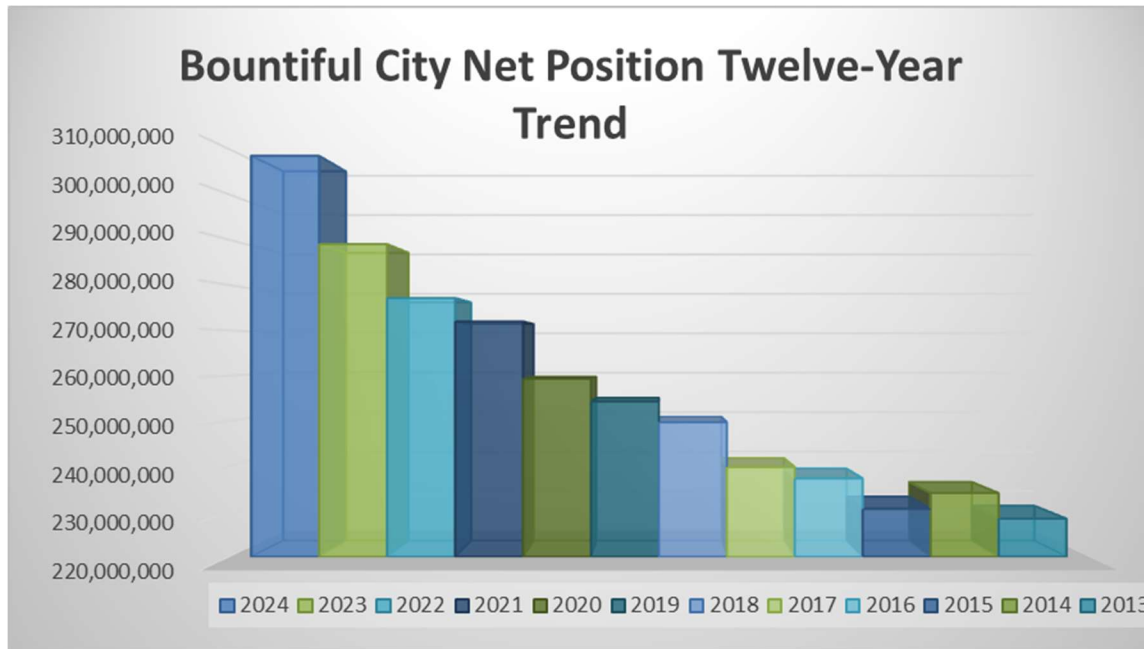
The remaining balance of \$113,903,079 (36.92%) is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.

**BOUNTIFUL CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Fiscal Year Ended June 30, 2024**

Government-wide Overall Financial Analysis (Continued)

At the end of the current fiscal year the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities with the exception of the Fiber Fund. The Fiber Fund is in the start-up stages with very little subscriber revenue, so having a negative net position was anticipated.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The following graphs present the City's historical balances of net position that can aid in this type of trend analysis:



BOUNTIFUL CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Fiscal Year Ended June 30, 2024

Government-wide Overall Financial Analysis (Continued)

In addition to reviewing the City-wide net position, an analysis of the year-over-year change in net position is representative of the unique financial activity that has taken place over the course of the fiscal year. During the fiscal year ended June 30, 2024, the overall net position of the City increased \$19,487,058 (including a restatement of net position of \$2,495,552), a 6.74% change, from the prior fiscal year.

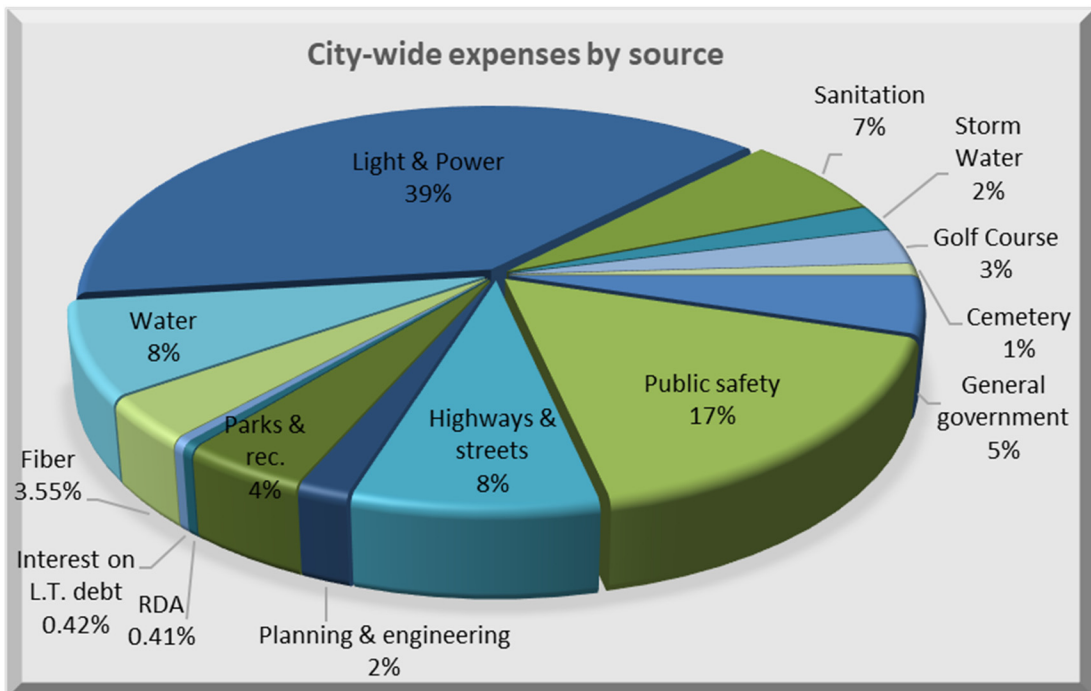
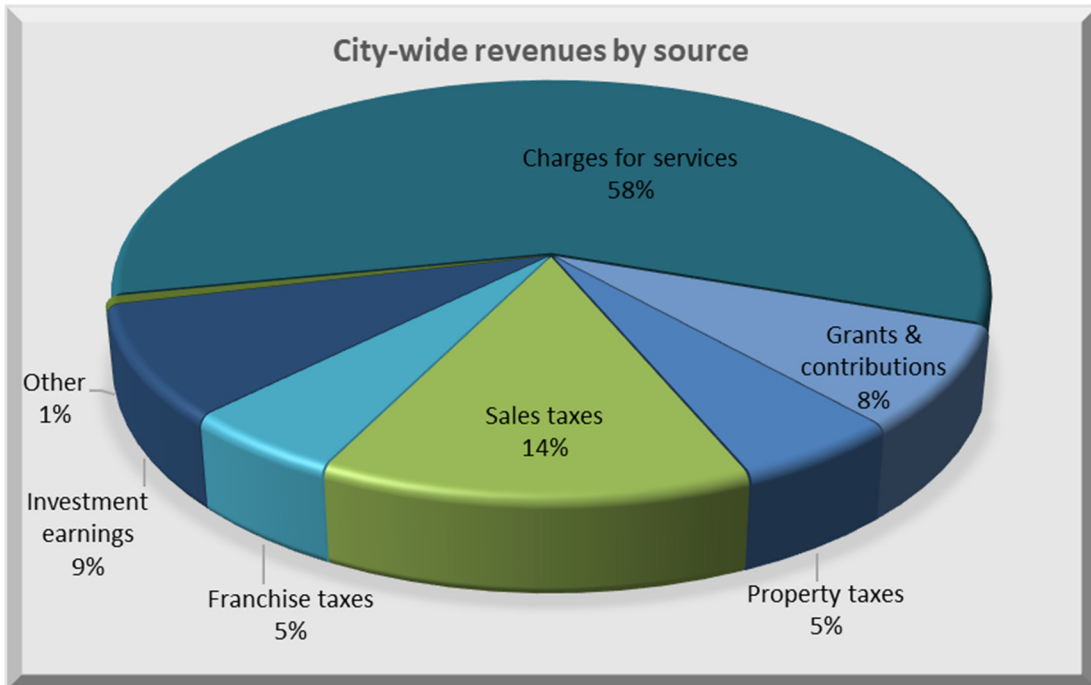
The increase from governmental activities of \$13,580,858 is \$3,629,008 more than the \$9,951,850 increase to net position of fiscal year 2023. The increase from business-type activities of \$5,906,200 is \$3,968,569 more than the \$1,937,631 increase to net position of fiscal year 2023.

Bountiful City Changes in Net Position						
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	\$ 2,469,521	\$ 1,960,336	\$ 47,824,159	\$ 44,290,555	\$ 50,293,680	\$ 46,250,891
Operating grants and contributions	4,334,320	6,679,007	-	-	4,334,320	6,679,007
Capital grants and contributions	1,895,665	341,331	652,488	478,223	2,548,153	819,554
General revenues:						
Property taxes	4,545,694	4,742,917	-	-	4,545,694	4,742,917
Sales taxes	11,856,450	11,643,379	-	-	11,856,450	11,643,379
Franchise taxes	4,445,299	4,313,583	-	-	4,445,299	4,313,583
Other	3,516,795	1,630,058	4,461,006	3,693,007	7,977,801	5,323,065
Total revenues	<u>33,063,744</u>	<u>31,310,611</u>	<u>52,937,653</u>	<u>48,461,785</u>	<u>86,001,397</u>	<u>79,772,396</u>
Expenses:						
General government	3,305,109	3,189,018	-	-	3,305,109	3,189,018
Public safety	11,687,268	11,126,163	-	-	11,687,268	11,126,163
Highways and streets	5,812,225	5,888,282	-	-	5,812,225	5,888,282
Planning and engineering	1,222,372	1,160,009	-	-	1,222,372	1,160,009
Parks and recreation	2,993,457	2,136,461	-	-	2,993,457	2,136,461
Redevelopment	287,651	283,315	-	-	287,651	283,315
Interest on long-term debt	294,708	304,921	-	-	294,708	304,921
Fiber	-	-	2,474,830	18,098	2,474,830	18,098
Water	-	-	5,422,078	5,176,103	5,422,078	5,176,103
Light and Power	-	-	27,297,327	30,471,547	27,297,327	30,471,547
Sanitation	-	-	4,693,729	4,117,748	4,693,729	4,117,748
Storm Water	-	-	1,474,402	1,443,112	1,474,402	1,443,112
Golf Course	-	-	2,037,565	1,915,209	2,037,565	1,915,209
Recycling	-	-	-	-	-	-
Cemetery	-	-	651,793	657,958	651,793	657,958
Total expenses	<u>25,602,790</u>	<u>24,088,169</u>	<u>44,051,724</u>	<u>43,799,775</u>	<u>69,654,514</u>	<u>67,887,944</u>
Change in net position before transfers	7,460,954	7,222,442	8,885,929	4,662,010	16,346,883	11,884,452
Transfers	3,624,352	2,724,379	(2,979,729)	(2,724,379)	644,623	-
Increase (Decrease) in net position	11,085,306	9,946,821	5,906,200	1,937,631	16,991,506	11,884,452
Net position - beginning of year	157,489,180	147,537,330	131,549,562	129,611,931	289,038,742	277,149,261
Prior Period Adjustment	2,495,552	5,029	-	-	2,495,552	5,029
Net position - end of year	<u>\$ 171,070,038</u>	<u>\$ 157,489,180</u>	<u>\$ 137,455,762</u>	<u>\$ 131,549,562</u>	<u>\$ 308,525,800</u>	<u>\$ 289,038,742</u>

**BOUNTIFUL CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Fiscal Year Ended June 30, 2024**

Government-wide Overall Financial Analysis (Continued)

The graphs that follow present fiscal year 2024 City-wide revenue and expense information to highlight the magnitude of each revenue source and City services by function.



BOUNTIFUL CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Fiscal Year Ended June 30, 2024

Financial Analysis of Governmental Activities

For the period ended June 30, 2024, the City's governmental activities increased the City's net position by \$13,580,858. During the 2024 fiscal year, the governmental activities and operations of the City were mostly unchanged with the exception of some expanded trail assets and services in parks and recreation. There were no other significant changes to the City's governmental activities fee schedule, property taxes, or other financing.

Although there were no significant fee structure or operational changes during the current fiscal year, there were many financial variances from fiscal year 2023. As indicated by the data in the table on page 7, the net change in the City's net position provided by current year governmental activities is \$3,629,008 more than last year's increase of \$9,951,850 due to the following 4 factors:

1. Fiscal year 2024 reported a net increase in governmental activities revenue of \$1,753,133 from fiscal year 2023, attributed to the underlined reasons below:
 - Charges for services revenue had a net increase of \$509,185 due to the following 3 factors: **1)** Building permit fee revenue increased by \$363,492. The current year's permitting fees included a fairly large project and many permits for one of the largest residential/mixed use developments for the City in many years (Renaissance Town Center) as that project continues to progress, which was the main reason for the elevated permit fees; **2)** a \$53,413 increase in zoning and subdivision application fees. The current year fees were historically very average. The main reason for the swing was just an abnormally low prior year; **3)** The remaining net increase of \$92,280 came from fairly routine revenue increases across various revenue streams.
 - Operating grants and contributions revenue decreased by a net \$2,344,687 due to the following 3 factors: **1)** Federal grant revenue through FEMA increased by \$152,192 in a public-safety supplies grant that was not received in the prior year; **2)** The current fiscal year did not have any Federal grant revenue as part of the efforts to mitigate and respond to the COVID-19 pandemic as those programs had ended. The prior year recorded \$2,602,590 in ARPA revenue, thus creating that revenue reduction of \$2,602,590 between fiscal 2023 and 2024; **3)** The remaining net increase in this revenue of \$105,711 is due to various other small and routine fluctuations.
 - Capital grants and contributions revenue increased \$1,554,334 due to the following 4 factors: **1)** During the current fiscal year the City received \$1,000,000 in trail and trailhead construction grants from the State of Utah and Davis County; **2)** A \$434,731 increase in developer capital contributions. The current fiscal year had \$716,062 in donated infrastructure (e.g. road, sidewalk, underlying land, etc.) while the prior fiscal year only had \$281,331. In fiscal year 2024 the City accepted the Stone Creek Phase 3 and Creekside Views subdivisions infrastructure after the City provided final inspection/approval and began ownership and maintenance of those assets; **3)** During the current fiscal year, the City received Federal grant revenue through FEMA of \$157,710 in an emergency generator grant that was not received in the prior year; **4)** The remaining net decrease to this revenue from the prior year of \$38,107 is the net decrease of various fluctuations in grant revenues.
 - Property tax revenues had a net decrease of \$197,223. The City's debt service levy brought in \$172,537 less than in the prior fiscal year. This is due principally to fluctuations in the required debt service payments between fiscal years. Additionally, the City purposefully reduced the debt levy rate as it over collected in the prior year. The City's operating property tax levy also decreased by a net \$24,686 due to reduced collections, which is a fairly normal fluctuation in property tax collections due to changes in delinquent tax and fee-in-lieu collections.
 - Sales tax revenues increased \$213,071. This 1.83% increase from 2023 was due to a variety of factors that are difficult to quantify as the State Tax Commission collects all sales taxes charged in the State and then redistributes them based on a 50% point-of-service and 50% population allocation. Overall, the State of Utah and the local economy have been very stable throughout the fiscal year and have continued to grow, likely being a contributing factor to the increased revenue. Additionally, throughout fiscal year 2024 there has been significant inflation causing sales prices to exceed where they were in the prior fiscal year with a corresponding increase in sales taxes.
 - Franchise tax revenues increased by a net \$131,716 due primarily to increased Municipal Energy Sales and Use (MESU) taxes on electric metered sales (\$167,918). The current year's MESU tax on electricity of \$1,984,376 was the highest recorded and was 9.24% higher than the prior year. For fiscal year 2024, the City increased its electric power rates by 15% and only saw a small decrease on the amount kilowatt hours sold; thus this significantly increased the MESU tax revenue. The other franchise tax revenues had a net decrease of \$36,202 due to fairly normal fluctuations.

BOUNTIFUL CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Fiscal Year Ended June 30, 2024

Financial Analysis of Governmental Activities (Continued)

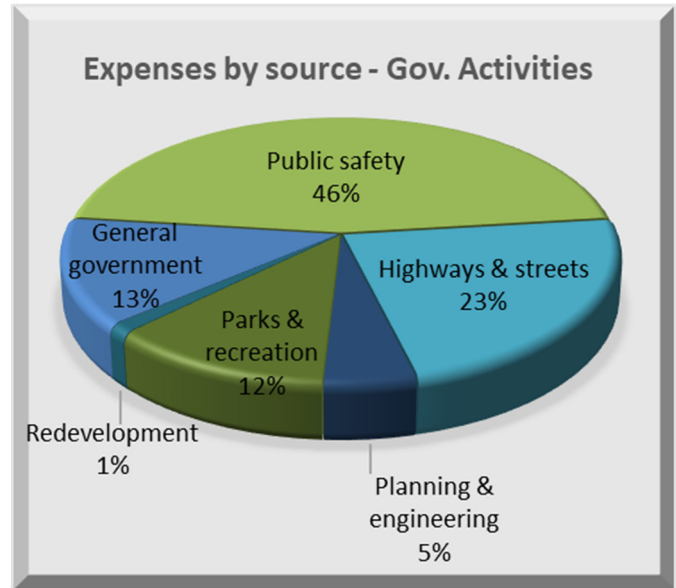
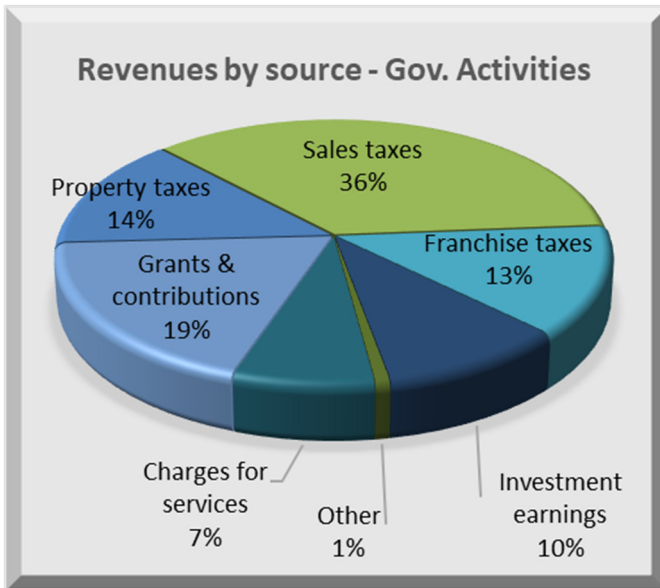
- Other revenue had a net increase of \$1,886,737 due to these 3 factors: **1)** \$809,286 increase in actual investment earnings (i.e., returns before recognition of unrealized losses) across all the governmental funds. This was possible mainly because the investment rates of return were higher than the prior year as the Federal Reserve continued to fight inflation by raising their internal borrowing rate by 25 basis points during the current fiscal year. The city's investment pool overall had actual investment earnings of \$6,320,035 in fiscal year 2024 as compared to \$3,012,366 in fiscal year 2023, bringing in an additional \$3,307,669 in revenue; **2)** During the current fiscal year the City's governmental funds recorded a \$724,393 unrealized gain from recording the investments at fair value. This was a \$1,112,073 increase (positive swing) from the prior year's \$387,680 loss. Unrealized gains or losses reflect the variance between the investment's carrying value and its value if it were to be sold (i.e., fair value). The fiscal year 2024 interest rates in the bond market were much less volatile than in fiscal year 2023 as the Federal Reserve only did one rate hike of 25 basis points as compared to 350 basis point rate hikes in 2023. The market value of the current-year investments in the City's overall portfolio appreciated as older lower interest rate bonds matured and were replaced and also many lower-interest-rate bonds got closer to their maturity dates bringing their value back to the stated par value. This portfolio unrealized appreciation resulted in significant unrealized gains during the current fiscal year (\$1,243,392 over the whole portfolio). It should be noted that these unrealized gains are likely only a temporary accounting gain as the City does not intend to sell those investments before maturity nor are the investments likely to default as they are all highly rated; and **3)** \$34,622 net decrease in various miscellaneous revenues that were fairly routine in nature.
- 2. Fiscal year 2024 reported that governmental activity expenses increased by a net \$1,514,621 from fiscal year 2023 as explained by the following underlined factors:
 - General government expenses increased \$116,091 due to the following **4** factors: **1)** \$137,332 increase in personnel salaries and benefits (excluding pension benefit as discussed below) due principally to a City-wide 5% cost of living adjustment (COLA) in wages, earned merit increases to wages, and increased medical insurance premiums (7%); **2)** \$99,605 in increased pension expense (actuarially calculated) resulting from the adjustments to the City's Net Pension liability (NPL); **3)** expenses decreased by \$39,192 due to a revised administrative services charge to enterprise funds to reimburse the General Fund for services provided; and **4)** \$81,654 net decrease in various expenses that were fairly routine in nature.
 - Public safety expenses increased \$561,105 due to the following **7** factors: **1)** \$292,617 decrease in pension expense (actuarially calculated) resulting from the adjustments to the City's Net Pension liability (NPL); **2)** \$437,154 increase in personnel salaries and benefits for the same reasons explained in the General Government expenses above; **3)** PTO accrued expenses increased by \$216,851 mostly due to the personnel increases already mentioned; **4)** \$71,050 increase in member assessment payments to the South Davis Metro Fire Service Area (SDMFSA) that provides residents fire and emergency medical services. This increase is fairly routine; **5)** \$82,059 decrease in animal control expenses. The City no longer pays Davis County an annual assessment for these services as they established a dedicated tax levy to fund those operations; **6)** \$217,249 increase in repairs and maintenance expense due principally to remodel costs for the public safety building's public bathrooms and the dispatch area; and **7)** the remaining net decrease to expense of \$6,523 comes from various routine smaller increases and decreases from the prior year.
 - Highways and Streets expenses decreased by a net \$76,057 due to the following **5** factors: **1)** \$262,483 increase in road maintenance expenses due mainly to more concrete repairs and increased road striping costs. The prior fiscal year was unusually low for both of those repairs and maintenance; **2)** \$131,955 increase in personnel salaries and benefits due to the raises and medical increases already mentioned; **3)** \$357,820 decrease in road salt purchases for snowplowing due to less snow fall during the fiscal 2024 winter season. During the fiscal 2023 winter the City purchased \$622,991 in salt, which was the highest recorded; **4)** \$162,617 decrease in equipment/vehicle repairs and maintenance and fuel expense. The current fiscal year was fairly routine. Fiscal year 2023 was abnormally high due to the increased snowplowing where the plows had to be repaired more and the fuel purchases were also much higher; and **5)** the remaining \$49,942 net increase from the prior year comes from various fluctuations that were fairly routine in nature.
 - Planning and Engineering expenses had a net increase of \$62,363. This increase was due principally to personnel expense increase of \$165,954. There were no staffing changes, just the aforementioned increases to pay and medical insurance premiums. This increase was partially offset by decreased expenses of \$103,591 principally due to decreased expenses from a revised administrative services charge to enterprise funds to reimburse the General Fund for services provided.

**BOUNTIFUL CITY
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)
For The Fiscal Year Ended June 30, 2024**

Financial Analysis of Governmental Activities (Continued)

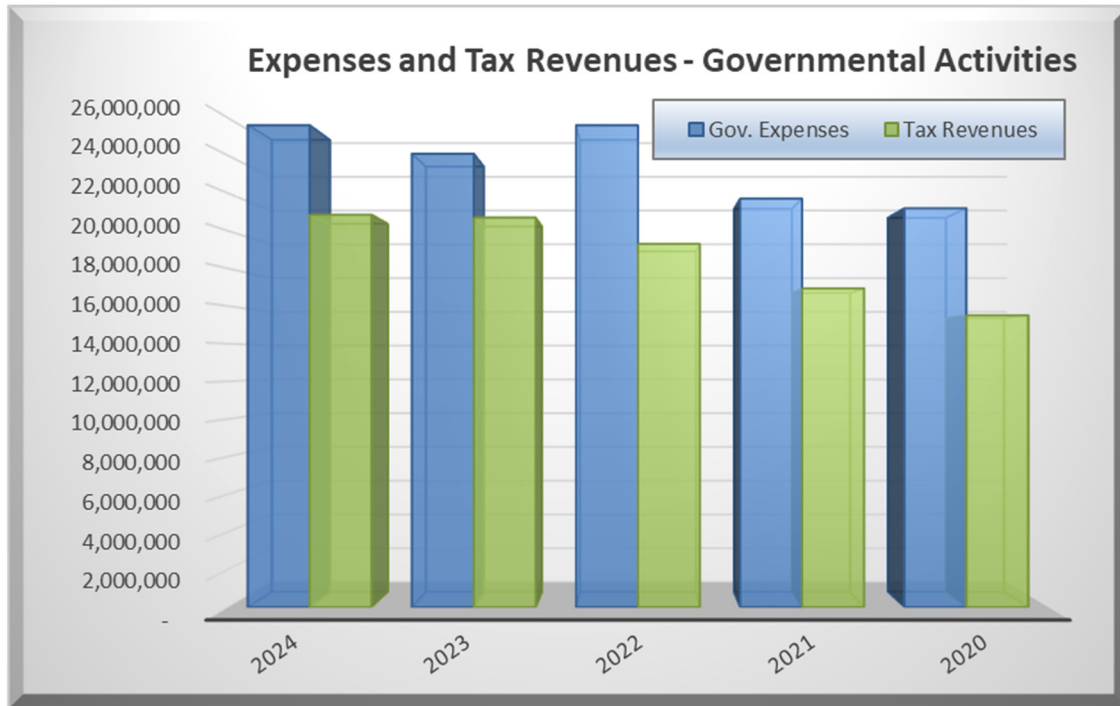
- Parks and recreation expenses increased \$856,996 due to the following **5** factors: **1)** \$719,508 increase in trail and other recreation project expenses that could not be capitalized as they were on US Forest Service land; **2)** \$140,382 decrease in bond issuance costs as there were none in the current year, while the prior year had that amount for the Series 2022 GO bonds issued; **3)** \$89,681 increase in personnel expenses. There were no staffing changes, just the aforementioned increases; **4)** \$118,996 increase in depreciation expense as the new Washington Park and various capitalized trails began depreciation; and **5)** a net \$69,193 increase in fairly routine fluctuations in various expenses.
 - Redevelopment expenses decreased \$4,336. This net decrease came from routine fluctuations.
 - Interest on long-term debt decreased \$10,213. Nothing significant of note.
3. In fiscal year 2024, the transfers from business-type activities to governmental activities increased by \$255,350 from fiscal year 2023, and governmental activities also received a transfer from the City’s OPEB trust fiduciary component unit in the amount of \$644,623 as the OPEB trust was dissolved during the current year (combined increase of \$899,973 from the prior year). The \$255,350 increase came from additional Light and Power fund subsidy to the General Fund as this subsidy is calculated as 10% of electric metered sales. As electric metered sales increased during the current year so did the subsidy transfer to the General Fund.
 4. In the current fiscal year there was a restatement of net position of \$2,495,552 to record a land donation while the prior year had a restatement of \$5,029. This was a positive swing of \$2,490,523.

The graphs that follow present revenue and expense information (excluding transfers) from governmental activities to highlight the sources of operation funding and the extent to which governmental activities are covered by tax revenue.



**BOUNTIFUL CITY
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)
For The Fiscal Year Ended June 30, 2024**

Financial Analysis of Governmental Activities (Continued)



Financial Analysis of Business-type Activities

For the period ended June 30, 2024, business-type activities increased the City’s net position by \$5,906,200. The newly created fiber-optic network utility was still in the start-up stages and network construction was heavily underway during the current fiscal year. For the remaining enterprise funds there were no significant operational changes during the current fiscal year. Despite the consistency in service offerings, there were many financial variances from fiscal year 2023. As indicated by the data in the table on page 7, the net change in the City’s net position provided by current year business-type activities was \$3,968,569 more than the \$1,937,631 increase for fiscal year 2023 due to the following 4 factors:

1. Fiscal year 2024 reported an increase in business-type activity revenue of \$4,475,868 from fiscal year 2023, attributed to the underlined reasons below:
 - Charges for services revenue increased \$3,533,604. This overall net increase is made up of increases from Light and Power of \$2,718,566, Water of \$495,473, Fiber of \$82,655, Sanitation of \$128,106, and Golf of \$304,267. These increases were partially offset with decreases from Cemetery of \$193,165 and Storm Water of \$2,298.
 - The Light and Power increase is due to a significant increase (\$2,745,141 or 9.21%) in Electric Metered Sales (EMS) from the prior year. Fiscal year 2024 EMS (\$32,558,399) was the highest on City record after seeing fiscal 2023 break the prior record high. The fiscal 2024 EMS revenues were the highest on record due to a 15% rate increase to begin the fiscal year with very little reduction in kilowatt hours consumed. The City's customer base has remained fairly consistent, and the fiscal 2024 summer/fall weather was warmer than typical also keeping EMS high.
 - The Water increase is due to increased metered water sales of \$494,351 (9.09%). This fiscal year 2024 increase was due primarily to a 5% overall rate increase and a new heavy-water-use rate established to encourage water conservation. Additionally, the fiscal year 2024 summer/fall was warmer than average driving up the metered water sales (25% of residents use culinary water to irrigate).
 - As mentioned previously, the Fiber utility was just beginning to add fiber subscribers during the current fiscal year. So, significant increases in subscriber revenues are expected during these start-up years. By the end of the current fiscal year only two of the planned ten fiber footprints had orderable areas. The \$82,655 in increased revenues are monthly fiber infrastructure and network refresh fees coming from nonresidential customers (government or business) and residential customers in the orderable areas.

BOUNTIFUL CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Fiscal Year Ended June 30, 2024

Financial Analysis of Business-type Activities (Continued)

- The fiscal year 2024 Golf charge-for-service revenues were the highest year on record for admissions/green fees and rental of golf carts/equipment rentals. This was an increase of \$304,267 (16.60%) from a prior year record high of \$1,833,257. This new record revenue was due mostly to four straight years (January of 2021 – March of 2024) of increasing admissions and cart fee rates, a new pre-payment requirement for tee-time scheduling, good weather, and fairly consistent demand for golf services.
 - The Storm Water charge for service revenues had a net decrease of \$2,298. There were no rate changes and operations were substantially unchanged from the prior year.
 - The Sanitation charge for service revenues had an overall net increase of \$128,106 (1.88%). The monthly recycle can collection rate did increase by \$0.25 from \$3.75 (6.67%), but those revenues are a smaller portion of the overall Sanitation revenue. There were no other rate changes and the City's customer base is very stable.
 - Cemetery charge for service revenues were down by \$193,165 (26.44) and this is after a prior year that saw a 17.28% decrease in revenue. For many years the City Council and staff have seen increasing sales of cemetery plots and interments to nonresidents of the City. This is believed to be happening due to plot availability becoming more scarce in the Salt Lake and Davis County areas. In an effort to preserve cemetery land for residents, the fiscal 2023 nonresident grave opening and cemetery plot fees had increases ranging from 11% up to 167%. The nonresident rate changes have been resulting in the intended preservation of plot spaces as illustrated by the significant drop in both plot sale and grave opening revenues.
- Capital grants and contributions revenue increased \$174,265 due to these 3 factors: 1) \$120,332 decrease in donations from private developers contributing infrastructure to the City or paying the City to install the required infrastructure that the City will own and maintain. These revenues can significantly fluctuate as project completion and progression can greatly vary; 2) \$58,785 increase in Water and Storm Water impact fee revenue due to increased projects getting ready for the permitting stage. These revenues do fluctuate based on the construction environment as well; and 3) \$235,812 increase in grant revenue as the City received Federal grant revenue through FEMA for the purchase of emergency generators. There were no such capital grants received in the prior year.
- Other revenue had a net increase of \$767,999 due to these 4 factors: 1) \$2,491,345 increase in actual investment earnings (i.e., returns before recognition of unrealized losses) across all the enterprise funds. This was possible mainly because the investment rates of return were significantly higher than the prior year due to the reasons already explained on page 10 as it is the same as governmental activities; 2) During the current fiscal year the City's enterprise funds recorded a \$497,876 unrealized gain from recording the investments at fair value. This was a \$869,534 increase (positive swing) from the prior year's \$371,658 loss. See explanation for this increase on page 10; 3) Gains on disposition of capital asset decreased by \$2,672,018 from the prior fiscal year as the current fiscal year only had \$24,837 in total gains on disposition, which is fairly normal. This large decrease is due to an abnormally high gain in the prior year. The fiscal 2023 combined gain was predominately from the Light and Power Fund with a \$2,709,041 gain on the disposition of two of its natural gas turbine engines at its power generation plant. The trade-in credit received on those turbine engines was very high because the company wanted to study the engines due to the unique utilization by the City as compared to other turbine customers; and 4) \$79,138 net increase in miscellaneous revenues that were routine fluctuations.
2. Fiscal year 2024 reported that business-type expenses increased by \$251,949 from fiscal year 2023 as explained by the following underlined factors:
- The Fiber fund expenses increased \$2,456,732. As previously mentioned, this fund's operations are still in the start-up phase and will continue to increase. The current fiscal year's expenses included \$1,884,220 in interest expense (\$1,877,019 higher than 2023), \$379,814 in bond issuance costs (none in 2023), \$168,372 in administrative services charges to reimburse the General Fund for services provided (none in 2023), and \$42,424 in other miscellaneous operating expenses (\$31,527 higher than 2023). The fund's interest expense and bond issuance cost increases were due to the issuance of the Sales Tax Revenue Bonds, Series 2023 and the interfund payable to the Capital Projects Fund.
- The Water fund expenses increased \$245,975 due the following 4 factors: 1) \$190,946 increase in personnel wage and benefit expense. There were no staffing changes, just the aforementioned increases to pay and medical insurance premiums explained in the General Government expenses section on page 10; 2) Fiscal 2024 had \$67,842 less in material and supplies expenses than the prior year. This was due principally to \$79,372 less in water meter

BOUNTIFUL CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Fiscal Year Ended June 30, 2024

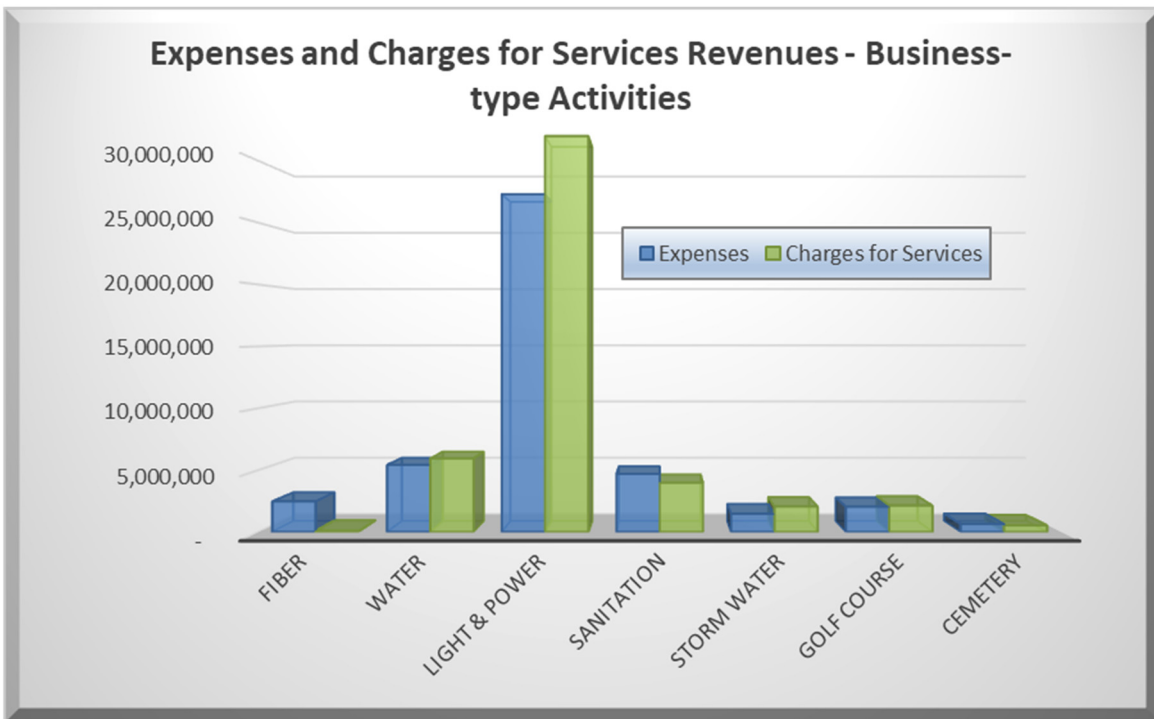
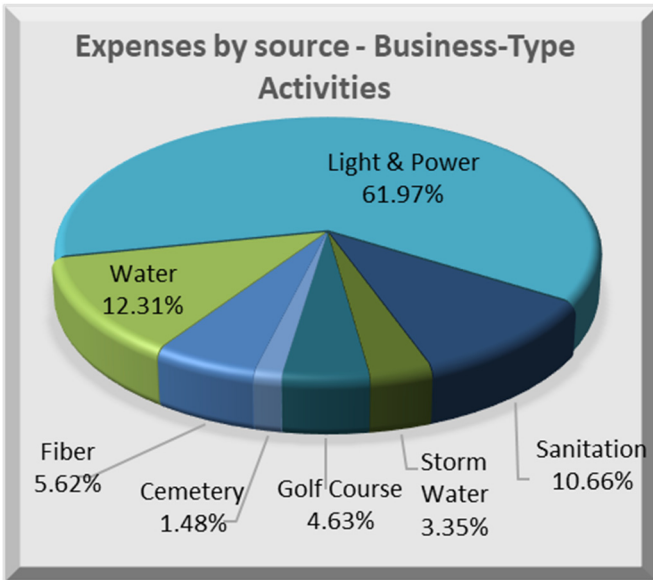
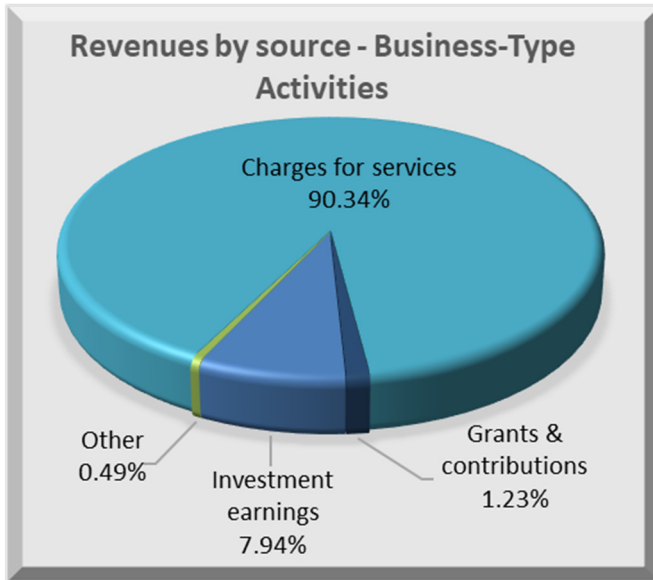
Financial Analysis of Business-type Activities (Continued)

- purchases than in fiscal 2023. The prior fiscal year was abnormally high for water meter expense; **3)** Current fiscal year had \$95,487 more in water system repair expenses than fiscal year 2023 due mostly to additional water leaks causing road repair expenses; and **4)** a net \$27,384 increase in fairly routine swings to various operating expenses.
- The Light and Power fund expenses decreased \$3,174,220 due to the following **6** factors: **1)** electric power purchases decreased by \$2,677,938 (16.33%) from fiscal 2023. The principal reason was not due to reduced kilowatt hours consumed, but drops in the power rates when purchasing power off of the power market. Fiscal year 2024 was more of a return to fairly normal power rates, while fiscal year 2023 was so high due to extremely high prices; **2)** Power generation costs decreased by \$1,340,537 (34.78%) from an abnormally high fiscal 2023. The current fiscal year was again more of a return to normal generation costs. The City's natural gas purchases to run its peak-load power plant dropped by \$1,379,009 from fiscal year 2023's total of \$2,912,244. Natural gas rates spiked during the 2022/2023 winter as demand was abnormally high with a very long winter recording record snowfall; **3)** \$733,166 increase in personnel wages and benefits. There were no staffing changes, the increase was due predominately to the aforementioned increases to pay and medical insurance premiums. Additionally, pension expense increased by \$274,060 due to the actuarial adjustments to the City's Net Pension liability (NPL); **4)** Depreciation expense increased by \$225,826 from the prior year. The current fiscal year is the first full year of depreciation for two new turbine engines install at the City's power plant and a segment of feeder wire that was replaced during fiscal 2023; **5)** general and administrative expenses decreased by a net \$18,573. During fiscal 2024, staff and the City Council elected to begin passing on payment card processing fees to the payee rather than continue to absorb them. For the Light and Power Fund this reduced those fees by \$90,583 from the prior year. This reduction to general and administrative expenses was partially offset by a \$62,390 increase in insurance premiums; **6)** the remaining \$96,164 net decrease in Light and Power operating expenses is due to fairly typical fluctuations that are too small and numerous to warrant further explanation.
 - The Sanitation fund expenses increased by a net \$575,981 due to the following **5** items: **1)** \$237,051 increase in personnel wages and benefits. There were no staffing changes, just the aforementioned increases to pay and medical insurance premiums; **2)** repair and maintenance expenses had a net decrease of \$89,261. The principal portion of that decrease (\$109,035) pertained to the prior fiscal year being abnormally high due to landfill closure/post closure expense. In the prior year a new landfill closure/post closure cost estimate was provided causing an increased closure liability with a corresponding increase to that expense. The offsetting increase in repair and maintenance expense of \$19,774 was due to normal increases in these expenses; **3)** \$150,248 decrease in contractual and professional services expense. This was mostly due to a \$196,020 decrease in contracted recycle collection fees as the current year's recycle collection was completely performed in-house by City staff rather than contracted to a service provider; **4)** \$571,096 increase in materials and supplies expense. This increase is mostly due to a \$522,600 payment to the prior recycling service provider to purchase all of their existing recycle carts that the City had been leasing from them since those services were brought in-house; and **5)** a net \$7,343 increase in other operating expenses that are fairly routine transactions too numerous and small to discuss.
 - The non-major enterprise fund expenses increased by a net \$147,481. This net increase is broken down by fund as follows: Storm Water \$31,290 (2.17% increase), Golf Course \$122,356 (6.39% increase), and Cemetery \$6,165 (0.94% decrease). All expense changes for these funds from the prior year are fairly normal operational cost fluctuations and need no further discussion.
3. In fiscal year 2024, the transfers out from business-type activities to governmental activities increased by \$255,350 from fiscal year 2023. This increase came from increased Light and Power fund subsidy to the General Fund as this subsidy is calculated as 10% of electric metered sales. As electric metered sales increased during the current year so did the subsidy transfer to the General Fund.

**BOUNTIFUL CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Fiscal Year Ended June 30, 2024**

Financial Analysis of Business-type Activities (Continued)

The graphs that follow present revenue and expense information (excluding transfers) from governmental activities to highlight the sources of operation funding and the extent to which business-type activities are covered by charges for services revenue.



BOUNTIFUL CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Fiscal Year Ended June 30, 2024

Financial Analysis of Governmental Funds

The purpose of governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, committed, assigned and unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

On June 30, 2024, the City's governmental funds reported combined ending fund balance of \$65,565,397, increase of \$7,034,545 from the prior year ending fund balance. Of the current year fund balance, \$64,076,716 (97.73%) is available for spending; however, \$30,636,897 (46.73%) has been committed by the City Council for financial reserves and \$33,167,513 (50.59%) has been assigned by the City Manager for subsequent years' capital expenditures and other specified uses, leaving an unassigned amount of \$272,306 (0.42%). The remaining \$1,488,681 (2.27%) of fund balance is not available for spending because it is legally restricted by parties outside the City or is nonspendable in form (i.e., prepaids).

General Fund Analysis

The General Fund is the City's chief operating fund. At the end of the current fiscal year, fund balance of \$6,010,572 in the General Fund was segmented as \$5,731,000 in committed, \$5,000 in nonspendable, \$2,266 in assigned, and \$272,306 in unassigned. The General Fund's largest portion of fund balance is committed by a reserve policy adopted by the City Council. That committed balance is to be limited in use to unanticipated and non-recurring needs. It is important to note that the State of Utah does not allow the City's General Fund to maintain a fund balance in excess of 35% of the fund's total revenues. To maintain that maximum requirement, sales taxes are allocated to the Capital Projects Fund that otherwise could have been recorded in the General Fund. A complete analysis of the General Fund's fund balance should also consider the balance in the Capital Projects Fund.

During the year ended June 30, 2024, the fund balance of the General Fund decreased by \$1,057,108. This represents a 14.96% change in fund balance. The current year decrease is a \$2,384,884 decrease from the prior fiscal year's \$1,327,776 increase to fund balance. This change from fiscal year 2023 is due to the following 3 reasons:

1. General Fund revenues decreased by \$2,894,764 from fiscal year 2023, attributed to the following underlined factors:
 - \$1,257,728 decrease in tax revenue from the following 3 sources: **1)** \$17,663 decrease in property tax revenue from fairly common swings in delinquent taxes and fee-in-lieu collections; **2)** \$1,371,781 decrease in sales tax due to the General Fund receiving a much smaller allocation of the City's overall sales tax dollars in the current year. As mentioned previously, in order to keep the General Fund fund balance within statutory limits sales taxes are recorded in the Capital Projects fund. During the current fiscal year the General Fund revenues decreased by \$2,894,764 (principally due to the completion of ARPA grant funding in fiscal 2023), thus necessitating more of the sales tax dollars be recorded in the Capital Projects fund to remain compliant; and **3)** Franchise taxes increased by \$131,716 tax due primarily to increased Municipal Energy Sales and Use (MESU) taxes on electric metered sales. See page 9 for additional details.
 - \$356,055 increase in licenses and permits revenue due principally to building permit fee revenue that increased by \$363,492. The current year's permitting fees included a fairly large project and many permits for one of the largest residential/mixed use developments for the City in many years (Renaissance Town Center) as that project continues to progress, which was the main reason for the elevated permit fees.
 - \$2,379,512 decrease in intergovernmental revenue due to the following 3 reasons: **1)** a \$48,992 increase in 0.25% Davis County transportation tax and "Class B&C Road" allotment from the State. These are both sales tax derived contributions to the City so the increase is mainly due to the overall increase in sales taxes; **2)** \$2,602,590 decrease in Federal grant revenue for COVID-19 response as that grant ended in fiscal 2023; **3)** \$196,836 net increase in various smaller Federal grant revenues with the largest coming from a public safety grant. See page 9 of this report for more detailed description of this change in operating grant revenue; and **3)** a net \$22,750 increase in various other fairly routine swings in grant and contribution revenue.
 - \$115,858 increase in charges for services revenue principally due to a fairly normal fluctuation in subdivision permitting and land use application fees.
 - \$270,563 net revenue increase in all other General Fund revenues. This net increase comes from: increased investment earnings (\$43,221), a positive swing from an unrealized loss in the prior year to an unrealized gain of \$164,587 in the current year from recording investments at fair value (fiscal 2024 unrealized gain was \$79,281), and a remaining net increase in various other miscellaneous revenues that tend to have slight fluctuations from year-to-year (\$62,755).

BOUNTIFUL CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Fiscal Year Ended June 30, 2024

Financial Analysis of Governmental Funds (Continued)

2. General Fund expenditures increased by \$370,073 from 2023, attributed to the following underlined factors:
 - General government expenditures had a net increase of \$9,436. 1) \$51,330 increase in personnel salaries and benefits due principally to a City-wide 5% cost of living adjustment (COLA) in wages, earned merit increases to wages, and increased medical insurance premiums (7%); 2) Expenses decreased by \$39,192 due to a revised administrative services charge to enterprise funds to reimburse the General Fund for services provided; and 3) the remaining net decrease of \$2,702 coming from routine fluctuations in various other operating expenditures.
 - Public Safety expenditures increased \$358,685. The majority of this net increase was outlined on page 10 of this report under the bullets 2), 4), and 5). The remaining net increase of \$94,240 comes from fairly routine fluctuations in various other operating expenditures.
 - Highways and streets expenditures decreased \$211,287. The majority of this net increase was outlined on page 10 of this report under the bullets 1), 2), 3) and 4). The remaining net increase of \$15,021 comes from routine fluctuations in various other operating expenditures.
 - Planning and engineering expenditures increased \$18,226. The majority of this increase was outlined on page 10 of this report explaining the personnel expenditures increase and administrative reimbursement decrease to expenditures. The other increase of \$10,386 comes from routine fluctuations in various other operating expenditures.
 - Parks and recreation expenditures increased \$195,013 due mostly to a \$89,681 increase in personnel expenditures. There were no staffing changes, just the aforementioned increases. The department also had \$80,239 more in building and grounds maintenance expenditures with some significant irrigation repairs and increased costs of supplies occurring during the current year. The remaining net increase of \$25,093 comes from other fairly routine operating expenditure fluctuations.
3. In fiscal year 2024, the transfer in (other financing source) was \$879,953 higher than in 2023. During the current year, the City received a transfer from the City's OPEB trust fiduciary component unit in the amount of \$644,623 as the OPEB trust was dissolved during the current year. The remaining \$255,350 increase came from additional Light and Power fund subsidy to the General Fund as this subsidy is calculated as 10% of electric metered sales. As electric metered sales increased during the current year so did the subsidy transfer to the General Fund.

Capital Project Fund Analysis

The Capital Projects Fund has a total fund balance of \$49,660,002, all of which has been assigned by the City Manager to finance projects from the City's 10-year capital improvements plan. This fund accounts for the financial resources to be used for the acquisition or construction of the major capital facilities and equipment of the City other than those financed by proprietary and special revenue funds. During the year ended June 30, 2024, the fund balance in the Capital Projects Fund increased by \$6,926,817 or 16.21%. This Capital Projects fund balance increase was \$4,202,601 more than last fiscal year's increase of \$2,724,216 due to the following 5 reasons:

1. Capital Project fund revenues increased \$4,084,589 from fiscal year 2023 attributed to the following 6 factors: 1) \$1,527,913 increase in sales tax revenue due mostly to the General Fund receiving a much smaller allocation of sales tax. Overall the City's sales tax revenue shared between these two funds increased by \$156,132 (1.43%); however, the major reason for this increase was the change in allocation; 2) \$769,290 positive swing from an unrealized loss in the prior year to a unrealized gain in the current year on the fair value of the City's investments for reasons previously explained; 3) \$637,783 increase in investment earnings due to increased interest rates and investible cash through much of the current year; 4) \$157,710 increase in Federal grant revenue as the current fiscal year had grant revenue from the purchase of emergency generators; 5) During the current fiscal year the City received \$1,000,000 in trail and trailhead construction grants from the State of Utah and Davis County. There were no such grants in the prior year; and 6) \$8,107 net increase in revenues that routinely fluctuate and are too small to warrant further discussion.
2. Capital Project fund expenditures decreased \$175,568 from fiscal year 2023 attributed to the following underlined factors:
 - General government capital outlay expenditures decreased a net \$2,580,994 due to the following 2 reasons: 1) decreased improvement other-than-buildings expenditures of \$2,611,487 from fiscal year 2023 due to the finishing of the Washington Park construction project. Most of the work on that project came during fiscal 2023 2) \$30,493 decreased capital expenditures across several departments that were routine changes in capital purchases.
 - Public Safety capital outlay expenditures increased \$889,769. The current fiscal year Public Safety capital expenditure increase from the prior year expenditures included 3 non-routine items: 1) \$673,712 increase in office and building equipment mostly due to public safety dispatching software (\$284,711), recording of a multi-year

BOUNTIFUL CITY
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)
For The Fiscal Year Ended June 30, 2024

Financial Analysis of Governmental Funds (Continued)

- subscription-based software agreement (\$194,561), and an emergency generator purchase (\$115,014); **2)** \$162,369 in increased building expenditures as the public safety building had their bathrooms remodeled and began a remodel of the dispatch center; and **3)** \$53,668 for the first payment made on the new subscription-based software agreement.
- Highways and Streets capital outlay expenditures increased \$653,669. This increase was a fairly normal capital expenditure fluctuation due to asset lifecycles. Machinery and equipment purchases increased \$789,556 due to having to replace an extra snowplow and loader from what was replaced in the prior year. Road expenditures had a net decrease of \$368,666, which is pretty routine as old road projects finalize and new ones begin. The remaining net increase of \$232,779 was mainly due to a traffic signal replacement, which is a fairly rare capital expenditure.
 - Planning and engineering capital outlay expenditures increased \$214,750. This is all due to emergency generator and a copier capital expenditures, while the prior year had no capital expenditures in these departments.
 - Parks and recreation capital outlay expenditures increased \$660,627. Trails and trailhead expenditures increased by \$815,904 from the prior year as more trail systems were started and many completed. Fiscal 2023 had a unique expenditure of \$140,382 for the bond issuance costs on the GO Bond issuance, and there were no such expenditures in the current year. The remaining net decrease in Parks and recreation expenditures of \$14,895 is the result of fairly routine cost fluctuations in regular asset replacements.
 - The remaining decrease in expenditures of \$13,389 comes from decreased payment card processing fees as staff and the City Council elected to pass along those fees to the payee rather than continue to absorb them.
3. Capital Project fund’s transfers in decreased \$280,219 due to decreased RAP Tax revenues available to transfer for prior fiscal years expenditures in the Capital Project’s fund for Town Square. This transfer amount varies from year-to-year depending upon what is built into the budget or available in RAP Tax fund balance.
 4. During the current fiscal year, there was a \$8,800,276 decrease in other financing source revenue from 2023 due to reduced borrowing. In the current fiscal year the City entered into a subscription software agreement and recognized a \$194,561 other financing source revenue. In fiscal 2023 the City received General Obligation (GO) bonds proceeds of \$7,994,837 and a note payable proceeds of \$1,000,000.
 5. Gain on sale of capital assets increased \$28,102, which is a fairly routine swing in this revenue due to asset retirement cycles.

Redevelopment Fund (RDA) Analysis

The RDA has a total fund balance of \$5,790,751, all of which has been assigned by the City Manager for eligible redevelopment projects. During the year ended June 30, 2024, the fund balance in the RDA fund increased \$752,594 or 14.94%. This increase was \$314,338 less than last fiscal year’s increase of \$1,066,932. The \$752,594 increase from the prior fiscal year consisted of the following **2** items:

1. RDA fund revenue increased \$218,685 from fiscal year 2023 attributed to the following underlined factors:
 - Intergovernmental property tax increment contribution revenue increased \$35,983. This increase is a function of the RDA’s agreement with the taxing entities that levy the tax and has Davis County remit the increment to the RDA. The calculations are such that in years where there is new growth in the redevelopment area, a slightly increased tax increment is anticipated. The current year did see a small amount of new growth.
 - Property tax revenue decreased \$7,023, which is a fairly normal fluctuation due to swings in delinquent taxes and fee-in-lieu collections.
 - Investment earnings revenue increased \$191,647 due to: 1) \$73,717 increase in investment earnings due to higher average interest rates, and a \$117,930 positive swing from an unrealized loss on investments in the prior year to an unrealized gain in the current year for the same reasons already explained with other funds of the City.
 - Miscellaneous revenue decreased \$1,922 from several routine swings in miscellaneous revenues.
2. RDA fund expenditures decreased \$533,023 from fiscal year 2023 attributed to the following underlined factors:
 - Special RDA project expenditures increased \$528,639. In the current year the RDA purchased Main Street land and a building for redevelopment into a restaurant. The prior year did not have any significant RDA projects.
 - The remaining decrease in expenditure of \$4,384 is the net result of other routine transactions too numerous and small to warrant further explanation.

The non-major governmental funds had the following current year changes in fund balance: Landfill Closure increase of \$51,648, RAP Tax decrease of \$10,982, Cemetery Perpetual Care increase of \$193,423, and Debt Service increase of \$178,153. The RAP Tax current year loss was a planned spend-downs of fund balance through the budgeting process.

BOUNTIFUL CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Fiscal Year Ended June 30, 2024

Financial Analysis of Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. As such there will not be any detailed analysis of these funds as it has already been presented under the Financial Analysis of Business-type Activities section on pages 12 through 15.

Unrestricted net position, or the amount available for spending, of the Fiber, Water, Light and Power, and Sanitation Funds (all Major Funds) at the end of the current year were (\$178,242), \$5,341,973, \$27,894,295, and \$11,005,290, respectively. The changes in total net position from fiscal year 2023 for those same funds were: decrease (loss) of \$415,564, increase of \$1,017,499, increase of \$4,327,784, and increase of \$3,456, respectively.

The other four nonmajor enterprise funds each ended the current year with positive unrestricted net position. The non-major enterprise funds had the current year changes in net position as follows: Storm Water increase of \$982,556, Golf Course increase of \$157,204, and Cemetery decrease (loss) of \$65,368.

General Fund Budgetary Highlights

During the year there were increases in appropriations between the General Fund's original and final amended budgeted expenditures totaling \$155,000 for the following departments:

1. Information Technology - \$70,000. Annual software maintenance and licensing costs that were unanticipated in the original budget.
2. Fire - 25,000. Unbudgeted increase in assessments from the Fire District.
3. Parks and recreation - \$60,000. Unanticipated increased supplies and utilities expenditures at the Town Square park.

The General Fund *Budget and Actual* statement presents the original and final budget amounts as well as how those compare to the current year actual expenditures. That statement can be reviewed on page 30 of this report.

Each year the City seeks to adopt budgets for revenues and expenditures that will be conservative estimates of what will ultimately transpire. Due to a variety of factors, revenues and expenditures will vary from the final budget. For the fiscal year 2024, the following analysis is offered as explanation of significant variances greater than \$200,000:

1. Actual sales tax revenues allocated to the General Fund were lower than the final budget by \$5,017,780 due to a sales tax revenue reallocation between the General Fund and the Capital Projects Fund. The General Fund budget did not anticipate reallocation of sales tax revenues to the Capital Projects Fund in order for the General Fund to stay within the statutory 35% max fund balance limitation. Overall the City's sales tax revenues were up from the prior year but the General Fund was unable to retain as much of those revenues as the past few years. The final sales tax budget was not adjusted to reflect the reduced sales tax revenues leaving the unfavorable budget to actual variance.
2. The franchise tax revenue was budgeted based on conservative average collections over the recent past. Actual revenues were higher than the final budget by \$808,299. This favorable variance was principally due to franchise taxes from electric metered sales coming in much higher than budgeted (see page 9 for further information).
3. The license and permit revenue was also budgeted based on conservative average collections over the recent past. Actual revenues were higher than the final budget by \$338,528. See page 16 for the explanation of this favorable variance.
4. Actual intergovernmental revenues came in \$446,246 higher than the final budget due mostly to the "Class B&C" road funds from the State and the 0.25% County-option transportation sales tax coming in \$326,914 higher than budget. This favorable variance was due to conservative budgeting philosophy amplified by an unanticipated increase in sales taxes. Both of those revenues are derived from sales taxes.
5. The investment earnings revenue was budgeted based on conservative average collections over the recent past. Actual revenues were higher than the final budget by \$213,018. This favorable variance was principally due to average interest and investment rates being much higher than anticipated during the budgeting process.
6. The Police department budget of \$9,729,578 was underspent by \$438,162 (4.50% of total) principally due to excess personnel budget of \$438,162. The personnel variance was not due to changes in quantity of employees but mostly due to overestimating employee salary, medical insurance, and URS pension payments.
7. The Highways and streets department budget of \$4,986,141 was underspent by \$383,649 (7.69% of total) due principally to remaining street repair/maintenance budget (\$216,967). The department was unable to perform as many street concrete repairs and overlay/treatment projects as had been anticipated in the budgeting process.

BOUNTIFUL CITY
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)
For The Fiscal Year Ended June 30, 2024

General Fund Budgetary Highlights (Continued)

8. The Parks and recreation department budget of \$1,645,875 was underspent by \$206,397 (12.54% of total) due principally to underspent personnel expenditures due mostly to far less seasonal help than budgeted. There were some offsetting budget overruns in utility expenditures.
9. The transfer in revenue came in \$574,352 higher than the final budget due principally to the unbudgeted transfer in from the OPEB Trust Fiduciary Fund and the transfer from Light and Power being higher due to electric metered sales coming in much higher than anticipated. This subsidy transfer is 10% of electric metered sales.

Capital Asset and Debt Administration

Capital assets

The City's investment in capital assets for its governmental and business-type activities on June 30, 2024, amounts to \$224,049,069 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, intangible asset power contracts and lease agreements, vehicles and equipment, furniture/fixtures/office equipment, streetlights, service lines, sidewalks, curb and gutter, roads, fiber lines and conduit, and similar infrastructure. The total increase in the City's investment in capital assets for the current fiscal year was \$23,398,090 (change coming from a \$5,902,336 increase for governmental activities and a \$17,495,754 increase for business-type activities). Major capital asset activity during the current fiscal year has been summarized in the following two tables:

Bountiful City Capital and Intangible Assets (Net of depreciation & amortization)						
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 59,842,681	\$ 56,983,185	\$ 9,029,944	\$ 9,029,944	\$ 68,872,625	\$ 66,013,129
Infrastructure	18,576,206	16,465,541	40,320,275	39,570,241	58,896,481	56,035,782
Buildings and other structures	14,110,215	14,443,258	11,724,288	12,390,103	25,834,503	26,833,361
Improvements other than buildings	13,895,216	9,025,568	2,206,173	1,512,989	16,101,389	10,538,557
Machinery & equipment	4,102,491	3,196,788	25,310,343	25,418,998	29,412,834	28,615,786
Furniture, fixtures, & office equip.	977,566	686,403	28,740	43,735	1,006,306	730,138
Construction in progress (CIP)	626,572	5,619,545	21,679,665	4,695,128	22,306,237	10,314,673
Intangible asset - power projects	-	-	838,723	922,595	838,723	922,595
Intangible right-to-use lease assets	-	-	550,497	609,161	550,497	609,161
Intangible right-to-use subscr.assets	229,474	37,797	-	-	229,474	37,797
Total capital and intangible assets	\$ 112,360,421	\$ 106,458,085	\$ 111,688,648	\$ 94,192,894	\$ 224,049,069	\$ 200,650,979

BOUNTIFUL CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Fiscal Year Ended June 30, 2024

Capital Asset and Debt Administration (Continued)

Bountiful City Schedule of Capital Asset Current Fiscal Year Additions (Retirements)			
	Governmental Activities	Business-type Activities	Totals
Land under city streets donation - developer contribution	\$ 373,620	\$ -	\$ 373,620
Infrastructure - developer contributions	342,442	116,200	458,642
Motor vehicle purchases	1,190,498	156,411	1,346,909
Equipment/machinery purchases	541,628	2,146,357	2,687,985
Reconstruction of streets, curb, gutter and sidewalk Infrastructure	894,366	-	894,366
Reconstruciton of 2600 South traffic signal	233,009	-	233,009
Office Furniture and Equipment purchases	60,871	-	60,871
Construction and design costs for Washington Elementary park	548,438	-	548,438
Construction and design costs for a trailhead and new mountain trails	838,370	-	838,370
Design and installation costs for Police software & dispatch consoles	230,706	-	230,706
Artwork acquisition and installations	41,369	-	41,369
Eagle Ridge Drive extension construction costs	375,257	-	375,257
Cheese Park Pickleball court costs	115,600	-	115,600
Purchase of building and land on Main Street for redevelopment (FY2024 CIP)	528,639	-	528,639
Purchase of park irrigation control supplies for smart-meter conversion (FY2024 CIP)	51,684	-	51,684
Rehabilitate Calder Well & replace pump machinery	-	734,363	734,363
Water and Storm Water Infrastructure (water mains and storm drains)	-	2,209,882	2,209,882
Fiber-optic network infrastructure (Fiscal 2024 CIP)	-	16,983,383	16,983,383
Golf course pro-shop remodel	-	303,820	303,820
Light & Power transmission & distribution system/line construction and replacement	-	240,026	240,026
Cemetery columnbarium wall	-	88,595	88,595
Light & Power design costs to rebuild the Northwest substation (Fiscal 2024 CIP)	-	152,193	152,193
Intangible right-to-use asset - subscription-based software leases	248,249	49,031	297,280
Total current fiscal year additions	<u>\$ 6,614,746</u>	<u>\$ 23,180,261</u>	<u>\$ 29,795,007</u>
Less historical cost of current-year retired assets	(780,170)	(797,513)	(1,577,683)
Less current year change in accumulated depreciation	(2,371,220)	(4,695,426)	(7,066,646)
Less current year intangible asset change in accumulated amortization	(56,572)	(191,568)	(248,140)
Add prior period adjustment to add donated land from a developer	2,495,552	-	2,495,552
Total change in capital asset net book value from the previous year	<u><u>\$ 5,902,336</u></u>	<u><u>\$ 17,495,754</u></u>	<u><u>\$ 23,398,090</u></u>

Additional information on the City's capital assets can be found in Note 5 of this report.

Long-term debt

At the end of the current fiscal year, the City had outstanding bonded debt totaling \$62,246,382. During the current fiscal year the City added Sales Tax Revenue Bonds Series 2023 to finance the construction of the City's new fiber-optic network. Those bonds were issued on August 3, 2023, at a par amount of \$45,525,000 and a premium amount of \$1,797,676.

Bountiful City Outstanding Bonded Debt						
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
General Obligation bonds, Series '22	\$ 6,985,000	\$ 7,225,000	\$ -	\$ -	\$ 6,985,000	\$ 7,225,000
Plus unamortized bond premium	476,853	503,345	-	-	476,853	503,345
Sales Tax revenue bonds, Series '23	-	-	45,525,000	-	52,510,000	7,225,000
Plus unamortized bond premium	-	-	1,797,676	-	2,274,529	503,345
Total	<u>\$ 7,461,853</u>	<u>\$ 7,728,345</u>	<u>\$ 47,322,676</u>	<u>\$ -</u>	<u>\$ 62,246,382</u>	<u>\$ 15,456,690</u>

Additional information on the City's long-term debt can be found in Note 10 of this report.

BOUNTIFUL CITY
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)
For The Fiscal Year Ended June 30, 2024

Economic Factors, Next Year’s Budgets and Rates

The City considers regional and national economic forecasts and performs its own management analysis as a component in the process of developing the one-year operating and capital budgets, along with the long-term capital plans of the City. The assumptions in the analysis are reviewed with the City Council as background for decisions about revenue projections and cost allocations. Budgets for fiscal year 2025 were developed based upon the following criteria and assumptions:

1. Economic activity in the State of Utah and the local region was projected to remain strong due to the diverse nature of the State’s economy. No economic downturns were estimated in this budget.
2. Development activity is very minimal within City boundaries. Bountiful continues its movement toward a build-out of housing stock and “maintenance mode” of existing services for the City. Subdivision of existing lots will be the main area of growth for the future.
3. Taxes are the main source of revenue for the governmental funds (63% in fiscal year 2024). For the 2025 budget: 1) Sales tax was projected with an 2.35% increase (\$260,257) from the fiscal year 2024 actual; 2) There was no increase in the general property tax levy rate and those revenues were budgeted flat; 3) Franchise taxes were budgeted flat.
4. The City projected intergovernmental revenues flat mostly due to fairly consistent Federal and State grant funding that is normally included in the budget.
5. The City budgeted licenses and permits revenue fairly flat.
6. The budget includes a 6% cost-of-living adjustment for personnel and scheduled merit raises per the City’s pay scale for those employees that are eligible.
7. The budget does include increased costs (e.g., wages, benefits, misc. equipping items, etc.) for four new full-time dispatch employees and three new full-time Light and Power linemen. The new dispatchers are going to be hired to expand dispatching services to both Kaysville and Farmington cities and their increased personnel and ancillary costs will be covered by additional E911 taxes and quarterly dispatching assessments to those cities. The new linemen are going to be hired to increase the amount of infrastructure replacement attained each year. There is no new revenue source to cover those additional Light and Power costs.
8. The budget for employee benefits included a 10% increase for the increased premiums for health care coverage.
9. The budget includes inflationary increases in operating costs for energy and general goods and services.
10. The City’s 2023 budgeted expenditures for the Capital Projects Fund totals \$6,167,230. The infrequent projects included in that budget include \$2,000,000 transfer to Water to aid in reconstructing a culinary water reservoir, \$545,000 to construct various new trails included in the trails master plan, and \$283,914 for some public safety building remodel projects. The remaining budget of \$3,338,316 comes from Public Safety, Streets, and other department vehicles and other machinery purchases that are fairly routine annual expenditures.
11. Each year City management performs evaluations, including market comparisons, of the adequacy of fees in the enterprise funds to ensure their ongoing viability and stability. For the fiscal year 2024 budget there were three enterprise funds with rate and fees increases that could have a significant impact on enterprise fund revenue as outlined below:
 - i. All Light and Power kilowatt usage rates and fees and associated customer charges were increased by 5%. All connection, deactivation, and deposit rates and fees remained unchanged.
 - ii. All Water rates for metered water sales increased by 2%.
 - iii. The new Fiber Fund is anticipated to have increased residential and non-residential customers as the fiber network continues to be built. Total subscriber revenues for fiscal 2025 were budgeted at \$405,500, which is believe to be a conservative estimate of subscription throughout the fiscal year.
 - iv. The monthly per can refuse rate was increased from \$6.00 to \$8.00 (33.34%).
 - v. The 2025 budget will be the first full fiscal year of the March 2024 increased rates, but no additional rate increases were built into the budget. The March 2024 increases were \$2 per-hole green fee and the same \$2 increase for cart rentals in March of 2024.
 - vi. The Cemetery burial spaces and grave opening fees all had increases with a wider disparity between non-resident and resident rates.

Requests for Information

This financial report is designed to provide a general overview of the City’s finances. Questions concerning the information provided in this report or requests for additional financial information should be addressed to the Finance Director or the Assistant Finance Director, Bountiful City, 795 South Main Street, Bountiful, Utah 84010.

BASIC FINANCIAL STATEMENTS

BOUNTIFUL CITY
STATEMENT OF NET POSITION
June 30, 2024

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets			
Current assets:			
Cash and cash equivalents	\$ 14,614,772	\$ 10,126,321	\$ 24,741,093
Receivables:			
Taxes	5,878,998	-	5,878,998
Accounts, net	466,555	6,678,039	7,144,594
Interest	250,825	304,142	554,967
Intergovernmental	606,463	84,867	691,330
Leases	247,856	-	247,856
Investments	48,240,528	32,817,877	81,058,405
Inventories	-	3,407,200	3,407,200
Prepaid expenses	85,894	135,681	221,575
Notes receivable	224,574	-	224,574
	<u>70,616,465</u>	<u>53,554,127</u>	<u>124,170,592</u>
Total Current Assets			
Noncurrent assets:			
Internal balances	2,989,955	(2,989,955)	-
Notes receivable	1,323,876	-	1,323,876
Leases receivable	1,649,916	-	1,649,916
Restricted assets:			
Cash and cash equivalents	1,929,970	31,960,833	33,890,803
Investments	1,055,878	-	1,055,878
Receivables	486,220	-	486,220
Capital assets, net:			
Land, land rights, and water rights	59,842,681	9,029,944	68,872,625
Buildings, wells, and reservoirs	14,110,215	11,724,288	25,834,503
Improvements other than buildings	13,895,216	2,206,173	16,101,389
Transmission, distribution, and collection infrastructure	-	40,320,275	40,320,275
Machinery and equipment	4,102,491	25,310,343	29,412,834
Furniture, fixtures and office equipment	977,566	28,740	1,006,306
Infrastructure	18,576,206	-	18,576,206
Construction in progress	626,572	21,679,665	22,306,237
Intangible asset - power projects	-	838,723	838,723
Intangible right-to-use lease assets	-	550,497	550,497
Intangible right-to-use subscription assets	229,474	-	229,474
	<u>121,796,236</u>	<u>140,659,526</u>	<u>262,455,762</u>
Total Noncurrent Assets			
Total Assets			
	<u>192,412,701</u>	<u>194,213,653</u>	<u>386,626,354</u>
Deferred Outflows of Resources			
Pensions	3,251,573	1,923,475	5,175,048
	<u>3,251,573</u>	<u>1,923,475</u>	<u>5,175,048</u>
Total Deferred Outflows of Resources			
	<u>3,251,573</u>	<u>1,923,475</u>	<u>5,175,048</u>
Total Assets and Deferred Outflows			
	<u>\$ 195,664,274</u>	<u>\$ 196,137,128</u>	<u>\$ 391,801,402</u>

The notes to the financial statements are an integral part of this statement.

BOUNTIFUL CITY
STATEMENT OF NET POSITION (Continued)
June 30, 2024

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Liabilities			
Current Liabilities:			
Accounts payable	\$ 1,433,422	\$ 3,321,503	\$ 4,754,925
Accrued liabilities	854,821	523,537	1,378,358
Accrued interest payable	165,613	1,031,870	1,197,483
Retainage payable - restricted assets	34,288	860,385	894,673
Unearned revenue	8,938	128,445	137,383
Compensated absences	383,435	219,606	603,041
Leases payable	55,515	98,081	153,596
Bonds payable	276,492	751,989	1,028,481
Total Current Liabilities	<u>3,212,524</u>	<u>6,935,416</u>	<u>10,147,940</u>
Noncurrent Liabilities:			
Developer and customer deposits - restricted assets	912,539	1,209,609	2,122,148
Compensated absences	639,799	468,141	1,107,940
Leases payable	163,638	231,882	395,520
Note payable	1,000,000	-	1,000,000
Bonds payable	7,185,361	46,570,687	53,756,048
Accrued landfill closure - restricted assets	-	2,164,305	2,164,305
Net pension liability	5,453,148	1,085,519	6,538,667
Total Noncurrent Liabilities	<u>15,354,485</u>	<u>51,730,143</u>	<u>67,084,628</u>
Total Liabilities	<u>18,567,009</u>	<u>58,665,559</u>	<u>77,232,568</u>
Deferred Inflows of Resources			
Deferred revenue-property taxes	4,086,968	-	4,086,968
Deferred revenue-lease payments	1,897,772	-	1,897,772
Pensions	42,487	15,807	58,294
Total Deferred Inflows of Resources	<u>6,027,227</u>	<u>15,807</u>	<u>6,043,034</u>
Net Position			
Net investment in capital assets	104,316,677	88,287,825	192,604,502
Restricted for:			
Landfill closure	978,808	-	978,808
Debt Service	198,150	-	198,150
Regulatory required insurance deposit	534,538	-	534,538
Trials construction	306,723	-	306,723
Unrestricted	64,735,142	49,167,937	113,903,079
Total Net Position	<u>171,070,038</u>	<u>137,455,762</u>	<u>308,525,800</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 195,664,274</u>	<u>\$ 196,137,128</u>	<u>\$ 391,801,402</u>

The notes to the financial statements are an integral part of this statement.

BOUNTIFUL CITY
STATEMENT OF ACTIVITIES
For The Fiscal Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Government Activities							
General government	\$ 3,305,109	\$ 573,542	\$ -	\$ -	\$ (2,731,567)	\$ -	\$ (2,731,567)
Public safety	11,687,268	896,555	448,834	157,710	(10,184,169)	-	(10,184,169)
Highways and streets	5,812,225	46,855	2,976,914	716,062	(2,072,394)	-	(2,072,394)
Planning and engineering	1,222,372	933,709	-	-	(288,663)	-	(288,663)
Parks and recreation	2,993,457	18,860	-	1,021,893	(1,952,704)	-	(1,952,704)
Redevelopment	287,651	-	908,572	-	620,921	-	620,921
Interest on long-term debt	294,708	-	-	-	(294,708)	-	(294,708)
Total Governmental Activities	25,602,790	2,469,521	4,334,320	1,895,665	(16,903,284)	-	(16,903,284)
Business-type Activities							
Fiber	2,474,830	85,759	-	-	-	(2,389,071)	(2,389,071)
Water	5,422,078	5,946,589	-	291,332	-	815,843	815,843
Light and power	27,297,327	33,071,146	-	190,915	-	5,964,734	5,964,734
Sanitation	4,693,729	3,992,389	-	25,665	-	(675,675)	(675,675)
Storm water	1,474,402	2,053,242	-	144,576	-	723,416	723,416
Golf course	2,037,565	2,137,524	-	-	-	99,959	99,959
Cemetery	651,793	537,510	-	-	-	(114,283)	(114,283)
Total Business-type Activities	44,051,724	47,824,159	-	652,488	-	4,424,923	4,424,923
Total Government	\$ 69,654,514	\$ 50,293,680	\$ 4,334,320	\$ 2,548,153	\$ (16,903,284)	\$ 4,424,923	\$ (12,478,361)
			General Revenues				
			Property taxes		\$ 4,545,694	\$ -	\$ 4,545,694
			Sales taxes		11,856,450	-	11,856,450
			Franchise taxes		4,445,299	-	4,445,299
			Investment earnings		3,264,971	4,201,413	7,466,384
			Miscellaneous		202,068	234,756	436,824
			Gain on disposal of capital assets		49,756	24,837	74,593
			Transfers		3,624,352	(2,979,729)	644,623
			Total General Revenues and Transfers		27,988,590	1,481,277	29,469,867
			Changes in Net Position		11,085,306	5,906,200	16,991,506
			Net Position, Beginning		157,489,180	131,549,562	289,038,742
			Prior Period Adjustment		2,495,552	-	2,495,552
			Net Position, Ending		\$ 171,070,038	\$ 137,455,762	\$ 308,525,800

The notes to the financial statements are an integral part of this statement.

BOUNTIFUL CITY
BALANCE SHEET – GOVERNMENTAL FUNDS
June 30, 2024

	<u>General</u>	<u>Capital Projects</u>	<u>Redevelopment Agency</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets					
Cash and cash equivalents	\$ 1,566,784	\$ 10,611,044	\$ 1,345,814	\$ 647,282	\$ 14,170,924
Receivables:					
Taxes	3,882,737	1,773,111	83,000	140,150	5,878,998
Accounts - net	454,781	3,000	-	1,500	459,281
Interest	26,762	183,392	22,647	10,896	243,697
Intergovernmental	523,449	83,014	-	-	606,463
Leases	1,897,772	-	-	-	1,897,772
Due from other funds	-	1,048,844	-	-	1,048,844
Investments	4,316,690	35,979,324	4,424,840	2,127,286	46,848,140
Prepaid expenditures	5,000	-	-	-	5,000
Restricted assets:					
Cash and cash equivalents	34,380	336,576	557	1,023,919	1,395,432
Investments	907,619	-	-	148,259	1,055,878
Receivables	-	-	-	486,220	486,220
Total Assets	<u>\$ 13,615,974</u>	<u>\$ 50,018,305</u>	<u>\$ 5,876,858</u>	<u>\$ 4,585,512</u>	<u>\$ 74,096,649</u>
Liabilities					
Accounts payable	\$ 411,228	\$ 328,450	\$ -	\$ -	\$ 739,678
Accrued Interest Payable	-	-	-	-	-
Retainage payable - restricted assets	3,878	29,853	557	-	34,288
Accrued liabilities	848,519	-	2,550	-	851,069
Unearned revenues	8,938	-	-	-	8,938
Developer and customer deposits - restricted assets	912,539	-	-	-	912,539
Total Liabilities	<u>2,185,102</u>	<u>358,303</u>	<u>3,107</u>	<u>-</u>	<u>2,546,512</u>
Deferred Inflows of Resources					
Unavailable revenue-property taxes	3,522,528	-	83,000	481,440	4,086,968
Unavailable revenue-lease payments	1,897,772	-	-	-	1,897,772
Total Deferred Inflows of Resources	<u>5,420,300</u>	<u>-</u>	<u>83,000</u>	<u>481,440</u>	<u>5,984,740</u>
Fund Balances					
Nonspendable:					
Prepaid expenditures	5,000	-	-	-	5,000
Restricted:					
Landfill closure	-	-	-	978,808	978,808
Debt service	-	-	-	198,150	198,150
Trails construction	-	306,723	-	-	306,723
Committed:					
Operating reserve	5,731,000	10,248,000	-	-	15,979,000
Emergency reserve	-	12,000,000	-	-	12,000,000
Cemetery perpetual care	-	-	-	2,657,897	2,657,897
Assigned:					
Computer replacement	2,266	-	-	-	2,266
Capital projects	-	27,105,279	-	-	27,105,279
RDA fund	-	-	5,790,751	-	5,790,751
Recreation, parks, and arts	-	-	-	269,217	269,217
Unassigned	272,306	-	-	-	272,306
Total Fund Balances	<u>6,010,572</u>	<u>49,660,002</u>	<u>5,790,751</u>	<u>4,104,072</u>	<u>65,565,397</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 13,615,974</u>	<u>\$ 50,018,305</u>	<u>\$ 5,876,858</u>	<u>\$ 4,585,512</u>	<u>\$ 74,096,649</u>

The notes to the financial statements are an integral part of this statement.

BOUNTIFUL CITY
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF NET POSITION
June 30, 2024

Amounts reported for governmental activities in the *statement of net position* (page 24) are different from the amounts reported in the governmental funds balance sheet (page 27) because:

Total fund balances - governmental funds (page 26)	\$ 65,565,397
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.	112,360,421
The General Fund and RDA Fund's long-term notes receivable are not current financial resources and, therefore, are not reported in the governmental funds.	1,548,450
Deferred outflows of resources associated with the net pension liability are not an available resource and, therefore, are not reported in the governmental funds.	3,251,573
The compensated absences liability is not due and payable in the current period and, therefore, is not recorded in the governmental funds.	(1,023,234)
The bonds payable long-term liability is not due and payable in the current period and, therefore, is not recorded in the governmental funds.	(7,461,853)
The notes payable long-term liability is not due and payable in the current period and, therefore, is not recorded in the governmental funds.	(1,000,000)
The leases payable long-term liability is not due and payable in the current period and, therefore, is not recorded in the governmental funds.	(219,153)
Accrued interest expense is not due and payable in the current period and therefore is not recorded in the funds.	(165,613)
The net pension long-term liability is not due and payable in the current period and, therefore, is not recorded in the governmental funds.	(5,453,148)
Deferred inflows of resources associated with the net pension liability are not due and payable in the current period and, therefore, are not recorded in the governmental funds.	(42,487)
Internal service funds are used by management to charge the cost of insurance for workers' compensation and governmental immunity. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	1,768,574
Internal service funds had net current year losses. These losses were eliminated at the government-wide level creating an internal balance due to governmental activities from business-type activities. These losses were added to the accumulated total of previous net losses.	1,941,111
Net Position of governmental activities	\$ 171,070,038

The notes to the financial statements are an integral part of this statement.

BOUNTIFUL CITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – GOVERNMENTAL FUNDS
For The Fiscal Year Ended June 30, 2024

	<u>General</u>	<u>Capital Projects</u>	<u>Redevelopment Agency</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues					
Property taxes	\$ 3,885,853	\$ -	\$ 83,885	\$ 575,956	\$ 4,545,694
Sales taxes	2,361,925	8,697,818	-	796,707	11,856,450
Franchise taxes	4,445,299	-	-	-	4,445,299
Licenses and permits	971,678	-	-	-	971,678
Intergovernmental	3,509,246	1,157,710	-	-	4,666,956
Intergov. property tax increment	-	-	908,572	-	908,572
Charges for services	1,340,982	-	-	-	1,340,982
Fines and forfeitures	156,861	-	-	-	156,861
Investment earnings	500,325	2,266,561	302,254	195,831	3,264,971
Miscellaneous	126,568	21,893	151,471	67,225	367,157
Total Revenues	<u>17,298,737</u>	<u>12,143,982</u>	<u>1,446,182</u>	<u>1,635,719</u>	<u>32,524,620</u>
Expenditures					
Current:					
General government	2,709,823	3,968	-	1,141	2,714,932
Public safety	12,009,806	-	-	-	12,009,806
Highways and streets	4,602,492	-	-	-	4,602,492
Planning and engineering	1,218,598	-	-	-	1,218,598
Parks and recreation	1,439,478	-	-	223,836	1,663,314
Redevelopment	-	-	693,588	-	693,588
Debt service:					
Principal	-	-	-	240,000	240,000
Interest	-	-	-	163,600	163,600
Capital outlay:					
General government	-	651,978	-	-	651,978
Public safety	-	1,052,489	-	-	1,052,489
Highways and streets	-	2,579,682	-	-	2,579,682
Planning and engineering	-	214,750	-	-	214,750
Parks and recreation	-	1,590,809	-	-	1,590,809
Total Expenditures	<u>21,980,197</u>	<u>6,093,676</u>	<u>693,588</u>	<u>628,577</u>	<u>29,396,038</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,681,460)</u>	<u>6,050,306</u>	<u>752,594</u>	<u>1,007,142</u>	<u>3,128,582</u>
Other Financing Sources (Uses)					
Transfer in	3,624,352	594,900	-	-	4,219,252
Transfer out	-	-	-	(594,900)	(594,900)
Software subscription issued	-	194,561	-	-	194,561
Sale of capital assets	-	87,050	-	-	87,050
Total Other Financing Sources (Uses)	<u>3,624,352</u>	<u>876,511</u>	<u>-</u>	<u>(594,900)</u>	<u>3,905,963</u>
Net Change in Fund Balance	<u>(1,057,108)</u>	<u>6,926,817</u>	<u>752,594</u>	<u>412,242</u>	<u>7,034,545</u>
Fund Balance, Beginning	<u>7,067,680</u>	<u>42,733,185</u>	<u>5,038,157</u>	<u>3,691,830</u>	<u>58,530,852</u>
Fund Balance, Ending	<u>\$ 6,010,572</u>	<u>\$ 49,660,002</u>	<u>\$ 5,790,751</u>	<u>\$ 4,104,072</u>	<u>\$ 65,565,397</u>

The notes to the financial statements are an integral part of this statement.

BOUNTIFUL CITY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For The Fiscal Year Ended June 30, 2024

Amounts reported for governmental activities in the *statement of activities* (page 25) are different because:

Net Change in Fund Balances - total governmental funds (page 28)	\$ 7,034,545
Governmental funds have reported capital outlays, past and present, as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	(3,041,096)
Governmental funds report capital outlays as expenditures. These expenditures are reported as capital assets in the statement of net position.	5,577,435
Governmental funds do not account for developer donations of capital assets that cannot be used as current financial resources. These donations are reported as capital grants and contributions in the statement of activities.	716,062
The accrual effect of the sale/disposal of capital assets. The funds only report cash proceeds and do not consider the net book value or trade-in value of the disposed assets.	(37,294)
In the statement of activities, current changes to the net OPEB asset act to increase OPEB expense. Governmental funds do not recognize anything other than OPEB plan payments.	(271,156)
Repayment of bond principal is an expenditure in the funds, but the repayment reduces long-term liabilities in the statement of net position.	240,000
Proceeds from repayment of General Fund and RDA Fund's long-term notes receivable are recorded as revenue in the governmental funds; however, the repayment is recorded as a reduction of the loan principal in the statement of net position.	(226,694)
In the statement of activities, amortization of bond premium is recorded.	26,492
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest expense is recorded only when due.	(165,613)
Repayment of lease principal is an expenditure in the funds, but the repayment reduces long-term liabilities in the statement of net position.	63,160
The amortization of subscription-based intangible assets is not an expenditure in the funds; however, the in the statement of activities the cost of those assets is amortized to expense over the life of the subscription term.	(56,572)
In the statement of activities, current changes to the net pension liability and associated deferred outflows and inflows of resources act to decrease pension expense. Governmental funds recognize only the actual pension contribution expenditures.	1,175,237
The accrued compensated absences for employees does not require the use of current financial resources and therefore is not recorded as an expenditure in the governmental funds.	54,028
The internal service funds had current year losses. These funds are eliminated at the government-wide level and their associated losses are reallocated to applicable functional expenses adding to the governmental activities expenses.	(3,228)
Change in net position of governmental activities	\$ 11,085,306

The notes to the financial statements are an integral part of this statement.

BOUNTIFUL CITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – GENERAL FUND
For The Fiscal Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 3,867,729	\$ 3,867,729	\$ 3,885,853	\$ 18,124
Sales taxes	7,379,705	7,379,705	2,361,925	(5,017,780)
Franchise taxes	3,637,000	3,637,000	4,445,299	808,299
Licenses and permits	633,150	633,150	971,678	338,528
Intergovernmental revenues	3,063,000	3,063,000	3,509,246	446,246
Charges for services	1,227,107	1,227,107	1,340,982	113,875
Fines and forfeitures	120,000	120,000	156,861	36,861
Investment earnings	287,307	287,307	500,325	213,018
Miscellaneous	83,100	83,100	126,568	43,468
Total Revenues	<u>20,298,098</u>	<u>20,298,098</u>	<u>17,298,737</u>	<u>(2,999,361)</u>
Expenditures				
Current:				
General government:				
Legislative	797,418	797,418	602,993	194,425
Legal	462,272	462,272	463,782	(1,510)
Executive	226,055	226,055	201,515	24,540
Information technology	595,431	665,431	541,736	123,695
Finance	631,003	631,003	584,568	46,435
Human resources	196,613	196,613	193,970	2,643
Government buildings	144,521	144,521	121,259	23,262
Public safety:				
Police	9,729,578	9,729,578	9,291,416	438,162
Fire	2,693,725	2,718,725	2,718,390	335
Highways and streets	4,986,141	4,986,141	4,602,492	383,649
Planning and engineering:				
Planning	414,478	414,478	398,314	16,164
Engineering	906,066	906,066	820,284	85,782
Parks and recreation	1,585,875	1,645,875	1,439,478	206,397
Total Expenditures	<u>23,369,176</u>	<u>23,524,176</u>	<u>21,980,197</u>	<u>1,543,979</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(3,071,078)</u>	<u>(3,226,078)</u>	<u>(4,681,460)</u>	<u>(1,455,382)</u>
Other Financing Sources (Uses)				
Transfer in	3,050,000	3,050,000	3,624,352	574,352
Sale of capital assets	500	500	-	(500)
Total Other Financing Sources (Uses)	<u>3,050,500</u>	<u>3,050,500</u>	<u>3,624,352</u>	<u>573,852</u>
Net Change in Fund Balance *	<u>\$ (20,578)</u>	<u>\$ (175,578)</u>	<u>(1,057,108)</u>	<u>\$ (881,530)</u>
Fund Balance, Beginning			<u>7,067,680</u>	
Fund Balance, Ending			<u>\$ 6,010,572</u>	

* The net change in fund balance was included in the budget as an appropriation (i.e. spend down) of fund balance

The notes to the financial statements are an integral part of this statement.

BOUNTIFUL CITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – REDEVELOPMENT AGENCY SPECIAL
REVENUE FUND
For The Fiscal Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ -	\$ -	\$ 83,885	\$ 83,885
Property tax increment contribution	903,497	903,497	908,572	5,075
Investment earnings	103,103	103,103	302,254	199,151
Principal payments on notes receivable	513,755	513,755	151,471	(362,284)
Total Revenues	<u>1,520,355</u>	<u>1,520,355</u>	<u>1,446,182</u>	<u>(74,173)</u>
Expenditures				
Current:				
Redevelopment	<u>2,713,601</u>	<u>5,113,601</u>	<u>693,588</u>	<u>4,420,013</u>
Total Expenditures	<u>2,713,601</u>	<u>5,113,601</u>	<u>693,588</u>	<u>4,420,013</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(1,193,246)</u>	<u>(3,593,246)</u>	<u>752,594</u>	<u>4,345,840</u>
Net Change in Fund Balance *	<u>\$ (1,193,246)</u>	<u>\$ (3,593,246)</u>	<u>752,594</u>	<u>\$ 4,345,840</u>
Fund Balance, Beginning			<u>5,038,157</u>	
Fund Balance, Ending			<u>\$ 5,790,751</u>	

* The net change in fund balance was included in the budget as an appropriation (i.e., spend down) of fund balance.

The notes to the financial statements are an integral part of this statement.

BOUNTIFUL CITY
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
June 30, 2024

	<u>Business-type Activities - Enterprise Funds</u>					Total Enterprise	Governmental Activities - Internal Service Funds
	Fiber	Water	Light and Power	Sanitation	Other Enterprise Funds		
Assets							
Current Assets							
Cash and cash equivalents	\$ 1,281	\$ 824,875	\$ 4,275,082	\$ 3,621,698	\$ 1,403,385	\$ 10,126,321	\$ 443,848
Receivables:							
Accounts receivable, net	3,918	987,145	4,914,560	470,602	301,814	6,678,039	7,274
Interest receivable	136,156	14,084	90,372	35,725	27,805	304,142	7,128
Intergovernmental receivable	-	71,755	-	6,556	6,556	84,867	-
Investments	4,214	2,751,167	17,653,323	6,978,764	5,430,409	32,817,877	1,392,388
Inventories	-	617,801	2,679,584	-	109,815	3,407,200	-
Prepaid expenses	-	127,720	886	7,075	-	135,681	80,894
Total Current Assets	<u>145,569</u>	<u>5,394,547</u>	<u>29,613,807</u>	<u>11,120,420</u>	<u>7,279,784</u>	<u>53,554,127</u>	<u>1,931,532</u>
Noncurrent Assets							
Restricted assets:							
Cash and cash equivalents	28,437,448	12,337	1,096,888	2,164,305	249,855	31,960,833	534,538
Capital assets, net:							
Land, land rights and water rights	-	525,559	1,263,349	43,737	7,197,299	9,029,944	-
Buildings, wells and reservoirs	-	6,132,277	4,222,342	437,970	931,699	11,724,288	-
Improvements other than buildings	-	788,028	597,171	93,105	727,869	2,206,173	-
Transmission, distribution, and collection infrastructure	817,308	18,903,100	15,388,852	-	5,211,015	40,320,275	-
Machinery and equipment	-	2,683,128	17,085,081	4,319,498	1,222,636	25,310,343	-
Furniture, fixtures and office equipment	-	-	28,740	-	-	28,740	-
Construction in progress	21,324,383	-	355,282	-	-	21,679,665	-
Intangible asset - power projects	-	-	838,723	-	-	838,723	-
Intangible right-to-use lease assets	-	-	218,511	-	331,986	550,497	-
Total Noncurrent Assets	<u>50,579,139</u>	<u>29,044,429</u>	<u>41,094,939</u>	<u>7,058,615</u>	<u>15,872,359</u>	<u>143,649,481</u>	<u>534,538</u>
Total Assets	<u>50,724,708</u>	<u>34,438,976</u>	<u>70,708,746</u>	<u>18,179,035</u>	<u>23,152,143</u>	<u>197,203,608</u>	<u>2,466,070</u>
Deferred Outflows of Resources							
Pensions	-	466,386	843,444	243,873	369,772	1,923,475	41,226
Total Deferred Outflows	<u>-</u>	<u>466,386</u>	<u>843,444</u>	<u>243,873</u>	<u>369,772</u>	<u>1,923,475</u>	<u>41,226</u>
Total Assets and Deferred Outflows	<u>\$ 50,724,708</u>	<u>\$ 34,905,362</u>	<u>\$ 71,552,190</u>	<u>\$ 18,422,908</u>	<u>\$ 23,521,915</u>	<u>\$ 199,127,083</u>	<u>\$ 2,507,296</u>

The notes to the financial statements are an integral part of this statement.

BOUNTIFUL CITY
STATEMENT OF NET POSITION – PROPRIETARY FUNDS (Continued)
June 30, 2024

	Business-type Activities - Enterprise Funds					Total Enterprise	Governmental Activities - Internal Service Funds
	Fiber	Water	Light and Power	Sanitation	Other Enterprise Funds		
Current Liabilities							
Accounts payable	\$ 918,487	\$ 325,533	\$ 1,428,685	\$ 107,423	\$ 541,375	\$ 3,321,503	\$ 693,749
Accrued liabilities	-	37,724	370,264	42,096	73,453	523,537	3,752
Accrued Interest Payable	1,025,900	-	4,193	-	1,777	1,031,870	-
Due to other funds	1,048,844	-	-	-	-	1,048,844	-
Retainage payable - restricted assets	839,359	699	237	-	20,090	860,385	-
Unearned revenue - restricted assets	-	11,638	32,462	-	84,345	128,445	-
Compensated absences	-	34,945	119,494	31,100	34,067	219,606	-
Leases payable	-	-	18,979	-	79,102	98,081	-
Revenue bond payable	751,989	-	-	-	-	751,989	-
Total Current Liabilities	4,584,579	410,539	1,974,314	180,619	834,209	7,984,260	697,501
Noncurrent Liabilities							
Developer and customer deposits - restricted	-	-	1,064,189	-	145,420	1,209,609	-
Compensated absences	-	82,945	239,879	38,749	106,568	468,141	-
Leases payable	-	-	231,882	-	-	231,882	-
Revenue bond payable	46,570,687	-	-	-	-	46,570,687	-
Accrued landfill closure - restricted assets	-	-	-	2,164,305	-	2,164,305	-
Net pension liability	-	263,206	476,000	137,631	208,682	1,085,519	23,266
Total Noncurrent Liabilities	46,570,687	346,151	2,011,950	2,340,685	460,670	51,730,143	23,266
Total Liabilities	51,155,266	756,690	3,986,264	2,521,304	1,294,879	59,714,403	720,767
Deferred Inflows of Resources							
Pensions	-	3,833	6,931	2,004	3,039	15,807	339
Total Deferred Inflows	-	3,833	6,931	2,004	3,039	15,807	339
Net Position							
Net investment in capital assets	(252,316)	28,802,866	39,664,700	4,894,310	15,178,265	88,287,825	-
Restricted:							
Regulatory required insurance deposit	-	-	-	-	-	-	534,538
Unrestricted	(178,242)	5,341,973	27,894,295	11,005,290	7,045,732	51,109,048	1,251,652
Total Net Position	(430,558)	34,144,839	67,558,995	15,899,600	22,223,997	139,396,873	1,786,190
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 50,724,708	\$ 34,905,362	\$ 71,552,190	\$ 18,422,908	\$ 23,521,915	\$ 199,127,083	\$ 2,507,296
Net Position Reconciliation from Proprietary Funds to Business-type Activities on the Statement of Net Position:						\$ 139,396,873	
Adjustment for the cumulative internal balance from the net activity between internal service funds and enterprise funds						(1,941,111)	
						\$ 137,455,762	

The notes to the financial statements are an integral part of this statement.

BOUNTIFUL CITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For The Fiscal Year Ended June 30, 2024

	Business-type Activities - Enterprise Funds					Total Enterprise	Governmental Activities - Internal Service Funds
	Fiber	Water	Light and Power	Sanitation	Other Enterprise Funds		
Operating Revenues							
Charges for services	\$ 85,759	\$ 5,926,754	\$ 32,902,836	\$ 3,992,389	\$ 2,472,977	\$ 45,380,715	\$ 1,050,033
Connection and servicing	-	19,835	91,667	-	-	111,502	-
Admissions and lesson fees	-	-	-	-	1,215,551	1,215,551	-
Equipment and facility rents	-	-	76,643	-	605,545	682,188	-
Merchandise and concession sales	-	-	-	-	316,428	316,428	-
Sale of cemetery burial plots	-	-	-	-	117,775	117,775	-
Miscellaneous	-	3,203	179,321	39,099	13,133	234,756	235,680
Total Operating Revenues	85,759	5,949,792	33,250,467	4,031,488	4,741,409	48,058,915	1,285,713
Operating Expenses							
Personnel wages and benefits	-	1,563,538	4,943,917	1,671,053	1,817,583	9,996,091	184,111
Materials and supplies	-	572,364	101,101	769,147	259,655	1,702,267	-
Repair and maintenance costs	120	622,857	1,799,943	873,706	649,296	3,945,922	-
Contractual and professional services	2,250	101,216	45,260	320,010	85,246	553,982	53,482
Power purchases	-	-	13,718,812	-	-	13,718,812	-
Power generation costs	-	-	2,513,744	-	-	2,513,744	-
General and administrative costs	186,631	1,181,846	1,240,250	354,050	598,426	3,561,203	819,957
Claims	-	-	-	-	-	-	429,801
Depreciation	21,795	1,313,580	2,727,653	708,327	661,673	5,433,028	-
Amortization	-	-	101,783	-	89,785	191,568	-
Total Operating Expenses	210,796	5,355,401	27,192,463	4,696,293	4,161,664	41,616,617	1,487,351
Operating Income (Loss)	\$ (125,037)	\$ 594,391	\$ 6,058,004	\$ (664,805)	\$ 579,745	\$ 6,442,298	\$ (201,638)

The notes to the financial statements are an integral part of this statement.

BOUNTIFUL CITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS (Continued)
For The Fiscal Year Ended June 30, 2024

	Business-type Activities - Enterprise Funds					Total Enterprise	Governmental Activities - Internal Service Funds
	Fiber	Water	Light and Power	Sanitation	Other Enterprise Funds		
Nonoperating Revenues (Expenses)							
Investment earnings	\$ 1,973,507	\$ 191,228	\$ 1,060,693	\$ 632,596	\$ 343,389	\$ 4,201,413	\$ 97,043
Intergovernmental - Grants	-	185,591	-	25,665	24,556	235,812	-
Interest expense	(1,884,220)	-	(7,562)	-	(2,692)	(1,894,474)	-
Bond issuance costs	(379,814)	-	-	-	-	(379,814)	-
Gain (loss) from disposal of capital assets	-	(59,452)	5,463	10,000	9,374	(34,615)	-
Total Nonoperating Revenues (Expenses)	(290,527)	317,367	1,058,594	668,261	374,627	2,128,322	97,043
Income (loss) before contributions & transfers	(415,564)	911,758	7,116,598	3,456	954,372	8,570,620	(104,595)
Capital Contributions	-	105,741	190,915	-	120,020	416,676	-
Transfers out	-	-	(2,979,729)	-	-	(2,979,729)	-
Change in Net Position	(415,564)	1,017,499	4,327,784	3,456	1,074,392	6,007,567	(104,595)
Net Position, Beginning	(14,994)	33,127,340	63,231,211	15,896,144	21,149,605	133,389,306	1,890,785
Net Position, Ending	\$ (430,558)	\$ 34,144,839	\$ 67,558,995	\$ 15,899,600	\$ 22,223,997	\$ 139,396,873	\$ 1,786,190
Reconciliation from Proprietary Funds to Business-type Activities on the Statement of Activities:						\$ 6,007,567	
Adjustment to eliminate the current fiscal year's internal service funds net loss from internal customers applicable to business-type activities						<u>(101,367)</u>	
Changes in Net Position of Business-type activities (page 25)						\$ 5,906,200	

The notes to the financial statements are an integral part of this statement.

BOUNTIFUL CITY
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
For The Fiscal Year Ended June 30, 2024

	Business-type Activities - Enterprise Funds					Total Enterprise	Governmental Activities - Internal Service Funds
	Fiber	Water	Light and Power	Sanitation	Other Enterprise Funds		
Cash Flows From Operating Activities							
Receipts from customers and users	\$ 84,945	\$ 5,856,369	\$ 32,821,711	\$ 3,970,410	\$ 4,727,864	\$ 47,461,299	\$ 1,047,975
Receipts from customer deposits	-	-	203,330	-	100,627	303,957	-
Other receipts	-	-	-	-	-	-	-
Payments to suppliers	(20,629)	(2,357,664)	(18,022,875)	(3,131,141)	(1,010,198)	(24,542,507)	(1,323,437)
Payments to employees and related benefits	-	(1,612,411)	(4,910,004)	(648,662)	(1,848,907)	(9,019,984)	(189,596)
Payments to other funds for services provided	(168,372)	(467,723)	(969,063)	(111,378)	(378,222)	(2,094,758)	-
Return of customer deposits	-	-	(144,027)	-	(22,127)	(166,154)	-
Net cash flows from operating activities	<u>(104,056)</u>	<u>1,418,571</u>	<u>8,979,072</u>	<u>79,229</u>	<u>1,569,037</u>	<u>11,941,853</u>	<u>(465,058)</u>
Cash Flows From Non-Capital Financing Activities							
Transfers to other funds	-	-	(2,979,729)	-	-	(2,979,729)	-
Grants received	-	113,836	-	19,109	18,000	150,945	-
Net cash flows from non-capital financing activities	<u>-</u>	<u>113,836</u>	<u>(2,979,729)</u>	<u>19,109</u>	<u>18,000</u>	<u>(2,828,784)</u>	<u>-</u>
Cash Flows From Capital and Related Financing Activities							
Capital contributions	-	105,741	190,915	-	3,820	300,476	-
Purchase of capital assets	(15,225,537)	(2,878,940)	(655,275)	(892,888)	(920,361)	(20,573,001)	-
Proceeds from sales of capital assets	-	-	5,463	10,000	9,833	25,296	-
Principal paid on leases	-	-	(19,990)	-	(118,170)	(138,160)	-
Interest paid on leases	-	-	(6,738)	-	(6,081)	(12,819)	-
Principal paid on interfund payable	(6,705,156)	-	-	-	-	(6,705,156)	-
Interest paid on interfund payable	(80,410)	-	-	-	-	(80,410)	-
Proceeds from interfund payable	2,559,418	-	-	-	-	2,559,418	-
Proceeds from issuance of debt	47,384,665	-	-	-	-	47,384,665	-
Bond issuance costs paid	(379,814)	-	-	-	-	(379,814)	-
Interest paid on bonds	(843,518)	-	-	-	-	(843,518)	-
Net cash flows from capital and related financing activities	<u>\$ 26,709,648</u>	<u>\$ (2,773,199)</u>	<u>\$ (485,625)</u>	<u>\$ (882,888)</u>	<u>\$ (1,030,959)</u>	<u>\$ 21,536,977</u>	<u>\$ -</u>
Cash Flows From Investing Activities							
Investment earnings	\$ 1,837,287	\$ 161,927	\$ 796,798	\$ 545,061	\$ 268,603	\$ 3,609,676	\$ 81,321
Purchase of investments	(5,535)	(1,143,887)	(9,584,931)	(2,901,647)	(2,406,438)	(16,042,438)	(578,930)
Sale of investments	1,385	2,261,708	5,807,898	3,830,835	2,168,429	14,070,255	1,015,927
Net cash flows from investing activities	<u>1,833,137</u>	<u>1,279,748</u>	<u>(2,980,235)</u>	<u>1,474,249</u>	<u>30,594</u>	<u>1,637,493</u>	<u>518,318</u>
Net Increase (Decrease) In Cash and Cash Equivalents	28,438,729	38,956	2,533,483	689,699	586,672	32,287,539	53,260
Cash and Cash Equivalents, Beginning	-	798,256	2,838,487	5,096,304	1,066,568	9,799,615	925,126
Cash and Cash Equivalents, Ending	<u>\$ 28,438,729</u>	<u>\$ 837,212</u>	<u>\$ 5,371,970</u>	<u>\$ 5,786,003</u>	<u>\$ 1,653,240</u>	<u>\$ 42,087,154</u>	<u>\$ 978,386</u>

The notes to the financial statements are an integral part of this statement.

BOUNTIFUL CITY
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (Continued)
For The Fiscal Year Ended June 30, 2024

	Business-type Activities - Enterprise Funds					Totals	Governmental Activities - Internal Service Funds
	Fiber	Water	Light and Power	Sanitation	Other Enterprise Funds		
Reconciliation of operating income to net cash flows from operating activities							
Earnings (loss) from operations	\$ (125,037)	\$ 594,391	\$ 6,058,004	\$ (664,805)	\$ 579,745	\$ 6,442,298	\$ (201,638)
Adjustments to reconcile earnings (loss) to net cash flows from operating activities:							
Depreciation and amortization	21,795	1,313,580	2,829,436	708,327	751,458	5,624,596	-
Changes in assets and liabilities							
Accounts receivable, net	(814)	(105,061)	(398,649)	(61,078)	(13,545)	(579,147)	(2,058)
Inventories	-	(70,595)	241,323	-	(22,567)	148,161	-
Prepaid expenses	-	(5,140)	3,543	5,660	-	4,063	(80,894)
Other postemployment benefits (OPEB) asset	-	43,168	96,351	29,836	31,217	200,572	-
Deferred outflows - pensions	-	(213,134)	(75,311)	(66,117)	(121,335)	(475,897)	(10,364)
Deferred outflows - OPEB	-	1,774	3,961	1,225	1,283	8,243	-
Accounts payable	-	(191,326)	25,486	19,116	156,403	9,679	(177,125)
Accrued liabilities	-	7,925	156,636	11,494	12,279	188,334	964
Retainage payable	-	(87,968)	184	-	14,963	(72,821)	-
Unearned revenue	-	11,638	(30,107)	-	23,686	5,217	-
Developer and customer deposits	-	-	59,303	-	78,500	137,803	-
Compensated absences	-	5,834	(15,931)	(1,150)	13,401	2,154	-
Accrued landfill closure	-	-	-	64,763	-	64,763	-
Deferred inflows - pensions	-	(2,142)	(11,191)	(2,191)	(2,822)	(18,346)	(389)
Deferred inflows - OPEB	-	(9,553)	(21,322)	(6,602)	(6,909)	(44,386)	-
Net pension liability	-	125,180	57,356	40,751	73,280	296,567	6,446
Net cash flows from operating activities	\$ (104,056)	\$ 1,418,571	\$ 8,979,072	\$ 79,229	\$ 1,569,037	\$ 11,941,853	\$ (465,058)
Schedule of non-cash capital and related financing activities							
Contributions of capital assets	\$ -	\$ -	\$ -	\$ -	\$ 116,200	\$ 116,200	\$ -
Leasing of assets	-	-	49,031	-	-	49,031	-
Capital asset purchase in current liabilities	1,757,846	229,226	82,490	27,065	345,402	2,442,029	-

The notes to the financial statements are an integral part of this statement.

BOUNTIFUL CITY
STATEMENT OF FIDUCIARY NET POSITION
OPEB PLANS
June 30, 2024

	Other Postemployment Benefits Plan (OPEB) Trust
Assets	
Cash and cash equivalents	\$ -
Investments:	
Corporate bonds	-
Agency bonds	-
Total Assets	\$ -
Liabilities	
Due to sponsoring government	\$ -
Total Liabilities	-
Net position - Restricted for OPEB	\$ -
Total Net Position - Restricted for OPEB	-
Total Liabilities and Net Position	\$ -

Note: OPEB plan was discontinued during fiscal year ended June 30, 2024

The notes to the financial statements are an integral part of this statement.

BOUNTIFUL CITY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
OPEB PLANS
For The Fiscal Year Ended June 30, 2024

	Other Postemployment Benefits Plan (OPEB) Trust
Additions	
Interest earnings:	
Interest and dividends	\$ 30,227
Net increase/(decrease) in fair value	1,455
Investment expense	(388)
Net investment earnings	31,294
Total Additions	31,294
Deductions	
Benefits	669
Refund of sponsor contribution	644,623
Total Deductions	645,292
Changes in Net Position	(613,998)
Net Position, Beginning	613,998
Net Position, Ending	\$ -

The notes to the financial statements are an integral part of this statement.

BOUNTIFUL CITY

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Bountiful City (the City) was incorporated under the laws of the Territory of Utah in 1892 and operates under a manager form of government and provides services as authorized by its charter. 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.

The Reporting Entity

As required by GAAP these financial statements present the operations of the City and its component unit, entities for which the City is considered to be financially accountable. The City is considered to be financially accountable for an organization if the City appoints a voting majority of that organization's governing body, or there is a potential for that organization to provide specific financial benefits to or impose specific financial burdens on the City. The City is also considered to be financially accountable for an organization if that organization is fiscally dependent on the City. Blended component units, although legally separate entities, are in substance, part of the government's operations.

Blended Component Unit

The Bountiful City Redevelopment Agency (RDA) serves all the citizens of the City and is governed by a board comprised of the members of the City Council. Additionally, the RDA is managed by City employees and therefore has operational responsibility for the RDA. In conformity with GAAP, the financial statements of the RDA have been included in the financial reporting entity as a blended component unit. The RDA does not issue any other separate financial reports.

Fiduciary Component Unit

For many years the City offered other post-employment benefits (OPEB) to its employees. These benefits were administered through an integral-part trust. In conformity with GAAP, the OPEB plan was considered a fiduciary component unit of the City and not combined with the primary government. The OPEB plan financial statements are included on pages 38 and 39 of this report as the OPEB plan does not issue a separate report. During the fiscal year ended June 30, 2024, the final OPEB plan with ongoing participants was discontinued by a City Council resolution and the integral part trust was dissolved, thus this is the final fiscal year of reporting activity for this OPEB fiduciary component unit.

Basis of Presentation - 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. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City's services of: general governmental, public safety, highways and streets, planning and engineering, parks and recreation, redevelopment, and internal service are classified as governmental activities. The City's services of: a fiber-optic network (Fiber), culinary water, light and power, refuse/recycle collection and landfilling (Sanitation), storm water, golf course, and cemetery are classified as business-type activities.

The government-wide financial statements (i.e., *statement of net position* and *statement of activities*) report information on all the activities of the City and its blended component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user 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 not properly included among program revenues are reported instead as general revenues.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation - Government-Wide and Fund Financial Statements (Continued)

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide, proprietary, and OPEB fiduciary component unit financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. 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 revenue in the year for which they became available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The 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 collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available 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 principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, and claims and judgments, and postemployment benefits are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the City the right to use lease assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Sales taxes, 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 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. All other revenues are considered to be measurable and available only when the City receives cash.

Fund Financial Statements

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. Separate statements for each fund category – governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements. The City reports three governmental funds as major, as follows:

1. The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
2. The Capital Projects Fund accounts for the financial resources to be used for the acquisition or construction of the major capital facilities and infrastructure of the government (other than those financed by Proprietary Funds and Special Revenue Funds).
3. The Bountiful City Redevelopment Agency is a special revenue fund. Special revenue funds are used to account for specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. This fund is used to account for the property tax increment received from taxing entities throughout Davis County for the purposes of development and economic activity. Accounting and financial reporting for the General Fund and special revenue funds are identical.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (Continued)

The City reports the following fiduciary fund:

1. The OPEB trust fund accounts for the activities of the City's OPEB Plan, which holds in reserve dedicated assets used exclusively for OPEB payments to eligible retired employees.

The City reports four enterprise funds as major, as follows:

1. The Fiber Fund accounts for the activities of a City-owned fiber-optic network offering the fiber lines to residents for the provision of broadband internet and other telecommunication services. This is a new City utility and was still in the network construction stages by fiscal yearend. Only two of the City's ten fiber network footprints had orderable areas by fiscal yearend.
2. The Water Fund accounts for the activities of the City's culinary water source and distribution system.
3. The Light and Power Fund accounts for the activities of the City's electricity generation, transmission, and distribution systems.
4. The Sanitation Fund accounts for the activities of the City's refuse and recycle collection services as well as a City-owned landfill operation.

Additionally, the City reports the following nonmajor fund types:

- The City accounts for the Landfill Closure, RAP Tax, and Cemetery Perpetual Care Funds as special revenue funds. These funds account for the respective special revenue collections and provision of those services to the residents of the City.
- The Debt Service Fund is used to account for resources that will be used to service general long-term debt.
- The Golf Course Fund accounts for the provision of an 18-hole golf course for the residents of the City and surrounding area. The Storm Water and Cemetery Funds account for the provision of those services to the residents of the City. These funds are accounted for as nonmajor enterprise funds.
- Internal service funds are used to account for the central financing of goods or services provided by an internal service fund to various departments of the City on a cost-reimbursement basis. The City has a Workers' Compensation and a Risk Management internal service fund. These funds account for the City's self-insurance programs.

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, and payments to the enterprise funds where the amounts are reasonably equivalent in value to the interfund services provided, and other charges between the government's Water, Light and Power, and Sanitation functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Proprietary funds Operating and Nonoperating Revenues and Expenses

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 the enterprise funds and of the City's internal service funds are charges to customers. Operating expenses for enterprise funds and the internal service 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.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets

Annual budgets are prepared and adopted by ordinance by total for each department, in accordance with State law, by the Mayor and City Council on or before June 30 for the following fiscal year, which begins July 1. Budgets include activities in several different funds, including the General Fund, special revenue funds, Debt Service Fund, and enterprise funds. Annual budgets are also adopted for capital projects, which may include activities overlapping several fiscal years.

Expenditures in the Capital Projects Fund are budgeted annually on a project-by-project basis. Although it is the intention of the City that each project be funded by a specific revenue source, the adopted budget reflects only total anticipated revenues by source. Since it is neither practicable, nor appropriate, to separate revenues and fund balance on a project-by-project basis, the Capital Projects Fund is reported as an individual fund in the accompanying financial statements.

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 Mayor and City Council for operating within the budget for their department. All annual budgets lapse at yearend. With the consent of the City Manager, department heads may reallocate unexpended appropriated balances from one expenditure account to another within that department during the budget year. By Utah State law any City Council budget amendments that exceed the original budgeted expenditures requires a public hearing before final adoption.

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 in the General Fund in any amount greater than 35% of the current year's total revenues (i.e., mandated fund balance maximum).

Budgets for the General Fund, special revenue funds, the Debt Service Fund, and the Capital Projects Fund are prepared on the modified accrual basis of accounting (i.e., GAAP basis). The City does not use encumbrance accounting.

Taxes

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 certified tax rate, 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 complete on or before August 17th. All property taxes levied by the City are assessed and collected by Davis County. Taxes are attached as an enforceable lien as of January 1, are levied on property owners on or before June 22, and are due by 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. 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.

Sales taxes and related taxes are collected by the Utah State Tax Commission and remitted to the City monthly. An accrual has been made for all taxes due and payable for the period ended June 30th.

Franchise taxes are collected by natural gas, electric utilities, telecommunications, and cable television companies and remitted to the City periodically. An accrual has been made for all taxes due and payable for the period ended June 30th.

Utility Billing Revenue

The City records utility revenues billed to its customers when meters are read on a monthly basis. An accrual has been made for all utility revenues due and payable for the period ended June 30th.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and cash equivalents

The City considers all cash on hand, demand deposits, and investments with original maturities of three months or less to be cash and cash equivalents. For the statement of cash flows, cash and cash equivalents are defined as the cash and cash equivalent accounts and the restricted cash and cash equivalent accounts.

Investments

The City holds investments that are measured and reported at fair value on a monthly basis. Accordingly, the change in fair value of investments is recognized as an increase or decrease in the investment assets. The City's financial statements also report investment earnings comprised of the net figure of interest earnings, realized gains and losses, and unrealized gains and losses.

Inventories and prepaid expenses/expenditures

Inventories of materials used in the construction and repair of the transmission, distribution, and collection infrastructure are valued at cost on a weighted average basis. Supplies inventories, consisting principally of fuel and oil, are valued at cost on a first-in, first-out basis. Transformers and switch cans used by the Light and Power fund are valued by specific identification.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses/expenditures in both the government-wide and fund financial statements. For the enterprise funds, the cost of prepaid expenses is recorded as expenses when consumed rather than when purchased. For governmental funds, the cost of prepaid expenditures is recorded as expenditures when purchased.

Capital assets

Capital assets are tangible and intangible assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, water mains, power lines, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The government defines capital assets as assets with an initial individual cost of more than \$10,000 and a useful life greater than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at acquisition value (i.e. price that would be paid to acquire a similar asset through a market transaction) at the date of donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

Land and construction in progress are not depreciated. The City's other tangible and intangible property, plant, equipment, the right to use lease equipment, and infrastructure are depreciated/amortized using the straight-line method over the following estimated useful lives:

<u>Capital Asset Classes</u>	<u>Lives</u>
Buildings, wells, and reservoirs	10-40
Improvements other than buildings	10-50
Power & Water transmission, distribution, and collection systems infrastructure	15-50
Street light and traffic signal systems	20-30
Machinery and equipment	4-50
Furniture, fixtures, and office equipment	3-20

Upon retirement or disposition of capital assets, the cost and related accumulated depreciation are removed from the respective accounts.

Deferred outflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has a net pension liability related outflow that qualifies for reporting in this category.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred outflows of resources (continued)

The deferred outflows from pensions is reported in the government-wide *statement of net position* and the enterprise funds *statement of net position*. This outflow results from the differences in the estimates and assumptions used to calculate the net pension liability reported in each fund, as well as any pension contributions made after the pension actuarial measurement date and the end of the fiscal year.

Compensated absences

The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences has been estimated based on the following City policies:

Vacation:

The City's policy permits employees to accumulate earned but unused vacation benefits up to 240 hours in a calendar year, which are eligible for payment upon separation from City service. Employees are also permitted to cash 40 or 80 hours, depending upon position, of accrued vacation benefits each calendar year.

Compensation Time:

All non-exempt employees accumulate overtime hours at time-and-a-half. This time is eligible for future paid leave, payment at the department head discretion, or payment upon separation from City service.

Sick Leave:

The City's policy permits employees to accumulate earned but unused sick benefits without limitation. Sick leave amounts are charged to expenditures/expenses when incurred. Eligible employees are permitted at retirement to convert their accumulated sick leave, at their retirement rate of pay, to an employee health retirement account (HRA). Only employees with at least 25 years of full-time service with the City at retirement are eligible. The max eligible for this conversion is 50% of the leave balance up to a max of 720 hours. The long-term sick leave liability is based on a management estimate that eight percent of employees will qualify for this retirement cash out. Employees are also permitted to cash out 32 or 80 hours of accrued sick benefits each calendar year as long as they have 120 accrued hours remaining after the cash out.

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) including additions to and deductions from URS's fiduciary net position, have been determined on the same basis as they are reported by the 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.

Deferred inflows of resources

In addition to liabilities, the statement of financial position includes 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 future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has three types of transactions that qualify for reporting in this category:

1. The City's governmental funds report deferred inflows from unavailable property tax revenues. This amount is deferred and recognized as an inflow of resources in the period in which the amount becomes available.
2. The City's governmental funds and government-wide *statement of net position* report deferred inflows from unavailable/deferred lease payment revenues where the City is the lessor. This amount is deferred and recognized as an inflow of resources in the period in which the amount becomes available/earned.
3. The City's government-wide and proprietary fund statements of net position report deferred inflows from pensions. This deferred inflow results from the differences in the estimates and assumptions used to calculate the net pension liability reported in each applicable fund.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases

Lessee agreements: The City is a lessee for noncancellable leases of golf course equipment, land leases for power transmission lines, and some subscription-based software. For these agreements, the City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$10,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life or lease term.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the *statement of net position*.

Lessor agreements: The City is a lessor for noncancellable leases of a building, a concessionaire building, and various land leases for cell towers. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses the implicit interest rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Fund equity

In the fund financial statements, enterprise fund equity is classified as net position while governmental fund equity is classified as fund balance. Fund balance is further classified as Nonspendable, Restricted, Committed, Assigned or Unassigned.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund equity (Continued)

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.

Restricted fund balance classifications are restricted if, (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance classification includes those funds that can only be used for specific purposes pursuant to constraints imposed by an ordinance adopted by the City Council, which constraints remain binding unless removed in the same manner (i.e. the adoption of another ordinance).

Assigned fund balance classification includes amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The City Council has, by resolution, authorized the City Manager to recommend any amounts to be included in assigned fund balance. The City 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 budget. These amounts are then formalized via the adoption of the final budget by the City Council. 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.

Unassigned fund balance classification is the residual classification. 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. The General Fund is the only fund that can report positive unassigned fund balance.

Fund balance and net position flow assumptions

Sometimes the City will fund cash outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied.

It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

For the enterprise funds the City has the same policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Interfund transactions

During the course of normal operations, the City has transactions between funds to subsidize operations in other funds, to construct assets, to distribute grant proceeds, etc. These transactions are generally reflected as interfund transfers, which are transfers from a fund authorized to receive certain revenues to the fund through which the resources are to be expended.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS

The City maintains an internal cash and investment pool that is available for use by all funds. The pooled cash and investment concept is used to maximize the City's investment program. Cash includes amounts in demand deposits including the portion of the Utah Public Treasurer's Investment Fund (PTIF) that is considered as a demand deposit. Investments are stated at fair value. Each fund's portion of this pool is displayed on the combined balance sheets as "cash and cash equivalents" and "investments" which also includes cash accounts that are separately held by several of the City's funds. Investment income from this internal pooling is allocated to the respective funds based on the sources of funds invested.

Deposits and investments for the City are governed by the Utah Money Management Act (*Utah Code Annotated*, Title 51, Chapter 7, "the Act") and by rules of the Utah Money Management Council ("the Council").

The PTIF is an external pooled investment fund managed by the Utah State Treasurer and subject to the Act and Council requirements. The PTIF is not registered with the SEC as an investment company, and deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah. The PTIF operates and reports to participants on an amortized cost basis, which approximates fair value at yearend. The income, gains and losses, net of administration fees, of the PTIF are allocated based upon the participants' average daily balances. As of June 30, 2024, the fair value per share factor for investments in the PTIF was 1.00150349.

Following are discussions of the City's exposure to various risks related to its cash management activities.

Custodial credit risk – deposits is the risk that in the event of bank failure, the City's deposits may not be recovered. The City's policy for managing custodial credit risk is to adhere to the Money Management Act. The Act requires all deposits of the City to be in a *qualified depository*, defined as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Money Management Council. As of June 30, 2024, \$57,598,409 of the City's bank balances of \$58,539,967 was uninsured and uncollateralized.

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. As of June 30, 2024, \$78,790,053 of the City's \$82,114,283 in investments was exposed to custodial credit risk because it was uninsured and uncollateralized.

Credit risk is the risk that the counterparty to an investment will not fulfill its obligations. The City policy for limiting the credit risk of investments is to comply with the Money Management Act. The Act requires investment transactions to be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities. Permitted investments include deposits of qualified depositories; repurchase agreements; commercial paper that is classified as "first-tier" by two nationally recognized statistical rating organizations; banker acceptances; obligations of the U.S. Treasury and U.S. government sponsored enterprises; bonds and notes of political subdivisions of the State of Utah; fixed rate corporate obligations and variable rate securities rated "A" or higher by two nationally recognized statistical rating organizations as defined in the Act.

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's deposits and investments are in the PTIF, qualified institutions, and varied holdings that are sufficiently diversified, as such the City has no significant concentration of credit risk.

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The City manages its exposure to declines in fair value by adhering to the Money Management Act in addition to the City's investment policy that limits investment duration to a max of five years with the majority of its investment portfolio duration being two years or less.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Following are the City's cash on hand, on deposit, and investments on June 30, 2024:

	Carrying Value	Fair Value Factor	Fair Value	Credit Rating (1)	Ave. Maturity (Years) (2)
<u>Bountiful City</u>					
Cash on hand and on deposit:					
Cash on hand	\$ 4,800	1	\$ 4,800	N/A	N/A
Cash on deposit	4,506,622	1	4,506,622	N/A	N/A
Regulatory Insurance Deposit	534,538	1	534,538	N/A	N/A
Utah State Treasurer's investment pool accounts (3):					
Operating	25,148,488	1.001503	25,186,299	N/A	0.23
Bond proceeds	26,686,515	1.001503	26,726,638	N/A	0.23
Bond debt service	1,750,933	1.001503	1,753,566	N/A	0.23
Total cash on hand and deposit	<u>\$ 58,631,896</u>		<u>\$ 58,712,462</u>		
Investments:					
U.S. Agency bonds	\$ 41,889,310	1	\$ 41,889,310	AA+	1.93
Certificates of deposit	2,824,228	1	2,824,228	N/A	2.52
Corporate bonds	37,400,745	1	37,400,745	A	1.56
Total Investments	<u>\$ 82,114,283</u>		<u>\$ 82,114,283</u>		<u>1.50</u>

(1) Ratings are provided, where applicable, to indicate associated credit risk. N/A indicates ratings are not available

(2) Interest rate risk is estimated using the weighted average years to maturity

(3) The State investment pool terms of use are those of a depository account. The pool does have a fair value calculation and it would be a level 2 investment if it were classified as an investment.

Fair value of investments

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

- Level 1: Quoted prices for identical investments in active markets
- Level 2: Observable inputs other than quoted market prices
- Level 3: Unobservable inputs

At June 30, 2024, the City's investments of \$82,114,283 had the following recurring fair value measurements:

- U.S. Agency bonds of \$41,889,308 are valued using quoted market prices (Level 2 inputs). Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.
- Corporate bonds of \$37,400,746 are valued using quoted market prices (Level 2 inputs)
- Certificates of deposit of \$2,824,229 are valued using a matrix pricing model (Level 2 inputs)

The City's investments are carried at fair value and changes in fair value affect the amount of investment income reported even if the change is unrealized. The calculation of an investment's realized gains and losses is entirely separate from the net change in the fair value. Unrealized gains or losses reflect the variance between the investment's carrying value and its value if it were to be sold. Fiscal year 2024 again saw interest rates rise in the bond market, principally due to the Federal Reserve increasing the internal borrowing rate (25 basis points over those twelve months after already increasing 350 basis points during fiscal year 2023). These swings in interest rates cause the market value of the City's investment portfolio to fluctuate and during fiscal year 2024 the fluctuations resulted in significant unrealized gains. These unrealized gains increased the City's overall net investment earnings.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

The following schedule breaks out the City's net investment earnings for the fiscal year ending June 30, 2024:

	Governmental Activities	Business-type Activities	Total
Interest and net realized gains/(losses)	\$ 2,540,578	\$ 3,703,537	\$ 6,244,115
Unrealized gains/(losses)	724,393	497,876	1,222,269
Total net investment earnings/(loss)	<u>\$ 3,264,971</u>	<u>\$ 4,201,413</u>	<u>\$ 7,466,384</u>

The City's investment policy stipulates the purchase of highly rated investments, and its investment practice is to hold investments to maturity; thus, it is unlikely that the unrealized gains reported during the fiscal year will be realized. Any investments that were sold during the current fiscal year did include realized gains or losses that included changes in fair value (i.e., unrealized). Some of that change in fair value actually occurred in prior periods and the realization of the change in fair value upon sale or maturity was included as part of the net change in the fair value of investments reported.

3. RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS

Governmental fund receivable amounts are aggregated by category for presentation on the balance sheet. Below is the detail of the various receivables for the major governmental funds:

	General Fund	Capital Projects	Redevelopment Agency
Taxes Receivable:			
Franchise taxes	\$ 293,614	\$ -	\$ -
Property taxes	3,548,285	-	83,000
Sales taxes	40,838	1,773,111	-
Total Taxes Receivable	<u>\$ 3,882,737</u>	<u>\$ 1,773,111</u>	<u>\$ 83,000</u>
Accounts Receivable:	\$ 463,600	\$ 3,000	\$ -
Less: allowance for uncollectibles	(8,819)	-	-
Total Accounts Receivable - Net	<u>\$ 454,781</u>	<u>\$ 3,000</u>	<u>\$ -</u>
Intergovernmental Receivable:			
State of Utah Class B&C Road Funds	\$ 353,543	\$ -	\$ -
Local Option Transportation Tax	169,906	-	-
Federal emergency preparedness grant	-	83,014	-
Total Intergovernmental	<u>\$ 523,449</u>	<u>\$ 83,014</u>	<u>\$ -</u>
Leases Receivable:			
City Building Lease to State of Utah			
Justice Courts	\$ 484,074	\$ -	\$ -
City Building Lease to Consessionaire	48,837	-	-
City Land Leases to Cell Tower Owners	1,364,861	-	-
Total Leases	<u>\$ 1,897,772</u>	<u>\$ -</u>	<u>\$ -</u>

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS (Continued)

The accounts receivable balances in the enterprise funds are shown net of the associated allowance for doubtful accounts. Below is the detail for all enterprise fund receivables at June 30, 2024:

	Fiber	Water	Light and Power	Sanitation	Nonmajor Enterprise Funds
Accounts receivable	\$ 3,943	\$ 993,729	\$ 4,968,616	\$ 473,054	\$ 303,549
Less: allowance for uncollectibles	(25)	(6,584)	(54,056)	(2,452)	(1,735)
Total Accounts Receivable - Net	<u>\$ 3,918</u>	<u>\$ 987,145</u>	<u>\$ 4,914,560</u>	<u>\$ 470,602</u>	<u>\$ 301,814</u>

4. NOTES RECEIVABLE

The Redevelopment Agency occasionally provides low-cost building and grounds rehabilitation loans to businesses in the City. Additionally, the City has one outstanding promissory note. The City has established notes receivable for these loans on the government-wide financial statements. The terms and outstanding balances of all the City notes receivable as of June 30, 2024, are as follows:

Balance June 30, 2024	Short-term portion	Interest Rate	Monthly Payments		Balloon Payments	
			Amount	Due Through	Amount	Due
<u>RDA Loans</u>						
\$ 171,790	\$ 108,129	3.00%	\$ 9,317	January 2026	\$ -	N/A
436,536	10,881	7.00%	3,424	December 2025	422,372	December 2025
265,150	30,703	3.00%	3,186	February 2032	-	N/A
<u>Repayment Promissory Note</u>						
674,974	74,861	3-5%	*	June 2033 *	-	N/A
<u>\$ 1,548,450</u>	<u>\$ 224,574</u>		<u>\$ 15,927</u>		<u>\$ 422,372</u>	

* The \$674,974 promissory note is paid through annual payments that range between \$74,415 and \$75,776 through June 2033.

South Davis Metro Fire Service Area (SDMFSA) Promissory Note

On July 1, 2016, SDMFSA that provides the City's emergency medical and fire services, became its own taxing district. As part of the interlocal agreements to establish this new taxing district, the City donated capital assets to SDMFSA with a net book value of \$2,271,345 with the stipulation that the City would not have to participate in any of the debt service payments for existing bonds issued under the old interlocal agency. In November 2017, SDMFSA levied a tax, affecting City residents, to pay for debt service on those existing bonds. In an effort to make the City whole and as part of the signed interlocal agreements, SDMFSA has agreed to pay the City an estimated \$1,219,062 in annual tax collections over a 15-year period ending June of 2033. The current estimate of the remaining balance is \$674,974.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. CAPITAL ASSETS

A summary of changes in governmental funds capital assets for the year ended June 30, 2024, is as follows:

	Balance June 30, 2023	Additions	Deletions	Transfers	Balance June 30, 2024
Governmental activities					
Capital assets, not being depreciated					
Land	\$ 59,478,737	\$ 373,620	\$ 9,676	\$ -	\$ 59,842,681
Construction in progress	5,619,545	2,730,063	-	(7,723,036)	626,572
Total capital assets, not being depreciated	65,098,282	3,103,683	9,676	(7,723,036)	60,469,253
Capital assets, being depreciated					
Infrastructure	38,314,204	1,236,808	47,157	1,522,348	41,026,203
Buildings	30,535,523	-	54,920	542,163	31,022,766
Improvements other than buildings	15,972,371	233,009	-	5,249,736	21,455,116
Machinery and equipment	11,043,866	1,659,126	330,666	107,245	12,479,571
Furniture, fixtures and office equip.	2,838,317	60,871	337,750	374,544	2,935,982
Total capital assets, being depreciated	98,704,281	3,189,814	770,493	7,796,036	108,919,638
Accumulated Depreciation					
Infrastructure	21,848,663	648,491	47,157	-	22,449,997
Buildings	16,092,265	858,730	38,444	-	16,912,551
Improvements other than buildings	6,946,803	613,097	-	-	7,559,900
Machinery and equipment	7,847,078	787,668	330,666	73,000	8,377,080
Furniture, fixtures and office equip.	2,151,914	133,110	326,608	-	1,958,416
Total accumulated depreciation	54,886,723	3,041,096	742,875	73,000	57,257,944
Total capital assets, being depreciated, net	43,817,558	148,718	27,618	7,723,036	51,661,694
Capital assets, being amortized					
Intangible assets - right to use subscription-based software	\$ 56,837	\$ 248,249	\$ -	\$ -	\$ 305,086
Total amortized assets	56,837	248,249	-	-	305,086
Less accumulated amortization for Intangible assets - right to use subscription-based software	19,040	56,572	-	-	75,612
Total accumulated amortization	19,040	56,572	-	-	75,612
Total capital assets, being amortized, net	\$ 37,797	\$ 191,677	\$ -	\$ -	\$ 229,474
Governmental activities capital assets, net	\$ 108,953,637	\$ 3,444,078	\$ 37,294	\$ -	\$ 112,360,421

Depreciation and amortization expense was charged to functions/programs of the governmental activities as follows:

Governmental activities	Dep. Expense	Amort. Expense
General government	\$ 632,667	\$ -
Public safety	285,482	50,132
Highways and public improvements	1,208,666	-
Parks and recreation	782,971	-
Planning & engineering	6,729	6,440
Redevelopment Agency	124,581	-
Total Dep. & Amort. expense - gov. act.	\$ 3,041,096	\$ 56,572

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. CAPITAL ASSETS (Continued)

A summary of changes in business-type funds capital assets for the year ended June 30, 2024, is as follows:

	Balance June 30, 2023	Additions	Deletions	Transfers	Balance June 30, 2024
Business-type Activities:					
<u>Capital assets, not being depreciated</u>					
Land, land rights, and water rights	\$ 9,029,944	\$ -	\$ -	\$ -	\$ 9,029,944
Construction in progress	4,695,128	18,859,668	-	(1,875,131)	21,679,665
Total capital assets, not being depreciated	<u>\$ 13,725,072</u>	<u>\$ 18,859,668</u>	<u>\$ -</u>	<u>\$ (1,875,131)</u>	<u>\$ 30,709,609</u>
<u>Capital assets, being depreciated</u>					
Buildings, wells and reservoirs	29,243,462	303,820	147,861	-	29,399,421
Improvements other than buildings	4,403,068	88,593	-	739,452	5,231,113
Power & water transmission, distrib., and collection infrastructure	91,338,464	1,717,126	63,905	811,932	93,803,617
Street light and traffic systems	2,366,331	-	-	-	2,366,331
Machinery and equipment	51,933,990	2,162,020	533,660	323,747	53,886,097
Furniture, fixtures and office equip.	183,259	-	-	-	183,259
Total capital assets, being depreciated	179,468,574	4,271,559	745,426	1,875,131	184,869,838
Less accumulated depreciation for:					
Buildings, wells and reservoirs	16,853,359	969,636	147,862	-	17,675,133
Improvements other than buildings	2,890,079	134,861	-	-	3,024,940
Power & water transmission, distrib., and collection infrastructure	51,768,223	1,768,160	53,041	-	53,483,342
Street light and traffic systems	2,366,331	-	-	-	2,366,331
Machinery and equipment	26,514,992	2,545,376	465,313	(19,301)	28,575,754
Furniture, fixtures and office equip.	139,524	14,995	-	-	154,519
Total accumulated depreciation	100,532,508	5,433,028	666,216	(19,301)	105,280,019
Total capital assets, being depreciated, net	<u>\$ 78,936,066</u>	<u>\$ (1,161,469)</u>	<u>\$ 79,210</u>	<u>\$ 1,894,432</u>	<u>\$ 79,589,819</u>
<u>Capital assets, being amortized</u>					
Intangible asset - power projects	\$ 3,690,380	\$ -	\$ -	\$ -	\$ 3,690,380
Intangible asset - right to use leases	982,223	-	-	-	982,223
Intangible asset - subscription softw.	-	49,031	-	-	49,031
Total amortized assets	4,672,603	49,031	-	-	4,721,634
Less accumulated amortization for:					
Intangible asset - power projects	2,767,785	83,872	-	-	2,851,657
Intangible asset - right to use leases	373,061	96,800	-	-	469,861
Intangible asset - subscription softw.	-	10,896	-	-	10,896
Total accumulated amortization	3,140,846	191,568	-	-	3,332,414
Total capital assets, being amortized, net	<u>\$ 1,531,757</u>	<u>\$ (142,537)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,389,220</u>
Total Business-type activities net capital assets	<u>\$ 94,192,895</u>	<u>\$ 17,555,662</u>	<u>\$ 79,210</u>	<u>\$ 19,301</u>	<u>\$ 111,688,648</u>

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. CAPITAL ASSETS (Continued)

Depreciation and amortization expense was charged to funds of the business-type activities as follows:

<u>Business-type Activities</u>	<u>Dep. Expense</u>	<u>Amort. Expense</u>
Fiber	\$ 21,795	\$ -
Water	1,313,580	-
Light and Power	2,727,653	101,783
Sanitation	708,327	-
Storm Water	492,836	-
Golf Course	116,752	89,785
Cemetery	52,085	-
Total expense - business-type act.	<u>\$ 5,433,028</u>	<u>\$ 191,568</u>

Intangible Right-To-Use Assets

Intangible right-to-use assets (e.g., subscription-based software) are distinguished from tangible capital assets (e.g., buildings); however, there is no substantive difference in accounting and financial reporting between the two capital assets. Intangible right-to-use assets are amortized on a straight-line basis over the shorter of the asset's useful life or noncancelable lease term.

A detailed breakout of intangible right-to-use lease assets for the year ended June 30, 2024, is as follows:

	<u>Balance</u> <u>June 30, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2024</u>
<u>Intangible right-to-use</u> <u>lease capital assets being amortized</u>				
Machinery and equipment leases:				
Golf Toro grounds equipment	\$ 440,364	\$ -	\$ -	\$ 440,364
Golf Yamaha golf carts	320,240	-	-	320,240
Land leases:				
Power transmission lines	221,619	-	-	221,619
Software Subscription lease:				
Light and Power software	-	49,031	-	49,031
Total lease capital assets being amortized	<u>982,223</u>	<u>49,031</u>	<u>-</u>	<u>1,031,254</u>
Less accumulated amortization for				
Machinery and equipment leases:				
Golf course grounds equipment	\$ 110,090	\$ 44,036	\$ -	\$ 154,126
Golf course golf carts	228,743	45,749	-	274,492
Land leases:				
Power transmission lines	34,228	7,015	-	41,243
Software Subscription lease:				
Light and Power software	-	10,896	-	10,896
Total accumulated amortization	<u>373,061</u>	<u>107,696</u>	<u>-</u>	<u>480,757</u>
Total, net right-to-use capital asset	<u>\$ 609,162</u>	<u>\$ (58,665)</u>	<u>\$ -</u>	<u>\$ 550,497</u>

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. CAPITAL ASSETS (Continued)

A detailed breakout of intangible right-to-use subscription-based assets for the year ended June 30, 2024, is as follows:

	Balance June 30, 2023	Additions	Deletions	Balance June 30, 2024
<u>Intangible right-to-use subscription-based capital assets being amortized</u>				
Public Safety software	\$ 24,638	\$ 248,249	\$ -	\$ 272,887
Engineering & Planning software	32,199	-	-	32,199
Total subscription-based capital assets being amortized	<u>56,837</u>	<u>248,249</u>	<u>-</u>	<u>305,086</u>
<u>Less accumulated amortization for subscription-based capital assets:</u>				
Public Safety software	\$ 6,160	\$ 50,132	\$ -	\$ 56,292
Engineering & Planning software	12,880	6,440	-	19,320
Total accumulated amortization	<u>19,040</u>	<u>56,572</u>	<u>-</u>	<u>75,612</u>
Total, net right-to-use capital asset	<u>\$ 37,797</u>	<u>\$ 191,677</u>	<u>\$ -</u>	<u>\$ 229,474</u>

6. RESTRICTED ASSETS

Certain assets are restricted to use as follows as of June 30, 2024:

Restricted for regulatory required insurance deposit	\$ 534,538
Restricted for landfill closure and post-closure costs	2,164,305
Restricted settlement funds received for landfill closure/post-closure	978,808
Restricted for bond payments	2,430,523
Restricted for customer utility deposits	1,064,189
Restricted by grant agreement and donors for trails	306,723
Restricted bond proceeds for construction of fiber optic network	26,686,515
Restricted for refundable performance bond deposits	1,057,959
Restricted for construction retention	55,313
Restricted for unearned revenue	137,384
Restricted for unremitted fees collected on behalf of other governments	<u>16,644</u>
Total restricted assets as shown on the Statement of Net Position	<u>\$ 35,432,901</u>

7. INTANGIBLE ASSET - POWER PROJECTS, AND RELATED CONTRACTS

On September 26, 1978, the Light and Power Fund (the Fund) entered into a 50-year contract with options to renew with the Intermountain Power Agency (IPA) for the intangible right to purchase electric power. Under the terms of the agreement, the Fund is liable for an agreed-upon purchase amount of approximately 1.3% of production regardless of whether it is used or not. On December 1, 1980, the Fund entered into an excess power sales agreement whereby all power purchased from IPA in excess of the Fund's scheduled amount will be sold to a group of California cities, thus relieving the Fund's excess power purchase liability. In the current year the Fund purchased power via this contract totaling \$1,095,104. For fiscal year 2025, the budget for this contract is \$2,200,625.

The Fund has a contract with Western Area Power Administration to provide a prorated share of the actual hydropower capacity from the Salt Lake City Area Integrated Projects. This is part of the Colorado River Storage Project (CRSP). This contract was revised in October 2017 and will be in force until September 30, 2057. In the current year the Fund purchased power via this contract totaling \$3,351,379. For fiscal year 2025, the budget for this contract is \$3,176,216.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. INTANGIBLE ASSET - POWER PROJECTS, AND RELATED CONTRACTS (Continued)

On July 1, 1993, the Fund entered into an agreement with Utah Associated Municipal Power Systems (UAMPS) for a five-megawatt power allotment from the San Juan Unit No. 4 coal-fired power plant from Public Service of New Mexico. Under the terms of this agreement, the Fund is liable for a take-or-pay amount of 1.004% of the plant's production. It is anticipated that this power plant will be shutdown during fiscal year 2025. During the current fiscal year, the Fund purchased power totaling \$62,424 via this agreement. For fiscal year 2025, the budget for this agreement is \$193,200 for power purchases.

The Fund purchases power from, and sells power to, UAMPS and other members through the UAMPS PX system. The Fund is responsible for its budgeted share of UAMPS' operations and maintenance. In the current year, the Fund paid a net \$9,093,389 for power sales and purchases. For fiscal year 2025, the budget amount for UAMPS net purchases is \$10,583,621.

The Fund, through UAMPS, purchased a \$3,690,380 intangible right to transmit power through the Craig-Mona 345 kV transmission line. UAMPS owns 15% of the total line and the Fund has a 22.3% entitlement of UAMPS' right to transmit power from Craig, Colorado to a substation in Mona, Utah. The Fund is responsible for its share of the operations and maintenance costs associated with the line. During fiscal year 2024, \$83,872 of the intangible asset balance was amortized to expense as the contract is expected to end in January of 2034 (10-year remaining life). This brought the accumulated amortization balance to \$2,851,657 at the end of fiscal year 2024.

Additionally, the Fund has a contract with BP Energy Company for the supply of natural gas for the Fund's power plant. In the current year, the Fund purchased natural gas totaling \$853,267 via this contract. For fiscal year 2025, the budget for this contract is \$857,720.

8. ACCRUED LIABILITIES

Accrued liabilities of the City for the year ended June 30, 2024, were as follows:

Accrued Liabilities:	General Fund	Redevelopment Agency	Internal Service	Governmental Activities		
					Other Enterprise Funds	Business-Type Activities
Employee payroll	\$ 847,321	\$ 2,550	\$ 3,752	\$ 853,623		
Other	1,198	-	-	1,198		
Total	\$ 848,519	\$ 2,550	\$ 3,752	\$ 854,821		
Accrued Liabilities:	Water	Light and Power	Sanitation	Other Enterprise Funds	Business-Type Activities	
Employee payroll	\$ 37,724	\$ 123,562	\$ 39,530	\$ 46,829	\$ 247,645	
Sales taxes	-	246,702	2,566	26,624	275,892	
Total	\$ 37,724	\$ 370,264	\$ 42,096	\$ 73,453	\$ 523,537	

9. DEVELOPER AND CUSTOMER DEPOSITS

General Fund deposits are principally deposits from developers that are held by the City until building projects receive the required City inspections and are in compliance with all City ordinances.

Deposits in the enterprise funds are deposits the City requires from some residential customers with a poor payment history, deposits from all residential rental customers, and deposits from all businesses before they receive a utility connection. The deposit is refunded only at termination of service. Also included are deposits from developers that are held by the City until building projects, potentially impacting the City's storm water system, receive and pass required City inspections.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. LONG-TERM LIABILITIES

The following is a summary of long-term debt transactions of the City for the year ended June 30, 2024:

	Balance at June 30, 2023	Additions	Reductions	Balance at June 30, 2024	Due within One Year
<u>Governmental activities</u>					
General obligation bond	\$ 7,225,000	\$ -	\$ 240,000	\$ 6,985,000	\$ 250,000
Plus unamortized premium	503,345	-	26,492	476,853	26,492
Notes payable	1,000,000	-	-	1,000,000	-
Leases payable	34,064	248,249	63,160	219,153	55,515
Compensated absences	1,077,262	745,748	799,776	1,023,234	383,435
Governmental activity long-term liabilities	<u>\$ 9,839,671</u>	<u>\$ 993,997</u>	<u>\$ 1,129,428</u>	<u>\$ 9,704,240</u>	<u>\$ 715,442</u>
<u>Business-type activities</u>					
Sales tax revenue bonds	\$ -	\$ 45,525,000	\$ -	\$ 45,525,000	\$ 690,000
Plus unamortized premium	-	1,859,665	61,989	1,797,676	61,989
Leases payable	419,092	49,031	138,160	329,963	98,081
Compensated absences	685,593	579,777	577,623	687,747	219,606
Accrued landfill closure	2,099,542	64,763	-	2,164,305	-
Business-type activity long-term liabilities	<u>\$ 3,204,227</u>	<u>\$ 48,078,236</u>	<u>\$ 777,772</u>	<u>\$ 50,504,691</u>	<u>\$ 1,069,676</u>

The compensated absence liabilities pertaining to governmental activities are liquidated by the General Fund. The City has no direct borrowings or direct placement debt as defined by GASB statement 88. Additionally, the City has no unused lines of credit.

A detailed breakout of lease payable for the year ended June 30, 2024, is as follows:

	Balance at June 30, 2023	Additions	Reductions	Balance at June 30, 2024	Due within One Year
<u>Governmental activities</u>					
Subscription-based software lease:					
Public Safety software	\$ 18,255	\$ 248,249	\$ 58,003	\$ 208,501	\$ 50,246
Engineering & Planning softwr.	15,809	-	5,157	10,652	5,269
Total governmental activities	<u>\$ 34,064</u>	<u>\$ 248,249</u>	<u>\$ 63,160</u>	<u>\$ 219,153</u>	<u>\$ 55,515</u>
<u>Business-type activities</u>					
Golf Toro Mower lease	\$ 155,903	\$ -	\$ 76,801	\$ 79,102	\$ 79,102
Golf Yamaha cart lease	41,370	-	41,370	-	-
Light & Power land leases:					
Transmission line - Echo Hydro	191,175	-	2,976	188,199	3,250
Transmission line - Pineview H.	30,644	-	13	30,631	33
Subscription-based software lease:					
Light & Power software	-	49,031	17,000	32,031	15,696
Total business-type activities	<u>\$ 419,092</u>	<u>\$ 49,031</u>	<u>\$ 138,160</u>	<u>\$ 329,963</u>	<u>\$ 98,081</u>

General Obligations Bond

On July 7, 2022, the City issued General Obligation Bonds, Series 2022 with a par amount of \$7,625,000 and a premium of \$529,837. These bonds financed the purchase of the former Washington Elementary School land, improve it as a City park, and to expand and improve the City's trail system.

The \$7,625,000 in par value is to be repaid in annual principal installments due January 1st beginning in 2023 continuing until 2042. Interest payments are also due semiannually on January and July 1st. The bonds carry interest rates at 4.00% to 5.00% depending upon their maturity. The true interest cost, factoring in the issuance premium, over the scheduled life of the bonds to the City is 3.69%. The bonds are only eligible for early redemption on or after January 1, 2032.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. LONG-TERM LIABILITIES (Continued)

The City's future minimum bond payments are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 250,000	\$ 315,200	\$ 565,200
2026	265,000	302,700	567,700
2027	280,000	289,450	569,450
2028	290,000	275,450	565,450
2029-2033	1,695,000	1,144,000	2,839,000
2034-2038	2,145,000	689,100	2,834,100
2039-2042	2,060,000	210,000	2,270,000
Total	<u>\$ 6,985,000</u>	<u>\$ 3,225,900</u>	<u>\$ 10,210,900</u>

On June 21, 2022, the City Council authorized Davis County to begin the debt service property tax levy that will cover all of the principal and interest costs for the repayment of the General Obligation Bonds, Series 2022. Fiscal year 2023 was the first year of this new property tax levy. Those tax revenues are recognized in the Debt Service Fund.

Fiber Fund Sales Tax Revenue Bonds, Series 2023

Sales Tax Revenue Bonds, Series 2023 were issued on August 3, 2023, with a par amount of \$45,525,000 and a premium of \$1,859,665. These bonds were issued to finance the design, construction, and customer installation costs for the City's new fiber-optic network along with the purchase of existing fiber lines. The \$45,525,000 in par value is to be repaid in annual principal installments due July 1, 2024, continuing until 2053 (30-year term). Interest payments are also due semiannually on January and July 1st. The bonds carry interest/coupon rates at 5.00% through 2043 and 4.00% through maturity on July 1, 2054. The true interest cost, factoring in the issuance premium, over the scheduled life of the bonds to the City is 4.06%. The bonds are only eligible for early redemption on or after July 1, 2034.

The bonds are secured by a pledge of the City's sales tax revenues. Despite sales taxes being the security for the bonds, the City anticipates Fiber Fund subscription revenues to be sufficient to cover all debt service over the life of the bonds. Debt service payment are currently being made through an interfund loan with the Capital Projects Fund until subscriber revenues are able to cover the operating costs of the fund and debt service. The bond indenture does not require a debt service reserve fund as additional security for the bonds. The bond indenture does require monthly transfers into a bond fund account of one-sixth of the interest and one-twelfth of the principal falling due on the bonds on the next succeeding interest and principal payment dates. At June 30, 2024, the bond fund account had a balance of \$1,750,933. Beyond the bond fund requirements outlined, the bond indenture has no stipulated terms regarding events of default, termination triggers, or acceleration clauses.

The annual debt service requirements to maturity, including principal and interest for the Sales Tax Revenue Bonds, Series 2023 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 690,000	\$ 2,034,550	\$ 2,724,550
2026	725,000	1,999,175	2,724,175
2027	760,000	1,962,050	2,722,050
2028	800,000	1,923,050	2,723,050
2029	840,000	1,882,050	2,722,050
2030-2034	4,895,000	8,717,625	13,612,625
2035-2039	6,290,000	7,326,500	13,616,500
2040-2044	8,080,000	5,539,000	13,619,000
2045-2049	10,100,000	3,511,400	13,611,400
2050-2054	12,345,000	1,273,900	13,618,900
Total	<u>\$ 45,525,000</u>	<u>\$ 36,169,300</u>	<u>\$ 81,694,300</u>

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. LONG-TERM LIABILITIES (Continued)

Note Payable

On January 12, 2021, the City and Davis County entered into an interlocal agreement where Davis County would loan the City \$1,000,000 to aid in the construction costs to extend Eagle Ridge Drive road. Per the terms of the agreement this \$1,000,000 note is interest-free and will be repaid in full at the earlier of fifteen years or when the City is repaid for construction costs by the developer of the surrounding properties. The agreement further stipulates that the city cannot issue any building permits for the surrounding properties before the note is repaid.

Golf Grounds Equipment Lease

On September 1, 2020, the City entered into a lease agreement for nine pieces of mowing and grounds maintenance equipment. The lease equipment had a market value at the lease agreement date of \$440,364 and was capitalized at that value as an intangible right-to-use asset. The City traded in twelve pieces of equipment as part of this transaction for a value of \$57,000 leaving the financed balance at \$383,364. The lease carries a 3% fixed interest rate (used as the discount rate) and has five annual principal and interest payments of \$81,471 due on October 1st. At the end of the lease term the equipment has a bargain purchase option of \$1.

The City's future minimum lease payments are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 79,102	\$ 2,370	\$ 81,472
Total	<u>\$ 79,102</u>	<u>\$ 2,370</u>	<u>\$ 81,472</u>

Golf Carts Lease

On July 1, 2018, the City entered into a lease agreement for sixty-nine golf carts. The lease equipment had a market value at the lease agreement date of \$320,240 and was capitalized at that value as an intangible right-to-use asset. The City traded in sixty-nine golf carts as part of this transaction at a value of \$89,850 leaving the financed balance at \$230,390. The lease carried a 3.8% fixed interest rate (used as the discount rate) and was repaid over five annual principal and interest payments with the final payment made during fiscal year 2024.

Light and Power Land Lease

The City has long-term lease agreements with the US Forest Service to lease land for power poles and transmission lines to the City's Echo and Pineview hydro-electric generation plants. The intangible right-to-use lease land had a combined value of \$221,619 and was capitalized at that value to be amortized over the term of the agreements. The current year annual lease payments totaled \$8,761 and \$967 with annual CPI increases going through the end dates of 2048 and 2064, respectively. The present value of the total lease payments was estimated using discount rates of 3.03% and 3.11% at the measurement date.

The City's future minimum lease payments are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 3,283	\$ 6,648	\$ 9,931
2026	3,589	6,548	10,137
2027	3,908	6,440	10,348
2028	4,242	6,321	10,563
2029-2033	26,744	29,461	56,205
2034-2038	37,514	24,785	62,299
2039-2043	50,721	18,334	69,055
2044-2048	66,834	9,711	76,545
2049-2053	4,899	3,134	8,033
2054-2058	6,550	2,274	8,824
2059-2063	8,557	1,135	9,692
2064	1,989	62	2,051
Total	<u>\$ 218,830</u>	<u>\$ 114,853</u>	<u>\$ 333,683</u>

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. LONG-TERM LIABILITIES (Continued)

Governmental Funds Subscription-Based Software Lease Agreements

The City has long-term Public Safety and Engineering/Planning subscription-based software lease agreements. The intangible right-to-use lease software had values of \$24,638, \$248,249, and \$32,199 and were capitalized at that value to be amortized over the term of the agreements. The annual lease payments total \$5,000, \$53,688, and \$5,500 going through the end dates of July 1, 2026, August 1, 2027, July 1, 2025, and respectively. The present value of the total lease payments, or the leases payable, totaled \$24,638, \$194,561, and \$32,199 using discount rates of 3.69%, 4.07%, and 2.17% at the measurement date. The outstanding leases payable at June 30, 2024, total \$13,940, \$194,561, and \$10,652, respectively.

The City's future minimum lease payments are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 55,515	\$ 8,673	\$ 64,188
2026	57,660	6,528	64,188
2027	54,389	4,299	58,688
2028	51,589	2,100	53,689
Total	<u>\$ 219,153</u>	<u>\$ 21,600</u>	<u>\$ 240,753</u>

Enterprise Funds Subscription-Based Software Lease Agreements

The City's Light and Power entered into a long-term subscription-based software lease agreement. The intangible right-to-use lease software had a value of \$49,031 and was capitalized at that value to be amortized over the term of the agreement. The annual lease payments total \$17,000 going through the end date of October 27, 2025. The present value of the total lease payments, or the lease payable, totaled \$49,031 using a discount rates of 4.07% at the measurement date. The outstanding leases payable at June 30, 2024, totaled \$32,031.

The City's future minimum lease payments are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 15,696	\$ 1,304	\$ 17,000
2026	16,335	665	17,000
Total	<u>\$ 32,031</u>	<u>\$ 1,969</u>	<u>\$ 34,000</u>

Legal Debt Margin

The City is subject to a governmental funds debt limit that is 4 percent of the valuation of taxable property. Additionally, the City is subject to a proprietary funds debt limit that is 8 percent of the valuation of taxable property. On June 30, 2024, the City's total debt limit margins were as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Assessed Property Values (1)	<u>\$ 8,718,843,832</u>	
4% of Assessed Property Values	\$ 348,753,753	N/A
8% of Assessed Property Values	N/A	\$ 697,507,507
Fiscal Year 2024 Outstanding Debt	<u>(8,204,153)</u>	<u>(45,854,963)</u>
Legal Debt Limit Margin (debt capacity)	<u>\$ 340,549,600</u>	<u>\$ 651,652,544</u>
Legal Debt Limit Margin % (used capacity)	2.3524%	6.5741%

(1) All taxable property within the City is assessed on the basis of its market value. The assessed property value identified was provided by the Davis County Assessor's Office.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. LONG-TERM LIABILITIES (Continued)

Accrued Landfill Closure

During the year ended June 30, 1990, the City and several surrounding municipalities entered into a settlement agreement regarding the City's Bay Area Refuse Disposal (BARD) landfill. The Agreement provided, among other things, that the City drop its civil action against the municipalities for their breach of contract and for their estimated liability under the Comprehensive Environmental Response, Compensation, and Liability Act (the Act). In return, the municipalities contributed amounts estimated to be sufficient to close the BARD and settle the remaining estimated liabilities under the Act. These funds contributed are accounted for in the Landfill Closure fund. As of June 30, 2024, the contributions including accumulated interest totaled \$978,808 and are held in a separate City-owned PTIF account being reserved for the eventual closure costs. In addition to the funds arising from the settlement, the City has established a specific closure and post-closure reserve in the Landfill and Sanitation Fund, an enterprise fund, in accordance with GASB Statement No. 18.

State and federal laws and regulations require the City to place a final cover on its BARD landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post-closure care costs will be paid only near or after the date the landfill stops accepting waste, the City reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The estimated liability for these costs is \$4,505,734 as of June 30, 2024. The City has reported and included in accrued liabilities \$2,164,305 as landfill closure and post-closure care liability at June 30, 2024, which is based on 48.03% usage (filled capacity) of the landfill. The City will recognize the remaining estimated cost of closure and post-closure care as the remaining estimated capacity of the landfill is used. These amounts are based on what it would cost to perform all closure and post-closure care in 2024.

The City estimates it will close the landfill in 56 years, or fiscal year 2080. Actual cost at that time may be higher or lower due to inflation, changes in technology, changes in refuse materials accepted, or changes in regulations.

The City is required by state and federal laws and regulations to make annual reserve contributions to finance closure and post-closure care. The City is in compliance with these requirements, and, at June 30 2024, has investments (approximating fair value) of \$3,661,837 and \$978,808 held in PTIF accounts, for a combined total of \$4,640,645 held for these purposes. The City expects that future inflation costs will be paid from interest earnings on these account balances. However, if interest earnings are inadequate or additional post-closure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or from future tax revenue.

11. DEFERRED INFLOW OF RESOURCES - UNAVAILABLE PROPERTY TAXES

In conjunction with the implementation of GASB Statement No. 33, "*Accounting and Financial Reporting for Nonexchange Transactions*", the City has accrued a property tax receivable and a deferred inflow of resources for unavailable property tax revenue in the General Fund, Debt Service Fund, and Redevelopment Agency in the amounts of \$3,522,528, \$481,440, and \$83,000 respectively. The property tax receivable and deferred inflow directly offset resulting in no current-year income statement affect for this accounting treatment.

Property taxes 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 property owners on or before June 22, and then are payable by November 30. Since the property tax to be levied on June 22, 2024, is not expected to be received within 60 days after the year ended June 30, 2024, the City is required to record a receivable and a deferred inflow of resource of the estimated amount of the total property tax to be levied on June 22, 2024.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

12. PENSION PLAN

General information about the pension plan

The City participates in and contributes to various multiple-employer, cost-sharing, defined benefit plans. Additionally, the City contributes to a public safety multiple-employer, agent defined benefit plan. All these plans are administered by the Utah State Retirement Systems (URS). Eligible plan participants are provided with pensions through the URS. The URS are comprised of the following pension trust funds:

- Public Employees Noncontributory Retirement System (Tier 1 Noncontributory System) is a multiple employer, cost sharing, retirement system.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System) is a multiple employer, cost sharing, public employees, retirement system.
- Tier 2 Public Safety and Firefighter Contributory Retirement System (Tier 2 Public Safety and Firefighters System) is a multiple employer, cost sharing, public employees, retirement system.
- The Public Safety Retirement System (Tier 1 Public Safety System) is an agent, multiple-employer, retirement system.

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

The URS are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The URS' 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 URS under the direction of the Utah State Retirement Board, whose members are appointed by the Governor. The URS are fiduciary funds defined as pension (and other employee benefit) trust funds. The URS are a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms.

The URS issue a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 E. 200 S, Salt Lake City, Utah 84102, or visiting the website: www.urs.org/general/publications

Summary of benefits by system

The URS provide retirement, disability, and death benefits. Retirement benefits are as follows:

System	Final Average Salary	Years of Service Required and/or age eligible for benefit	Benefit Percent per Year of Service	COLA**
Noncontributory	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	Highest 3 years	20 years, any age 10 years, age 60 4 years, age 65	2.5% per year up to 20 years; 2.00% per year over 20 years	Up to 2.5% or 4% depending upon employer
Tier 2 Public Employees	Highest 5 years	35 years, any age 20 years, age 60* 10 years, age 62* 4 years, age 65	1.5% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter	Highest 5 years	25 years, any age 20 years, age 60* 10 years, age 62* 4 years, age 65	1.5% per year to June 30, 2020 2.00% per year July 1, 2020 to present	Up to 2.5%

* Actuarial reductions are applied

** 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.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

12. PENSION PLAN (Continued)

Contributions

As a condition of participation in the URS, 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. For the fiscal year ended June 30, 2024, the contributions to the URS are as follows:

<u>System</u>	<u>Employer Contributions</u>	<u>Employee Contributions</u>
Noncontributory	\$ 1,092,207	\$ -
Public Safety	774,423	-
Tier 2 Public Employees	921,937	-
Tier 2 Public Safety and Firefighter	534,613	33,771
Tier 2 DC Only	22,188	-
Tier 2 DC Public Safety and Firefighter	42,450	-
	<u>\$ 3,387,818</u>	<u>\$ 33,771</u>

Contribution rates as of June 30, 2024, are as follows:

	<u>Tier 1 - DB System</u>		<u>Tier 2 - DB Hybrid System</u>				<u>Tier 2 - 401(k) Option</u>			
	<u>Employee Rate</u>	<u>Employer Rate</u>	<u>Tier 2 Fund</u>	<u>Employee Rate</u>	<u>Employer Rate</u>	<u>Employer 401(k)</u>	<u>Tier 2 Fund</u>	<u>Employee Rate</u>	<u>Employer Rate</u>	<u>Employer 401(k)</u>
<u>Contributory System:</u>										
11 Local Governmental	6.00%	13.96%	111	0.00%	17.77%	0.18%	211	0.00%	7.95%	10.00%
<u>Noncontributory System:</u>										
15 Local Governmental Division	0.00%	17.97%	111	0.00%	16.01%	0.18%	211	0.00%	6.19%	10.00%
<u>Public Safety Noncontrib. System:</u>										
48 Bountiful with 2.5% COLA	0.00%	50.38%	122	2.59%	40.97%	0.00%	222	0.00%	26.97%	14.00%

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

The contribution requirements of the URS are adopted in the City's annual budget and are fully covered by the City.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

12. PENSION PLAN (Continued)

City-wide pension assets, liabilities, expense, and deferred outflows and deferred inflows of resources related to pensions

On June 30, 2024, the City reported a net pension asset of \$0 and a net pension liability of \$6,538,667. These balances, the City's percentage share of the URS, and how they have changed from the previous measurement date are broken out by system as follows:

	Non- contributory System	Public Safety System	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighter
<u>Proportion of The Net Pension Liability:</u>				
For year ending December 31, 2023	0.7094247%	100.00%	0.2147209%	0.3169255%
For year ending December 31, 2022	0.7349684%	100.00%	0.2118860%	0.3019258%
Change from Prior Measurement Date	-0.0255437%	0.00%	0.0028349%	0.0149997%
<u>Proportionate Share of The Net Pension Liability/(Asset):</u>				
For year ending December 31, 2023	\$ 1,645,557	\$ 4,355,799	\$ 417,929	\$ 119,382
For year ending December 31, 2022	\$ 1,258,816	\$ 4,690,800	\$ 230,721	\$ 25,188
Change from Prior Measurement Date	\$ 386,741	\$ (335,001)	\$ 187,208	\$ 94,194

The net pension asset and liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2023, and rolled-forward using generally accepted actuarial procedures. The City's proportionate share of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the URS during the plan year. The net pension liabilities pertaining to governmental activities are liquidated by the General Fund.

For the year ended June 30, 2024, the City recognized City-wide pension expense of \$2,005,680.

On June 30, 2024, the reported City-wide deferred outflows and deferred inflows of resources related to pensions are from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ 1,616,250	\$ 29,240
Change in assumptions	971,320	2,780
Net difference between projected and actual earnings on pension plan investments	864,565	-
Changes in proportion and differences between contributions and proportionate share of contributions	60,926	26,274
Contributions subsequent to the measurement date	1,661,987	-
	<u>\$ 5,175,048</u>	<u>\$ 58,294</u>

\$1,661,987 reported as City-wide deferred outflows of resources related to pensions results from contributions made by the City prior to our fiscal year end, but subsequent to the measurement date of December 31, 2023. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2024	\$ 953,533
2025	798,554
2026	1,675,296
2027	(307,078)
2028	53,295
Thereafter	281,166

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

12. PENSION PLAN (Continued)

Noncontributory System pension expense, and deferred outflows and deferred inflows of resources

For the year ended June 30, 2024, the City recognized pension expense of \$1,105,874 for this system. On June 30, 2024, this system's reported deferred outflows of resources and deferred inflows of resources related to pensions are from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ 1,152,238	\$ -
Change in assumptions	493,797	-
Net difference between projected and actual earnings on pension plan investments	535,120	-
Changes in proportion and differences between contributions and proportionate share of contributions	86	13,196
Contributions subsequent to the measurement date	533,326	-
	<u>\$ 2,714,567</u>	<u>\$ 13,196</u>

\$533,326 reported as deferred outflows of resources related to pensions results from contributions made by the City for this system prior to our fiscal year end, but subsequent to the measurement date of December 31, 2023. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2024	\$ 707,023
2025	679,712
2026	1,006,063
2027	(224,757)
2028	-
Thereafter	-

Public Safety System (Agent Plan) pension expense, and deferred outflows and deferred inflows of resources

For the year ended June 30, 2024, the City recognized pension expense of \$201,909 for this system. On June 30, 2024, this system's reported deferred outflows of resources and deferred inflows of resources related to pensions are from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ 266,318	\$ 14,246
Change in assumptions	151,319	-
Net difference between projected and actual earnings on pension plan investments	269,758	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	372,740	-
	<u>\$ 1,060,135</u>	<u>\$ 14,246</u>

\$372,740 reported as deferred outflows of resources related to pensions results from contributions made by the City for this system prior to our fiscal year end, but subsequent to the measurement date of December 31, 2023. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

12. PENSION PLAN (Continued)

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 <u>December 31,</u>	Net Deferred Outflows <u>(Inflows) of Resources</u>
2024	\$ 195,937
2025	48,428
2026	549,718
2027	(120,934)
2028	-
Thereafter	-

Tier 2 Public Employees System pension expense, and deferred outflows and deferred inflows of resources

For the year ended June 30, 2024, the City recognized pension expense of \$545,861 for this system. On June 30, 2024, this system's reported deferred outflows of resources and deferred inflows of resources related to pensions are from the following sources:

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Differences between expected and actual experience	\$ 133,860	\$ 6,844
Change in assumptions	239,220	330
Net difference between projected and actual earnings on pension plan investments	47,194	-
Changes in proportion and differences between contributions and proportionate share of contributions	53,926	9,677
Contributions subsequent to the measurement date	467,610	-
	<u>\$ 941,810</u>	<u>\$ 16,851</u>

\$467,610 reported as deferred outflows of resources related to pensions results from contributions made by the City for this system prior to our fiscal year end, but subsequent to the measurement date of December 31, 2023. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended <u>December 31,</u>	Net Deferred Outflows <u>(Inflows) of Resources</u>
2024	\$ 39,447
2025	56,093
2026	96,243
2027	31,227
2028	42,392
Thereafter	191,947

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

12. PENSION PLAN (Continued)

Tier 2 Public Safety System pension expense, and deferred outflows and deferred inflows of resources

For the year ended June 30, 2024, the City recognized pension expense of \$152,036 for this system. On June 30, 2024, this system's reported deferred outflows of resources and deferred inflows of resources related to pensions are from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ 63,839	\$ 8,150
Change in assumptions	86,983	2,450
Net difference between projected and actual earnings on pension plan investments	12,493	-
Changes in proportion and differences between contributions and proportionate share of contributions	6,914	3,401
Contributions subsequent to the measurement date	288,307	-
	\$ 458,536	\$ 14,001

\$288,307 reported as deferred outflows of resources related to pensions results from contributions made by the City for this system prior to our fiscal year end, but subsequent to the measurement date of December 31, 2023. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2024	\$ 11,126
2025	14,321
2026	23,272
2027	7,382
2028	10,902
Thereafter	89,225

Actuarial assumptions

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

Inflation	2.50 percent
Salary Increases	3.5-9.5 percent, average, including inflation
Investment Rate of Return	6.85 percent, net of pension plan investment expense, including inflation

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

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

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.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

12. PENSION PLAN (Continued)

Actuarial assumptions (Continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Real Return Arithmetic Basis</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Equity Securities	35%	6.87%	2.40%
Debt Securities	20%	1.54%	0.31%
Real Assets	18%	5.43%	0.98%
Private Equity	12%	9.80%	1.18%
Absolute Return	15%	3.86%	0.58%
Cash and Cash Equivalents	0%	0.24%	0.00%
Totals	100%		5.45%
		<u>Inflation</u>	<u>2.50%</u>
	<u>Expected Arithmetic</u>	<u>Nominal Return</u>	<u>7.95%</u>

The 6.85% assumed investment rate of return is comprised of an inflation rate of 2.50%, 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.

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate

The following presents the proportionate share of the net pension liability calculated using the discount rate of 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 1-percentage-point lower (5.85%) or 1-percentage-point higher (7.85%) than the current rate:

<u>System</u>	<u>1% Decrease (5.85%)</u>	<u>Discount Rate (6.85%)</u>	<u>1% Increase (7.85%)</u>
Noncontributory	\$ 8,540,351	\$ 1,645,557	\$ (4,128,366)
Public Safety	8,424,873	4,355,799	984,802
Tier 2 Public Employees	1,435,943	417,929	(371,541)
Teir 2 Public Safety & Firefighter	384,657	119,382	(92,840)
	<u>\$ 18,785,824</u>	<u>\$ 6,538,667</u>	<u>\$ (3,607,945)</u>

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

12. PENSION PLAN (Continued)

Public Safety-Agent, Multiple-Employer, Pension plan disclosures

For the year ended June 30, 2024, the City had the following covered employees under the Public Safety-Agent, multiple employer, pension plan:

Covered Employees	Tier 1 Bountiful Public Safety
Inactive employees or beneficiaries currently receiving benefits	43
Inactive employees entitled to but not yet receiving benefits	11
Active employees	20
Total Agent Employer Tier 1 Plans Covered Employees	74

The following is the schedule of changes in the City's Agent net pension liability and plan fiduciary net position for the actuarial measurement date of December 31, 2023:

	12/31/2023		12/31/2023
Total Pension Liability		Plan Fiduciary Net Position	
Service cost	\$ 456,327	Contributions - employer	\$ 1,186,490
Interest	2,029,835	Contributions - member	-
Benefit changes	-	Net investment income	2,344,786
Difference between actual and expected experience	569,641	Benefit payments	(1,929,153)
Assumption changes	323,665	Administrative expense	(9,305)
Benefit payments	(1,929,153)	Other	192,499
Net Change in Total Pension Liability	1,450,315	Net Change in Plan Fiduciary Net Position	1,785,317
Total Pension Liability - Beginning	30,369,042	Plan Fiduciary Net Position - Beginning	25,678,241
Total Pension Liability - Ending (a)	\$ 31,819,357	Plan Fiduciary Net Position - Ending (b)	\$ 27,463,558
Total Pension Liability - Plan Fiduciary Net Position (a-b) = Net Pension Liability			\$ 4,355,799
Pension Plan Fiduciary Net Position (b) as a percentage of the total Total Pension Liability (a)			86.31%

Payables to the pension plan

On June 30, 2024, the City had \$335,057 in its accrued liabilities balance payable to the URS for pay periods falling within fiscal year 2024.

Detailed information about the pension plan's fiduciary net position is available in the separately issued URS financial report that can be obtained by visiting the website: www.urs.org.

13. RETIREMENT PLANS

URS' defined contribution plans

The City sponsors voluntary defined contribution plans. Some of these plans offered by the City are administered by the URS and are generally supplemental plans to the basic retirement benefits of the URS 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. The plans, available to all permanent full-time City employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The contributions into these plans are not available to the City or its general creditors. The rate of City participation can be changed by the City Council. Contributions for each employee (and interest allocated to the employee's account) are fully vested in the employee's account from the date of employment.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. RETIREMENT PLANS (Continued)

The following illustrates the three-year trend analysis of employer and employee contributions to the URS for defined contribution plans:

<u>Defined Contribution System:</u>	<u>June 30,</u>	<u>Employee</u>	<u>Employer *</u>
		<u>Contributions</u>	<u>Contributions</u>
401(k) Plan	2024	\$ 145,001	\$ 280,860
	2023	162,190	231,694
	2022	154,541	213,622
457 Plan	2024	\$ 72,797	\$ -
	2023	68,906	-
	2022	60,292	-
Roth IRA Plan	2024	\$ 58,912	N/A
	2023	57,466	N/A
	2022	63,484	N/A

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

Mission Square Retirement 401(k) defined contribution plan

The City sponsors a voluntary defined contribution plan administered by Mission Square Retirement Corporation under Internal Revenue Code Section 401(k). The plan, available to all permanent full-time City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The 401(k) contributions are not available to the City or its general creditors. The City's contributions for each employee (and interest allocated to the employee's account) are fully vested from the date of employment. The City does not contribute for employees that start a new account after July 1, 2012. The rate of City participation can be changed by the City Council. During the year ended June 30, 2024, contributions totaling \$192,066 were made to the plan by employees and \$9,893 by the City.

14. OTHER POSTEMPLOYMENT BENEFITS

Plan description and plan benefits

For many years the City offered other post-employment benefits (OPEB) to its employees in addition to providing pension benefits through the Utah Retirement Systems. The benefits, benefit levels, employee contributions and employer contributions were adopted and continue to be governed by City policy (i.e. ordinance or resolution) and can be amended by the City Council at any time. During the fiscal year ended June 30, 2024, the final OPEB plan with ongoing participants was discontinued by a City Council resolution and the integral part trust that funded the benefits was dissolved with the residual funds being transferred back to the City. There are no ongoing obligations to current city employees or prior plan participants. In conformity with GAAP, the OPEB plan was considered a fiduciary component unit of the City and not combined with the primary government. At the end of the current fiscal year, there were no OPEB items to report in either the fiduciary component unit's or the various City funds balance sheets. The current fiscal year will be the final year reporting any OPEB income statement activity (e.g., removal of prior deferred outflows/inflows, current OPEB benefit payments, etc.).

The OPEB benefit that was offered through much of fiscal year 2024 included paying life insurance premiums on behalf of City employees after their retirement. This life insurance benefit was exclusively for full-time employees that retired from the City. The City paid for the monthly premiums for a \$5,000 life insurance policy on the retiree until death.

Funding policy and contributions

When the City first began the OPEB offering the City Council determined that the City would pre-fund the total liability for the OPEB plan. In fiscal year 2009 the City established an OPEB trust with a \$1.6 million actuarially calculated balance. The City did not contribute any additional amounts into the trust and had the trust pay all OPEB plan expenses until its closure during the current fiscal year. When the trust was dissolved a residual amount of \$644,623 was transferred back to the City from the OPEB fiduciary component unit.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Net OPEB Asset and OPEB plan fiduciary net position

The following is the schedule of changes in the City's net OPEB asset and OPEB plan fiduciary net position for the actuarial measurement date of June 30, 2024:

	<u>6/30/2024</u>		<u>6/30/2024</u>
Total OPEB Liability		OPEB Plan Fiduciary Net Position	
Service cost	\$ -	Contributions - member	\$ -
Interest	-	Contributions - employer	-
Benefit changes	(82,001)	Net investment income	31,294
Difference between actual and expected experience	-	Benefit payments	(669)
Assumption changes	-	Refund of sponsor contribution	(644,623)
Benefit payments	(669)	Administrative expense	-
Net Change in Total OPEB Liability	<u>(82,670)</u>	Net Change in Plan Fiduciary Net Position	<u>(613,998)</u>
Total OPEB Liability - Beginning	82,670	Plan Fiduciary Net Position - Beginning	613,998
Total OPEB Liability - Ending (a)	<u><u>\$ -</u></u>	Plan Fiduciary Net Position - Ending (b)	<u><u>\$ -</u></u>

Total OPEB Liability - OPEB Plan Fiduciary Net Position **(a-b)** = Net OPEB Liability/(Asset) \$ -

OPEB Plan Fiduciary Net Position **(b)** as a percentage of the total OPEB liability **(a)** 0.00%

15. RISK MANAGEMENT

The City covers the risks of doing business with a system of self-insurance with commercial excess insurance, as follows:

- (1) For general liability risk the City is self-insured up to \$500,000, with commercial excess insurance from \$500,000 to \$10,000,000. To cover the self-insured portion of the risk, there is established a Risk Management Fund (an internal service fund). This covers municipal liability exposure including general liability, auto, public officials' errors and omissions and law enforcement.
- (2) The City has an all-risk property insurance policy with a total insured value of \$251,920,546 that includes various category limits, some of which are as follows: 1. Buildings, contents, and equipment limit of \$240,478,546 with a \$50,000 deductible per category, 2. Parked vehicles limit of \$17,345,000 with a \$10,000 deductible, 3. interruption of services limit of \$1,000,000 with a \$100,000 deductible, 4. mobile equipment/contractors equipment limit of \$1,319,000 with a \$50,000 deductible, 5. \$10,000,000 in earthquake coverage with a \$250,000 deductible, 6. \$10,000,000 in flood coverage for facilities that are located outside the standard report zone with a \$250,000 deductible, and 7. cyber liability limit of \$2,000,000 with a \$50,000 deductible. The City is self-insured for property loss above the limits and below the retentions/deductibles. The operating departments of the General Fund or enterprise funds assume the financial responsibility for risk retained by the City for property damage.
- (3) The Treasurer is covered under a \$1,700,000 bond with a \$15,000 deductible. The City also has public employee dishonesty insurance (an employee blanket bond and commercial crime) with a \$500,000 limit per occurrence and a \$5,000 deductible.
- (4) For workers compensation coverage the City is self-insured up to \$750,000, with commercial excess insurance up to statutory limits plus a \$1,000,000 limit on employer's liability. To cover the self-insured portion there is established a Workers Compensation Fund (an internal service fund).

During the past fifteen fiscal years the City's insurance settlements have not exceeded insurance coverage.

The City's general liability and workers' compensation claims, if unpaid by year end, are included in accounts payable of the Risk Management and Workers' Comp Internal Service Funds.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. RISK MANAGEMENT (Continued)

A summary of changes in general liability claims payable for the years ended June 30, 2024, and 2023, are as follows:

	General Liability Claims Payable
Balance, June 30, 2022	\$ (165,000)
New claims incurred	45,672
Payments on claims	(45,672)
Balance, June 30, 2023	(165,000)
New claims incurred	245,669
Payments on claims	(400,669)
Balance, June 30, 2024	\$ (320,000)

The City also has a risk management program for workers' compensation. Premiums are paid to the Workers' Compensation Self-Insurance Fund (an internal service fund) and are available to pay these claims along with certain administrative expenses. A summary of changes in workers' compensation claims payable for the years ended June 30, 2024, and 2023 are as follows:

	Workers' Comp Claims Payable
Balance, June 30, 2022	\$ 419,869
New claims incurred	386,948
Payments on claims	(117,524)
Balance, June 30, 2023	689,293
New claims incurred	184,132
Payments on claims	(506,869)
Balance, June 30, 2024	\$ 366,556

City management believes that possible claims where the loss cannot be reasonably estimated (claims incurred but not reported) are not material to the financial statements of the City.

16. LEASES – LESSOR ACTIVITIES

GASB statement 87, *Leases* requires governmental-activity lease receivables (i.e., where the City acts as the lessor) to be reflected as an asset on the *statement of net position* offset by a deferred inflow of resources. This represents the future lease payments to be paid by the lessee. On June 30, 2024, the *statement of net position* reports such a lease receivable and deferred inflow totaling \$1,897,772. That is the combined balance of a Public Safety building lease receivable of \$484,074, cell tower leases receivable of \$1,364,861, and a concession building lease receivable of \$48,837. These lease agreements were the result of mutually-beneficial lease arrangements on already City-owned property and buildings. Leasing is not the principal operation of any City fund.

Public Safety Building Lease

In June 1996, the City entered into a lease agreement with the State of Utah whereby the State's Judicial Court (Court) will lease portions of the City's Public Safety building. The most recent amendment to the original lease happened on July 8, 2019, which extended the lease term through June 30, 2027. The lease has a stated 2% inflator rate that is used as the discount rate for the lease receivable calculations. The State Judicial Court leases approximately 48% of the building. The City recognized \$148,656 in rental income and \$11,544 in interest income from this lease for the year ended June 30, 2024.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

16. LEASES – LESSOR ACTIVITIES (Continued)

Land Leases – Telecommunication Towers

The City has over many years entered into various telecom tower lease agreements with some ongoing since 1996. In these leases the City leases land to the telecommunication providers. As of the end of fiscal year 2024 the City has 7 active leases, with the most recent agreement beginning in 2021. The agreements have end dates ranging between fiscal years 2026 and 2046. Annual payments to the City range from \$10,236 to \$19,599 with interest rates ranging from 2% to 5% (used as the discount rates). The City recognized \$148,483 in rental income and \$31,055 in interest income from these leases for the year ended June 30, 2024.

Concession Building Lease

In May 2023, the City entered into a lease agreement with the a drink concessionaire where the lessor will lease a concession building at the City’s Town Square park. The monthly lease payment is \$1,000 per month and the term is through December 31, 2028. The lease does not have a stated interest rate so the City’s current borrowing rate of 3.69% was used as the discount rate for the lease receivable calculation. The City recognized \$9,997 in rental income and \$2,003 in interest income from this lease for the year ended June 30, 2024.

17. INTERGOVERNMENTAL REVENUE

Intergovernmental revenue in the governmental funds for the year ended June 30, 2024, consists of the following:

	<u>General Fund</u>	<u>Capital Projects</u>	<u>RDA</u>
Utah Class "B&C" Road allotment	\$ 1,974,677	\$ -	\$ -
Local Option Transportation Tax	1,002,237	-	-
Utah Liquor Law Enforcement Grant	43,774	-	-
Various State and Local Law Enforcement Grants	165,766	-	-
SDMFSA bond tax levy reimbursement	83,498	-	-
State and local grants for trailhead and trails construction	-	1,000,000	-
Property Tax Increment Contributions	-	-	908,572
Federal Victims Advocate Grant - subrecipient of State	23,343	-	-
Federal hazard mitigation grant - emergency generators	-	157,710	-
Various Federal Law Enforcement Grants - subrecipient	215,951	-	-
Total Intergovernmental Revenue	<u>\$ 3,509,246</u>	<u>\$ 1,157,710</u>	<u>\$ 908,572</u>

The General Fund intergovernmental revenue listed differs from the *statement of activities* operating grants and contribution revenue by the \$83,498 SDMFSA payment. The government-wide accrual basis of accounting treats that SDMFSA payment as a reduction of a note receivable rather than a revenue.

18. FIRE AND EMERGENCY MEDICAL SERVICES

The South Davis Metro Fire Service Area (SDMFSA) is a special service district organized on July 1, 2016. SDMFSA provides fire and emergency medical services to the cities of Bountiful, Centerville, North Salt Lake, West Bountiful, Woods Cross and the unincorporated areas of South Davis County. SDMFSA is governed by its own Board of Trustees made up of elected officials from each participating member entity. SDMFSA does levy taxes and collect impact fees to cover most capital expenditures; however, most of the SDMFSA’s operations are funded by quarterly member assessments. For the year ended June 30, 2024, the City paid \$2,718,390 to SDMFSA for its member assessments.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

19. COMMITMENTS AND CONTINGENCIES

The City believes that possible contingencies (contingencies incurred but not reported) where the loss cannot be reasonably estimated are immaterial to the financial statements of the City.

The City had \$26,434,755 in outstanding construction commitments on June 30, 2024, as follows:

<u>Fund</u>	<u>Contractor</u>	<u>Project</u>	<u>Contract Amount</u>	<u>Expensed</u>	<u>Commitment Outstanding</u>
Capital Projects	Patriot Construction	Police department remodel	\$ 183,914	\$ 44,125	\$ 139,789
Capital Projects	Black Forest Paving	300 S reconstruction	563,782	-	563,782
Capital Projects	Northend Builders	Mueller Park trail bridges	354,319	321,260	33,059
Fiber	UTOPIA Fiber	Fiber network	45,432,000	21,281,573	24,150,427
Light and Power	Electric Consultants, Inc.	Northwest substation	884,131	139,928	744,203
Light and Power	Big Iron Drilling	#572 & 574 feeder wire-1800S 400E	215,122	145,000	70,122
Storm Water	Ridge Rock, Inc.	Various storm drain install/repairs	977,016	243,643	733,373
Total Construction Commitments Outstanding			<u>\$ 48,610,284</u>	<u>\$ 22,175,529</u>	<u>\$ 26,434,755</u>

20. REDEVELOPMENT AGENCY OF BOUNTIFUL CITY

The City's Redevelopment Agency is the recipient of property tax increment levied by many governmental agencies throughout Davis County. This increment is contributed to the Redevelopment Agency to perform redevelopment projects within specific boundaries (i.e. districts). This is done as an investment by the taxing entities to enhance their own tax base. For the year ended June 30, 2024, the following activity occurred in the City's Redevelopment Agency:

<u>Tax increment collected from other taxing agencies for the Bountiful Project Area</u>	
District #3 (RDA 8010)	\$ 830,568
District #5 (RDA 9010)	78,004
Total Tax Increment	<u>\$ 908,572</u>
<u>Tax increment used by the Bountiful Redevelopment Agency</u>	
Amounts expended on redevelopment/site improvement projects	
Amounts expended for acquisition of property	\$ 93,744
Amounts expended for administrative costs	486,122
Total Expenditures	<u>\$ 693,588</u>

21. INTERNAL BALANCES AND INTERFUND TRANSFERS

On June 30, 2024, the government-wide internal balances were as follows:

<u>Receivable Activity</u>	<u>Payable Activity</u>	<u>Amount</u>
<u>Governmental Activities:</u>	<u>Business-Type Activities:</u>	
Internal Service Fund - Consolidation	Internal Service Fund - Consolidation	\$ 1,941,111
Capital Projects Fund - Due from	Fiber Fund - Due to	1,048,844
		<u>\$ 2,989,955</u>
<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Capital Projects Fund	Fiber Fund	\$ 1,048,844

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

21. INTERNAL BALANCES AND INTERFUND TRANSFERS (Continued)

Internal Balances

To arrive at the government-wide financial statements, the City’s internal service funds were consolidated. During the current year these internal service funds produced a net loss. The consolidation of this current year loss increased the prior fiscal year’s (June 30, 2023) internal balance of \$1,941,111 due to governmental activities from business-type activities by \$101,367.

On August 22, 2023, the City Council authorized by resolution an interfund loan between the Capital Projects Fund and the Fiber Fund. The loan is an installment loan to provide a debt service funding source for the Fiber Fund until revenue from Fiber subscribers is sufficient to cover operating costs and the monthly debt service escrow requirements of the Sales Tax Series 2023 bonds.

The interfund agreement includes a term not to exceed five years from the date of the first loan installment, and an variable monthly interest rate tied to the higher of the Public Treasurers’ Investment Fund (PTIF) or the 5-year US Treasury note. The interest rate on the interfund loan was 5.44% on June 30, 2024. The first loan installment was made on September 5, 2023, beginning the not-to-exceed period of five years. The interfund principal balance at fiscal yearend was \$1,045,262 with accrued interest of \$3,582 for a combined total of \$1,048,844.

Interfund Transfers

During the year transfers were made which will not be repaid. These transfers occurred primarily to finance programs, accounted for in one fund, with resources collected in other funds, in accordance with budgetary and statutory authorizations. Interfund transfers for the year ended June 30, 2023, were as follows:

Individual Fund Reconciliation			Government-Wide Reconciliation			Fiduciary CU
	In	Out		Governmental In	Business- Type Out	Fiduciary Trust Out
Governmental:						
General Fund	\$ 3,624,352	\$ -				
Capital Projects Fund	594,900	-	General Fund	\$ 2,979,729	\$ -	
RAP Tax	-	594,900	Light and Power Fund	-	2,979,729	
Redevelopment Agency	-	-	OPEB Trust	644,623		\$ 644,623
Debt Service Fund	-	-				
Governmental Funds Total	\$ 4,219,252	\$ 594,900	Government-Wide Total	\$ 3,624,352	\$ 2,979,729	\$ 644,623
Enterprise:						
Light and Power Fund	\$ -	\$ 2,979,729				
Golf Course Fund						
Sanitation Fund	-	-				
Enterprise Funds Total	\$ -	\$ 2,979,729				
Fiduciary Trust Component Unit:						
OPEB Trust	\$ -	\$ 644,623				
Fiduciary Trust C.U. Total	\$ -	\$ 644,623				

Detailed descriptions of the interfund transfers for the year ended June 30, 2024, are as follows:

- \$2,979,729 General Fund transfer from the Light and Power Fund – This is an annual subsidy based on 10% of each fiscal year’s electric metered sales. This transfer also is reflected unchanged at the government-wide *statement of activities*.
- \$594,900 Capital Projects Fund transfer from the RAP Tax Fund – The Capital Projects Fund constructed a City park with an ice ribbon (Town Square) out of its reserves with a plan to utilize future RAP taxes to annually replenish some of those reserves as RAP tax revenues would permit. The \$594,900 is the transfer of current-year RAP taxes available, after other RAP tax expenditures, to the Capital Projects Fund.
- \$644,623 General Fund transfer from the OPEB Trust fiduciary component unit - The final OPEB plan with ongoing participants was discontinued the integral part trust was dissolved transferring back to the City the residual unrestricted funds.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

22. FUND BALANCE AND NET POSITION

Committed fund balance policy

The City Council has adopted through ordinance the City’s ongoing financial policy to maintain a committed portion of the unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) in the General Fund and Capital Projects Fund. These committed fund balances are intended to provide fiscal stability when economic downturns and other unexpected events occur.

In the General Fund the target level is a range between 30 and 35 percent of the current fiscal year’s total revenues. It is management’s intent to always keep the maximum allowed by law (35%) in the General Fund’s fund balance. On June 30, 2024, that committed balance totaled \$5,731,000. Its use is limited to unanticipated and non-recurring needs. If this committed balance falls below the minimum 30 percent level because it has been used, essentially as a “revenue” source, the policy provides for actions to replenish the amount to the minimum target level. The replenishment is to occur within a three-year period.

In the Capital Projects Fund there are two levels of committed fund balance. The first level is intended to be a capital reserve and is calculated as an average of two years of capital expenditures (rolling ten-year average). The second level is an emergency-only reserve of \$12 million dollars. On June 30, 2024, those committed balances were \$10,248,000 and \$12,000,000, respectively. The capital reserve is limited in use to large and infrequent (20 to 30-year lifecycle assets) capital projects. The emergency reserve is limited in use to City-wide financial emergencies or natural disasters. If this committed balance falls below the outlined thresholds because it has been used, essentially as a “revenue” source, the policy provides for actions to replenish the amount to the minimum target level. The replenishment is to occur within a five-year period.

Minimum unrestricted net position policy

The financial policy adopted by the City Council also establishes minimum balances of unrestricted net position in each of the enterprise funds. The policy established two levels of minimum unrestricted net position in each fund. The first level is intended to be an operating reserve and is calculated as six months of current operating expenses. The second level is a capital reserve and is calculated as one year of average capital expenses (rolling ten-year average). The policy does provide some exception criteria from the required reserves that only the Fiber Fund met during the current fiscal year.

On June 30, 2024, the combined reserves, or minimum unrestricted net position, in each required enterprise fund were as follows: Water \$4,252,000, Light and Power \$16,174,000, Sanitation \$2,420,000, Storm Water \$1,014,000, Golf \$1,037,000, and Cemetery \$507,000.

The operating reserves in each fund are limited in use to unanticipated and non-recurring needs. The capital reserves in each fund are limited in use to large and infrequent (20 to 30-year lifecycle assets) capital projects. If the reserved balances fall below the outlined thresholds because they have been used, essentially as a “revenue” source, the policy provides for actions to replenish the amount to the minimum target level. The replenishment is to occur within a five-year period.

Deficit net position

The City’s Fiber Fund reported a deficit net position of \$430,558 at June 30, 2024. This fund accounts for the new fiber-optic network utility started in fiscal year 2023. These new operations are running at a deficit as the network is still being built and subscribership is only available to a small portion of the City. As such, subscriber revenues are not currently sufficient to cover the operating costs of the utility. It was known that for these start-up years the operations would run deficits. The buildout of the network is estimated to be complete in the Fall of 2025. It is estimated that at completion of the network there will be sufficient subscription revenue to cover all operating costs with enough surplus to eventually remove the deficit net position of the Fund.

BOUNTIFUL CITY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

23. PRIOR PERIOD ADJUSTMENT

Governmental Activities Land Restatement

During the current year a \$2,495,552 restatement of governmental-activities' land capital asset and net position was recorded. In March of 2023 land was deeded over to the City as a donation from a developer. At the time there were outstanding property taxes owed on the property, which called into question the legitimacy of the transferred title. Ultimately, the land title had been properly deeded to the City in March of 2023, so a prior period addition of land and net position was recorded for the estimated acquisition value at the time of donation.

24. SUBSEQUENT EVENTS

Redevelopment Agency Land and Building Acquisition

On July 1, 2024, the RDA purchased land and a building on Main Street for \$2,400,000 and entered into a lease-back agreement for that same property with the prior owner. The signed lease agreement includes a monthly lease payment of \$6,000 for a three-year term.

In conjunction with the above agreements, on July 1, 2024, the City's Capital Projects fund sold land with a historical cost of \$874,101 to the previous Main Street property owner. This was done by issuing a promissory note in the amount of \$875,000. The terms of the note include monthly payments of \$6,255, an interest rate of 3.5%, and a term of 15 years. This promissory note is secured by a lien on the property.

Additionally, on July 31, 2024, the RDA provided a construction loan to the same entity in the amount of \$890,000 with an interest rate of 3% and a term of twenty years. This RDA loan is secured as a second position on the building being constructed on the newly acquired land.

Interlocal Agreement for Public Safety Dispatching

Subsequent to yearend, the City signed an interlocal agreement with Farmington City and Kaysville City to provide dispatching services for their public safety operations. These services will begin on January 1, 2025. The City will hire four additional full-time dispatchers and remodel the dispatch portion of the public safety building in order to provide these services. Also beginning in calendar 2025, the City will receive the E911 tax revenues for those cities and assess a quarterly fee as compensation.

REQUIRED SUPPLEMENTARY INFORMATION (RSI)

BOUNTIFUL CITY
SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION AND RELATED RATIOS
PUBLIC SAFETY AGENT PENSION PLAN (PRESENTED IN THOUSANDS)
LAST TEN FISCAL YEARS *

	Public Safety - Agent Plan									
	12/31/2023	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015	12/31/2014
Total Pension Liability										
Service cost	\$ 456	\$ 405	\$ 390	\$ 416	\$ 402	\$ 394	\$ 411	\$ 409	\$ 380	\$ 383
Interest	2,030	2,020	2,021	1,966	1,903	1,859	1,845	1,711	1,682	1,635
Benefit changes	-	-	-	-	-	-	-	-	-	-
Difference between actual and expected experience	570	(574)	(787)	(5)	166	(92)	(453)	383	652	297
Assumption changes	324	-	341	35	-	-	880	830	-	(229)
Benefit payments	(1,930)	(1,542)	(1,586)	(1,613)	(1,521)	(1,570)	(1,514)	(1,435)	(1,358)	(1,419)
Refunds	-	-	-	-	-	-	-	-	-	-
Net Change in Total Pension Liability	1,450	309	379	799	950	591	1,169	1,898	1,356	667
Total Pension Liability - Beginning	30,370	30,061	29,682	28,883	27,933	27,342	26,173	24,275	22,919	22,252
Total Pension Liability - Ending (a)	31,820	30,370	30,061	29,682	28,883	27,933	27,342	26,173	24,275	22,919
Plan Fiduciary Net Position										
Contributions - member	-	-	-	-	-	-	-	-	-	-
Contributions - employer	1,186	1,244	1,090	1,032	1,033	964	911	943	883	822
Net investment income	2,346	(1,462)	4,161	2,825	2,889	(78)	2,498	1,493	310	1,220
Benefit payments	(1,930)	(1,542)	(1,586)	(1,613)	(1,521)	(1,570)	(1,514)	(1,435)	(1,358)	(1,419)
Refunds	-	-	-	-	-	-	-	-	-	-
Administrative expense	(9)	(9)	(9)	(9)	(9)	(10)	(9)	(9)	(9)	(9)
Net transfers with affiliated systems	192	(644)	36	(666)	36	35	323	35	35	14
Net Change in Plan Fiduciary Net Position	1,785	(2,413)	3,692	1,569	2,428	(659)	2,209	1,027	(139)	628
Plan Fiduciary Net Position - Beginning	25,679	28,092	24,400	22,831	20,403	21,062	18,853	17,826	17,965	17,337
Plan Fiduciary Net Position - Ending (b)	27,464	25,679	28,092	24,400	22,831	20,403	21,062	18,853	17,826	17,965
Net Pension Liability/(Asset) - Ending (a-b)	4,356	4,691	1,969	5,282	6,052	7,530	6,280	7,320	6,449	4,954
Plan Fiduciary Net Position as a Percentage of the Total Net Pension Liability	86.31%	84.55%	93.45%	82.20%	79.05%	73.04%	77.03%	72.03%	73.43%	78.38%
Projected Covered Payroll	1,962	1,728	1,688	1,780	1,707	1,675	1,814	1,810	1,776	1,795
Net Pension Liability as a Percentage of Covered Payroll	222.02%	271.47%	116.65%	296.74%	354.54%	449.55%	346.20%	404.42%	363.12%	275.99%

BOUNTIFUL CITY
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST TEN FISCAL YEARS *

	Noncontributory System	Contributory System	Public Safety System	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighter System
Proportion of The Net Pension Liability/(Asset):					
For year ending December 31, 2023	0.7094247%	0%	100%	0.2147209%	0.3169255%
For year ending December 31, 2022	0.7349684%	0%	100%	0.2118860%	0.3019258%
For year ending December 31, 2021	0.7901484%	0%	100%	0.2051706%	0.3015128%
For year ending December 31, 2020	0.7974886%	0%	100%	0.1997604%	0.2779554%
For year ending December 31, 2019	0.8028175%	0%	100%	0.2107284%	0.2825558%
For year ending December 31, 2018	0.8192627%	0%	100%	0.2139319%	0.2992494%
For year ending December 31, 2017	0.8227739%	0%	100%	0.2090270%	0.2427410%
For year ending December 31, 2016	0.8614885%	0.2235533%	100%	0.2226893%	0.1948012%
For year ending December 31, 2015	0.8396157%	0.1454001%	100%	0.2250127%	0.2089784%
For year ending December 31, 2014	0.8696763%	0.1097845%	100%	0.2013398%	0.1025324%
Proportionate Share of The Net Pension Liability/(Asset):					
For year ending December 31, 2023	\$ 1,645,556	\$ -	\$ 4,355,799	\$ 417,929	\$ 119,383
For year ending December 31, 2022	1,258,816	-	4,690,800	230,721	25,188
For year ending December 31, 2021	(4,525,264)	-	1,968,504	(86,836)	(15,239)
For year ending December 31, 2020	409,066	-	5,282,030	28,731	24,931
For year ending December 31, 2019	3,025,714	-	6,051,891	47,394	26,578
For year ending December 31, 2018	6,032,824	-	7,529,712	91,622	7,498
For year ending December 31, 2017	3,604,819	-	6,280,025	18,430	(2,809)
For year ending December 31, 2016	5,531,811	73,350	7,319,792	24,841	(1,691)
For year ending December 31, 2015	4,750,954	102,195	6,448,887	(491)	(3,053)
For year ending December 31, 2014	3,776,339	31,667	4,953,805	(6,101)	(1,517)
Covered Payroll:					
For year ending December 31, 2023	\$ 6,269,454	\$ -	\$ 1,640,940	\$ 5,551,275	\$ 1,200,843
For year ending December 31, 2022	6,361,146	-	1,921,573	4,620,133	928,692
For year ending December 31, 2021	6,642,332	-	1,742,817	3,806,772	721,036
For year ending December 31, 2020	6,756,911	-	1,846,664	3,193,297	551,002
For year ending December 31, 2019	6,790,850	-	1,888,977	2,928,738	465,737
For year ending December 31, 2018	6,871,021	-	1,821,365	2,496,386	399,848
For year ending December 31, 2017	6,923,955	-	1,852,769	2,044,414	259,614
For year ending December 31, 2016	7,338,845	53,639	2,029,038	1,826,232	160,952
For year ending December 31, 2015	6,965,806	61,953	1,919,301	1,453,817	124,361
For year ending December 31, 2014	7,329,748	58,661	1,933,601	988,127	42,386
Proportionate Share of The Net Pension Liability/(Asset) as a Percentage of its Covered Payroll:					
For year ending December 31, 2023	26.25%	0%	265.45%	7.53%	9.94%
For year ending December 31, 2022	19.79%	0%	244.11%	4.99%	2.71%
For year ending December 31, 2021	-68.13%	0%	112.95%	-2.28%	-2.11%
For year ending December 31, 2020	6.05%	0%	286.03%	0.90%	4.52%
For year ending December 31, 2019	44.56%	0%	320.38%	1.62%	5.71%
For year ending December 31, 2018	87.80%	0%	413.41%	3.67%	1.88%
For year ending December 31, 2017	52.06%	0%	338.95%	0.90%	-1.08%
For year ending December 31, 2016	75.38%	136.75%	360.75%	1.36%	-1.05%
For year ending December 31, 2015	68.20%	164.96%	336.00%	-0.03%	-2.45%
For year ending December 31, 2014	51.52%	53.98%	256.20%	-0.62%	-3.58%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset):					
For year ending December 31, 2023	96.90%	0%	86.31%	89.58%	89.10%
For year ending December 31, 2022	97.50%	0%	84.60%	92.30%	96.40%
For year ending December 31, 2021	108.70%	0%	93.50%	103.80%	102.80%
For year ending December 31, 2020	99.20%	0%	82.20%	98.30%	93.10%
For year ending December 31, 2019	93.70%	0%	79.00%	96.50%	89.60%
For year ending December 31, 2018	87.00%	0%	73.00%	90.80%	95.60%
For year ending December 31, 2017	91.90%	0%	77.00%	97.40%	103.00%
For year ending December 31, 2016	87.30%	92.90%	72.00%	95.10%	103.60%
For year ending December 31, 2015	87.80%	85.70%	73.40%	100.20%	110.70%
For year ending December 31, 2014	90.20%	94.00%	78.40%	103.50%	120.50%

BOUNTIFUL CITY
SCHEDULE OF CONTRIBUTIONS - PENSION PLANS
LAST TEN FISCAL YEARS *

System	Year Ended June 30,	Actuarial Determined Contributions	Contributions in relation to the contractually required contrib.	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
Noncontributory	2024	\$ 1,092,207	\$ 1,092,207	\$ -	\$ 6,177,271	17.68%
	2023	1,133,469	1,133,469	-	6,394,837	17.72%
	2022	1,174,400	1,174,400	-	6,438,217	18.24%
	2021	1,223,263	1,223,263	-	6,696,221	18.27%
	2020	1,248,171	1,248,171	-	6,845,990	18.23%
	2019	1,239,699	1,239,699	-	6,817,661	18.18%
	2018	1,292,595	1,292,595	-	7,102,501	18.20%
	2017	1,279,622	1,279,622	-	7,026,472	18.21%
	2016	1,284,463	1,284,463	-	7,041,664	18.24%
	2015	1,307,905	1,307,905	-	7,137,872	18.32%
Contributory	2024-'18	\$ -	\$ -	\$ -	\$ -	0.00%
	2017	3,226	3,226	-	22,309	14.46%
	2016	9,287	9,287	-	64,226	14.46%
	2015	8,565	8,565	-	59,233	14.46%
Public Safety	2024	\$ 774,423	\$ 774,423	\$ -	\$ 1,537,164	50.38%
	2023	918,990	918,990	-	1,824,116	50.38%
	2022	906,195	906,195	-	1,798,718	50.38%
	2021	864,681	864,681	-	1,795,564	48.16%
	2020	882,824	882,824	-	1,900,841	46.44%
	2019	861,011	861,011	-	1,853,847	46.44%
	2018	859,414	859,414	-	1,873,916	45.86%
	2017	841,719	841,719	-	1,917,440	43.90%
	2016	857,665	857,665	-	1,949,765	43.99%
	2015	836,649	836,649	-	1,897,832	44.08%
Tier 2 Public Employees **	2024	\$ 921,937	\$ 921,937	\$ -	\$ 5,758,503	16.01%
	2023	821,297	821,297	-	5,129,904	16.01%
	2022	674,280	674,280	-	4,195,894	16.07%
	2021	543,363	543,363	-	3,438,857	15.80%
	2020	477,199	477,199	-	3,047,255	15.66%
	2019	427,003	427,003	-	2,747,765	15.54%
	2018	347,689	347,689	-	2,301,054	15.11%
	2017	283,365	283,365	-	1,900,504	14.91%
	2016	242,475	242,475	-	1,626,256	14.91%
	2015	179,721	179,721	-	1,202,985	14.94%

BOUNTIFUL CITY
SCHEDULE OF CONTRIBUTIONS - PENSION PLANS
LAST TEN FISCAL YEARS * (Continued)

System	Year Ended June 30,	Actuarial Determined Contributions	Contributions in relation to the contractually required contrib.	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
Tier 2 Public Safety and Firefighter **	2024	\$ 534,613	\$ 534,613	\$ -	\$ 1,304,889	40.97%
	2023	426,598	426,598	-	1,041,245	40.97%
	2022	327,507	327,507	-	799,385	40.97%
	2021	266,387	266,387	-	650,474	40.95%
	2020	189,657	189,657	-	496,785	38.18%
	2019	171,896	171,896	-	449,635	38.23%
	2018	123,400	123,400	-	327,232	37.71%
	2017	71,661	71,661	-	201,125	35.63%
	2016	49,087	49,087	-	137,770	35.63%
	2015	28,274	28,274	-	79,243	35.68%
Tier 2 Public Employees DC Only **	2024	\$ 22,188	\$ 22,188	\$ -	\$ 358,447	6.19%
	2023	13,616	13,616	-	219,966	6.19%
	2022	16,716	16,716	-	249,858	6.69%
	2021	22,095	22,095	-	333,129	6.63%
	2020	17,895	17,895	-	267,492	6.69%
	2019	18,399	18,399	-	275,026	6.69%
	2018	17,566	17,566	-	262,570	6.69%
	2017	13,735	13,735	-	205,314	6.69%
	2016	11,523	11,523	-	172,166	6.69%
	2015	9,546	9,546	-	142,059	6.72%
Tier 2 Public Safety and Firefighter DC Only**	2024	\$ 42,450	\$ 42,450	\$ -	\$ 157,396	26.97%
	2023	39,630	39,630	-	146,943	26.97%
	2022	30,523	30,523	-	113,175	26.97%
	2021	17,875	17,875	-	66,276	26.97%
	2020	30,745	30,745	-	113,998	26.97%
	2019	27,251	27,251	-	101,042	26.97%
	2018	11,934	11,934	-	44,248	26.97%
	2017	10,511	10,511	-	42,113	24.96%
	2016	9,811	9,811	-	39,308	24.96%
	2015	4,262	4,262	-	15,840	26.91%

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

BOUNTIFUL CITY
SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN
LAST TEN FISCAL YEARS *

	Single-Employer OPEB Plan							
	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Total OPEB Liability								
Service cost	\$ -	\$ 2,139	\$ 3,331	\$ 4,238	\$ 3,568	\$ 23,700	\$ 23,350	\$ 13,514
Interest	-	3,481	2,200	3,486	5,342	3,264	3,689	10,558
Benefit changes	(82,001)	-	-	-	-	-	-	-
Difference between actual and expected experience	-	(4,048)	11,786	(18,425)	(7,440)	(49,945)	(17,813)	(133,788)
Assumption changes	-	(167)	(21,716)	6,975	10,613	8,895	-	(357,013)
Benefit payments	(669)	(3,367)	(16,144)	(32,727)	(34,968)	(30,359)	(41,841)	(63,739)
Net Change in Total OPEB Liability	<u>\$ (82,670)</u>	<u>\$ (1,962)</u>	<u>\$ (20,543)</u>	<u>\$ (36,453)</u>	<u>\$ (22,885)</u>	<u>\$ (44,445)</u>	<u>\$ (32,615)</u>	<u>\$ (530,468)</u>
Total OPEB Liability - Beginning	\$ 82,670	\$ 84,632	\$ 105,175	\$ 141,628	\$ 164,513	\$ 208,958	\$ 241,573	\$ 772,041
Total OPEB Liability - Ending (a)	\$ -	\$ 82,670	\$ 84,632	\$ 105,175	\$ 141,628	\$ 164,513	\$ 208,958	\$ 241,573
Plan Fiduciary Net Position								
Contributions - member	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions - employer	-	22,183	-	-	-	-	-	-
Net investment income	31,294	(3,367)	(216)	5,932	13,586	19,039	7,321	8,878
Benefit payments	(669)	-	(16,144)	(32,727)	(32,070)	(30,359)	(45,511)	(63,739)
Refunds	(644,623)	-	-	-	-	-	-	(130,306)
Administrative expense	-	-	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	<u>\$ (613,998)</u>	<u>\$ 18,816</u>	<u>\$ (16,360)</u>	<u>\$ (26,795)</u>	<u>\$ (18,484)</u>	<u>\$ (11,320)</u>	<u>\$ (38,190)</u>	<u>\$ (185,167)</u>
Plan Fiduciary Net Position - Beginning	\$ 613,998	595,182	611,542	638,337	\$ 656,821	\$ 668,141	\$ 706,331	\$ 891,498
Plan Fiduciary Net Position - Ending (b)	\$ -	\$ 613,998	\$ 595,182	\$ 611,542	\$ 638,337	\$ 656,821	\$ 668,141	\$ 706,331
Net OPEB Liability/(Asset) - Ending (a-b)	<u>\$ -</u>	<u>\$ (531,328)</u>	<u>\$ (510,550)</u>	<u>\$ (506,367)</u>	<u>\$ (496,709)</u>	<u>\$ (492,308)</u>	<u>\$ (459,183)</u>	<u>\$ (464,758)</u>
Plan Fiduciary Net Position as a Percentage of the Total Net OPEB Asset	<u>Discontinued</u>	742.71%	703.26%	581.45%	450.71%	399.25%	319.75%	292.39%
Covered Payroll	<u>Discontinued</u>	<u>\$ 13,704,018</u>	<u>\$ 12,910,227</u>	<u>\$ 12,235,226</u>	<u>\$ 11,857,997</u>	<u>\$ 11,453,229</u>	<u>\$ 10,686,166</u>	<u>\$ 10,495,988</u>
Net OPEB Asset as a Percentage of Covered Payroll	Discontinued	-3.88%	-3.95%	-4.14%	-4.19%	-4.30%	-4.30%	-4.43%

* In accordance with paragraph 57.b of GASB 75, employers will need to disclose a 10 year history of the above listed items in their RSI.

**BOUNTIFUL CITY
SCHEDULE OF CONTRIBUTIONS - OPEB PLAN
LAST TEN FISCAL YEARS ***

Year Ended June 30,	Actuarial Determined Contributions**	Contributions in relation to the determined contrib.	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2024	\$ -	\$ -	\$ -	Discontinued	Discontinued
2023	\$ -	\$ -	\$ -	\$ 13,704,018	0.00%
2022	\$ -	\$ -	\$ -	\$ 12,910,227	0.00%
2021	\$ -	\$ -	\$ -	\$ 12,235,226	0.00%
2020	\$ -	\$ -	\$ -	\$ 11,857,997	0.00%
2019	\$ -	\$ -	\$ -	\$ 11,453,229	0.00%
2018	\$ -	\$ -	\$ -	\$ 10,686,166	0.00%
2017	\$ -	\$ -	\$ -	\$ 10,495,988	0.00%

** Due to the overfunded status of the plan, no actuarially determined contribution was recommended.

BOUNTIFUL CITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (RSI)

RSI 1. PUBLIC SAFETY AGENT PENSION PLAN

Schedule of contributions

Actuarially determined contribution rates are calculated as of January 1 and become effective on July 1 of the following year; 18 months after the valuation date.

Methods and Assumptions used to Determine Contribution Rates:

Actuarial Cost Method.....	Entry Age Normal
Amortization Method.....	Level Percentage of Payroll
Amortization Period.....	Maximum 20-year period
Asset Valuation Method.....	5-year smoothed market
Investment Rate of Return...	6.85%
Inflation.....	2.50%
Salary increases.....	Composed of 2.50% inflation, plus 0.75% productivity increase rate, plus step-rate promotional increases for members with less than 25 years of service
Mortality	Male: 110% of the 2020 PR UTAH Retiree Mortality Table for males, projected with 80% of the ultimate rates from the MP-2019 mortality improvement scale using a base year of 2020. Female: 110% of the 2020 PR UTAH Retiree Mortality Table for females, projected with 80% of the ultimate rates from the MP-2019 mortality improvement scale using a base year of 2020.

Other information:

The actuarially determined contribution rates determined by an actuarial valuation are effective for the fiscal year beginning 18 months after the valuation date. The Board certifies the contribution rates that employers are contractually required to contribute to the Retirement System. Per §49-11-301(5) of the Utah Code, if the funded ratio of the plan is less than 110%, then the Board is permitted to maintain the prior year's contribution rate if the actuarially determined contribution is lower. The Board has historically followed this policy.

RSI 2. PENSION PLANS CHANGES IN ASSUMPTIONS

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

SUPPLEMENTAL INFORMATION

**BOUNTIFUL CITY
SUPPLEMENTAL INFORMATION
INTRODUCTION**

This part of the Bountiful City Annual Comprehensive Financial Report (ACFR) presents breakout information for the nonmajor governmental funds, nonmajor enterprise funds, and internal service funds that are presented in aggregate as a single column in the basic financial statements.

Governments that prepare an ACFR must also present budgetary comparisons for other governmental funds with annual appropriated budgets. These budgetary comparisons take the form of individual fund schedules comparing each fund's original budget, final amended budget, and actual results for revenues and expenditures/expenses. This supplemental information section of the ACFR includes the budgetary schedules for those governmental funds whose budgetary comparison was not already included in the basic financial statements.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenue sources that are restricted, committed, or assigned to expenditures for particular purposes. The City has the following nonmajor special revenue funds:

- Landfill Closure – to account for funds paid to the City in 1990 from several surrounding municipalities as a settlement of their estimated liability to aid in the closure and post-closure costs of the City’s landfill. This fund also accounts for any expenditures of those 1990 funds used in connection with closure or post-closure costs.
- RAP Tax – to account for collections and expenditures of the City’s Recreation, Arts, and Parks (RAP) sales tax levy.
- Cemetery Perpetual Care – to account for perpetual care fees collected during the sale of cemetery plots. This fund also accounts for any expenditures of those perpetual care fees used to maintain the cemetery grounds upon complete sell-out of all cemetery plots.

Debt Service Fund

The Debt Service Fund is used to account for resources that will be used to service general long-term debt.

BOUNTIFUL CITY
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
June 30, 2024

	Special Revenue Fund			Debt Service	Total Nonmajor Governmental Funds
	Landfill Closure	RAP Tax	Cemetery Perpetual Care		
Assets					
Cash and cash equivalents	\$ -	\$ 29,992	\$ 617,290	\$ -	\$ 647,282
Receivables:					
Taxes	-	140,150	-	-	140,150
Accounts - net	-	-	1,500	-	1,500
Interest	-	507	10,389	-	10,896
Investments	-	98,568	2,028,718	-	2,127,286
Restricted assets:					
Cash and cash equivalents	978,808	-	-	45,111	1,023,919
Investments	-	-	-	148,259	148,259
Receivables	-	-	-	486,220	486,220
Total Assets	\$ 978,808	\$ 269,217	\$ 2,657,897	\$ 679,590	\$ 4,585,512
Liabilities					
Accrued interest payable	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	-	-	-	-	-
Deferred Inflows of Resources					
Unavailable revenue-property taxes	-	-	-	481,440	481,440
Total Deferred Inflows	-	-	-	481,440	481,440
Fund Balances					
Restricted:					
Landfill Closure	978,808	-	-	-	978,808
Debt service	-	-	-	198,150	198,150
Committed	-	-	2,657,897	-	2,657,897
Assigned	-	269,217	-	-	269,217
Total Fund Balances	978,808	269,217	2,657,897	198,150	4,104,072
Total Liabilities and Fund Balance	\$ 978,808	\$ 269,217	\$ 2,657,897	\$ 679,590	\$ 4,585,512

BOUNTIFUL CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
For The Fiscal Year Ended June 30, 2024

	Special Revenue Fund				Total Nonmajor Governmental Funds
	Landfill Closure	RAP Tax	Cemetery Perpetual Care	Debt Service	
Revenues					
Property taxes	\$ -	\$ -	\$ -	\$ 575,956	\$ 575,956
Sales taxes	-	796,707	-	-	796,707
Investment earnings	51,648	11,047	126,511	6,625	195,831
Miscellaneous	-	-	67,225	-	67,225
Total Revenues	<u>51,648</u>	<u>807,754</u>	<u>193,736</u>	<u>582,581</u>	<u>1,635,719</u>
Expenditures					
General government	-	-	313	828	1,141
Parks and recreation	-	223,836	-	-	223,836
Debt service:					
Principal	-	-	-	240,000	240,000
Interest	-	-	-	163,600	163,600
Total Expenditures	<u>-</u>	<u>223,836</u>	<u>313</u>	<u>404,428</u>	<u>628,577</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>51,648</u>	<u>583,918</u>	<u>193,423</u>	<u>178,153</u>	<u>1,007,142</u>
Other Financing Sources (Uses)					
Transfer out	-	(594,900)	-	-	(594,900)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(594,900)</u>	<u>-</u>	<u>-</u>	<u>(594,900)</u>
Changes in Fund Balance	51,648	(10,982)	193,423	178,153	412,242
Fund Balance, Beginning	<u>927,160</u>	<u>280,199</u>	<u>2,464,474</u>	<u>19,997</u>	<u>3,691,830</u>
Fund Balance, Ending	<u>\$ 978,808</u>	<u>\$ 269,217</u>	<u>\$ 2,657,897</u>	<u>\$ 198,150</u>	<u>\$ 4,104,072</u>

BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL –NONMAJOR LANDFILL CLOSURE FUND
For The Fiscal Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment earnings	\$ 37,200	\$ 37,200	\$ 51,648	\$ 14,448
Total Revenues	<u>37,200</u>	<u>37,200</u>	<u>51,648</u>	<u>14,448</u>
Expenditures				
General government	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>37,200</u>	<u>37,200</u>	<u>51,648</u>	<u>14,448</u>
Net Change in Fund Balance	<u>\$ 37,200</u>	<u>\$ 37,200</u>	<u>51,648</u>	<u>\$ 14,448</u>
Fund Balance, Beginning			<u>927,160</u>	
Fund Balance, Ending			<u>\$ 978,808</u>	

BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL –NONMAJOR RAP TAX
SPECIAL REVENUE FUND
For The Fiscal Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Sales taxes	\$ 770,000	\$ 770,000	\$ 796,707	\$ 26,707
Investment earnings	10,000	10,000	11,047	1,047
Total Revenues	<u>780,000</u>	<u>780,000</u>	<u>807,754</u>	<u>27,754</u>
Expenditures				
Administrative fees	620	620	637	(17)
Parks and recreation projects	285,000	285,000	121,244	163,756
RAP tax grant award payments	105,065	105,065	101,955	3,110
Total Expenditures	<u>390,685</u>	<u>390,685</u>	<u>223,836</u>	<u>166,849</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>389,315</u>	<u>389,315</u>	<u>583,918</u>	<u>194,603</u>
Other Financing Sources (Uses)				
Transfer out	(959,500)	(959,500)	(594,900)	364,600
Total Other Financing Sources (Uses)	<u>(959,500)</u>	<u>(959,500)</u>	<u>(594,900)</u>	<u>364,600</u>
Net Change in Fund Balance *	<u>\$ (570,185)</u>	<u>\$ (570,185)</u>	<u>(10,982)</u>	<u>\$ 559,203</u>
Fund Balance, Beginning			<u>280,199</u>	
Fund Balance, Ending			<u>\$ 269,217</u>	

* The net change in fund balance was included in the budget as an appropriation (i.e., spend down) of fund balance.

BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – NONMAJOR CEMETERY PERPETUAL
CARE SPECIAL REVENUE FUND
For The Fiscal Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment earnings	\$ 44,400	\$ 44,400	\$ 126,511	\$ 82,111
Miscellaneous	93,000	93,000	67,225	(25,775)
Total Revenues	<u>137,400</u>	<u>137,400</u>	<u>193,736</u>	<u>56,336</u>
Expenditures				
Administrative fees	2,055	2,055	313	1,742
Total Expenditures	<u>2,055</u>	<u>2,055</u>	<u>313</u>	<u>1,742</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>135,345</u>	<u>135,345</u>	<u>193,423</u>	<u>58,078</u>
Net Change in Fund Balance	<u>\$ 135,345</u>	<u>\$ 135,345</u>	<u>193,423</u>	<u>\$ 58,078</u>
Fund Balance, Beginning			<u>2,464,474</u>	
Fund Balance, Ending			<u>\$ 2,657,897</u>	

BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – NONMAJOR DEBT SERVICE FUND
For The Fiscal Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 611,779	\$ 611,779	\$ 575,956	\$ (35,823)
Investment earnings	200	200	6,625	6,425
Total Revenues	<u>611,979</u>	<u>611,979</u>	<u>582,581</u>	<u>(29,398)</u>
Expenditures				
Administrative fees	500	840	828	12
Debt service:				
Principal	240,000	240,000	240,000	-
Interest	321,200	321,200	163,600	157,600
Total Expenditures	<u>561,700</u>	<u>562,040</u>	<u>404,428</u>	<u>157,612</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>50,279</u>	<u>49,939</u>	<u>178,153</u>	<u>128,214</u>
Other Financing Sources (Uses)				
Transfer out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 50,279</u>	<u>\$ 49,939</u>	<u>178,153</u>	<u>\$ 128,214</u>
Fund Balance, Beginning			<u>19,997</u>	
Fund Balance, Ending			<u>\$ 198,150</u>	

BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – MAJOR CAPITAL PROJECTS FUND
For The Fiscal Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Sales taxes	\$ 3,882,027	\$ 3,882,027	\$ 8,697,818	\$ 4,815,791
Investment earnings	760,375	760,375	2,266,561	1,506,186
Intergovernmental	907,928	907,928	1,157,710	249,782
Miscellaneous	-	-	21,893	21,893
Total Revenues	<u>5,550,330</u>	<u>5,550,330</u>	<u>12,143,982</u>	<u>6,593,652</u>
Expenditures				
General Government:				
Finance	13,200	13,200	3,968	9,232
Capital outlay:				
General Government:				
Legislative	640,000	640,000	591,107	48,893
Information Systems	70,000	70,000	60,871	9,129
Public Safety:				
Police	871,167	871,167	1,052,489	(181,322)
Highways and Streets	2,564,000	3,374,562	2,579,682	794,880
Planning and engineering:				
Engineering	250,000	250,000	214,750	35,250
Parks and recreation	780,000	1,682,000	1,590,809	91,191
Total Expenditures	<u>5,188,367</u>	<u>6,900,929</u>	<u>6,093,676</u>	<u>807,253</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>361,963</u>	<u>(1,350,599)</u>	<u>6,050,306</u>	<u>7,400,905</u>
Other Financing Sources (Uses)				
Transfer in	959,500	959,500	594,900	(364,600)
Software subscription issued	-	-	194,561	194,561
Sale of capital assets	40,000	40,000	87,050	47,050
Total Other Financing Sources (Uses)	<u>999,500</u>	<u>999,500</u>	<u>876,511</u>	<u>(122,989)</u>
Net Change in Fund Balance *	<u>\$ 1,361,463</u>	<u>\$ (351,099)</u>	<u>6,926,817</u>	<u>\$ 7,277,916</u>
Fund Balance, Beginning			<u>42,733,185</u>	
Fund Balance, Ending			<u>\$ 49,660,002</u>	

* The net change in fund balance was included in the budget as an appropriation (i.e., spend down) of fund balance.

NONMAJOR ENTERPRISE FUNDS

Enterprise funds are distinguished generally by fees or charges set to recover the cost to provide the goods and services. The City has the following nonmajor enterprise funds:

- Storm Water – to account for monthly storm water charges collected to cover the cost to install and maintain storm drain infrastructure throughout the City.
- Golf Course – to account for the admission and user fees charged in connection with the City’s 18-hole golf course. This fund also accounts for any operating and capital expenses incurred to provide the golf services.
- Recycling – to account for the monthly recycling charges and monthly costs to pay the third-party recycling contractor.
- Cemetery – to account for the sale of cemetery plots and interment fees collected to cover the costs associated with such services. This fund also accounts for any operating and capital expenses incurred to provide these services.

BOUNTIFUL CITY
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
June 30, 2024

	<u>Business-type Activities - Enterprise Funds</u>			Total Nonmajor Enterprise Funds
	<u>Storm Water</u>	<u>Golf Course</u>	<u>Cemetery</u>	
Assets				
Current Assets:				
Cash and cash equivalents	\$ 1,006,859	\$ 167,284	\$ 229,242	\$ 1,403,385
Receivables:				
Accounts receivable, net	294,136	278	7,400	301,814
Interest	19,730	4,218	3,857	27,805
Intergovernmental	6,556	-	-	6,556
Investments	3,852,988	824,019	753,402	5,430,409
Inventories	-	109,815	-	109,815
Total Current Assets	<u>5,180,269</u>	<u>1,105,614</u>	<u>993,901</u>	<u>7,279,784</u>
Noncurrent Assets:				
Restricted assets:				
Cash and cash equivalents	165,510	84,345	-	249,855
Capital assets, net:				
Land, land rights and water rights	1,491	1,997,619	5,198,189	7,197,299
Buildings, wells and reservoirs	105,998	598,930	226,771	931,699
Improvements other than buildings	-	208,091	519,778	727,869
Water transmission, distribution, and collection infrastructure	5,211,015	-	-	5,211,015
Machinery and equipment	967,137	205,307	50,192	1,222,636
Intangible right-to-use lease assets	-	331,986	-	331,986
Total Noncurrent Assets	<u>6,451,151</u>	<u>3,426,278</u>	<u>5,994,930</u>	<u>15,872,359</u>
Total Assets	<u>11,631,420</u>	<u>4,531,892</u>	<u>6,988,831</u>	<u>23,152,143</u>
Deferred Outflows of Resources				
Pensions	166,022	141,365	62,385	369,772
Total Deferred Outflows	<u>166,022</u>	<u>141,365</u>	<u>62,385</u>	<u>369,772</u>
Total Assets and Deferred Outflows	<u>\$ 11,797,442</u>	<u>\$ 4,673,257</u>	<u>\$ 7,051,216</u>	<u>\$ 23,521,915</u>

BOUNTIFUL CITY
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS (Continued)
June 30, 2024

	Business-type Activities - Enterprise Funds			Total Nonmajor Enterprise Funds
	Storm Water	Golf Course	Cemetery	
Liabilities				
Current Liabilities:				
Accounts payable	\$ 406,698	\$ 128,559	\$ 6,118	\$ 541,375
Accrued liabilities	11,798	52,669	8,986	73,453
Accrued interest payable	-	1,777	-	1,777
Retainage payable - restricted assets	20,090	-	-	20,090
Unearned revenue - restricted assets	-	84,345	-	84,345
Compensated absences	8,436	16,695	8,936	34,067
Leases Payable	-	79,102	-	79,102
Total Current Liabilities	447,022	363,147	24,040	834,209
Noncurrent Liabilities:				
Developer and customer deposits - restricted assets	145,420	-	-	145,420
Compensated absences	12,763	69,550	24,255	106,568
Net pension liability	93,695	79,780	35,207	208,682
Total Noncurrent Liabilities	251,878	149,330	59,462	460,670
Total Liabilities	698,900	512,477	83,502	1,294,879
Deferred Inflows of Resources				
Pensions	1,364	1,162	513	3,039
Total Deferred Inflows	1,364	1,162	513	3,039
Net Position				
Net investment in capital assets	6,014,933	3,168,402	5,994,930	15,178,265
Unrestricted	5,082,245	991,216	972,271	7,045,732
Total Net Position	11,097,178	4,159,618	6,967,201	22,223,997
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 11,797,442	\$ 4,673,257	\$ 7,051,216	\$ 23,521,915

BOUNTIFUL CITY
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET
POSITION
NONMAJOR ENTERPRISE FUNDS
For The Fiscal Year Ended June 30, 2024

	Business-type Activities - Enterprise Funds			Total Nonmajor Enterprise Funds
	Storm Water	Golf Course	Cemetery	
Operating Revenues				
Charges for services	\$ 2,053,242	\$ -	\$ 419,735	\$ 2,472,977
Admissions and lesson fees	-	1,215,551	-	1,215,551
Equipment and facility rents	-	605,545	-	605,545
Merchandise and concession sales	-	316,428	-	316,428
Sale of cemetery burial plots	-	-	117,775	117,775
Miscellaneous	7,844	5,289	-	13,133
Total Operating Revenues	2,061,086	2,142,813	537,510	4,741,409
Operating Expenses				
Personnel wages and benefits	489,981	965,974	361,628	1,817,583
Materials and supplies	6,796	237,820	15,039	259,655
Repair and maintenance costs	260,106	273,641	115,549	649,296
Contractual and professional services	76,307	8,512	427	85,246
General and administrative costs	148,678	342,525	107,223	598,426
Depreciation	492,836	116,752	52,085	661,673
Amortization	-	89,785	-	89,785
Total Operating Expenses	1,474,704	2,035,009	651,951	4,161,664
Operating Income (Loss)	\$ 586,382	\$ 107,804	\$ (114,441)	\$ 579,745
Nonoperating Revenues (Expenses)				
Investment earnings	\$ 242,557	\$ 52,092	\$ 48,740	\$ 343,389
Intergovernmental - Grants	24,556	-	-	24,556
Interest expense	-	(2,692)	-	(2,692)
Gain (loss) from disposal of capital assets	9,041	-	333	9,374
Total Nonoperating Revenues (Expenses)	276,154	49,400	49,073	374,627
Income (loss) before contributions & transfers	862,536	157,204	(65,368)	954,372
Capital contributions	120,020	-	-	120,020
Changes in Net Position	982,556	157,204	(65,368)	1,074,392
Net Position, Beginning	10,114,622	4,002,414	7,032,569	21,149,605
Net Position, Ending	\$ 11,097,178	\$ 4,159,618	\$ 6,967,201	\$ 22,223,997

BOUNTIFUL CITY
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For The Fiscal Year Ended June 30, 2024

	Business-type Activities - Enterprise Funds			Total Nonmajor Enterprise Funds
	Storm Water	Golf Course	Cemetery	
Cash Flows From Operating Activities				
Receipts from customers and users	\$ 2,047,416	\$ 2,142,813	\$ 537,635	\$ 4,727,864
Receipts from customer deposits	100,627	-	-	100,627
Payments to suppliers	(213,635)	(650,456)	(146,107)	(1,010,198)
Payments to employees and related benefits	(508,287)	(977,362)	(363,258)	(1,848,907)
Payments to other funds for services provided	(129,784)	(165,831)	(82,607)	(378,222)
Return of customer deposits	(22,127)	-	-	(22,127)
Net cash flows from operating activities	<u>1,274,210</u>	<u>349,164</u>	<u>(54,337)</u>	<u>1,569,037</u>
Cash Flows From Non-Capital Financing Activities				
Grants received	18,000	-	-	18,000
Net cash flows from non-capital financing activities	<u>18,000</u>	<u>-</u>	<u>-</u>	<u>18,000</u>
Cash Flows From Capital and Related Financing				
Capital contributions received	3,820	-	-	3,820
Purchase of capital assets	(528,138)	(303,629)	(88,594)	(920,361)
Proceeds from sales of capital assets	9,500	-	333	9,833
Principal paid on equipment lease	-	(118,170)	-	(118,170)
Interest paid on equipment lease	-	(6,081)	-	(6,081)
Net cash flows from capital and related financing activities	<u>(514,818)</u>	<u>(427,880)</u>	<u>(88,261)</u>	<u>(1,030,959)</u>
Cash Flows From Investing Activities				
Investment earnings	187,315	41,676	39,612	268,603
Purchase of investments	(1,750,574)	(342,613)	(313,251)	(2,406,438)
Sale of investments	1,267,623	440,690	460,116	2,168,429
Net cash flows from investing activities	<u>(295,636)</u>	<u>139,753</u>	<u>186,477</u>	<u>30,594</u>
Net Increase (Decrease) In Cash and Cash Equivalents	481,756	61,037	43,879	586,672
Cash and Cash Equivalents, Beginning	<u>690,613</u>	<u>190,592</u>	<u>185,363</u>	<u>1,066,568</u>
Cash and Cash Equivalents, Ending	<u>\$ 1,172,369</u>	<u>\$ 251,629</u>	<u>\$ 229,242</u>	<u>\$ 1,653,240</u>

BOUNTIFUL CITY
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS (Continued)
For The Fiscal Year Ended June 30, 2024

	Business-type Activities - Enterprise Funds			Total Nonmajor Enterprise Funds
	Storm Water	Golf Course	Cemetery	
Reconciliation of operating income to net cash flows from operating activities				
Earnings (loss) from operations	\$ 586,382	\$ 107,804	\$ (114,441)	\$ 579,745
Adjustments to reconcile earnings (loss) to net cash flows from operating activities:				
Depreciation and amortization	492,836	206,537	52,085	751,458
Changes in assets and liabilities				
Accounts receivable, net	(13,670)	-	125	(13,545)
Inventories	-	(22,567)	-	(22,567)
Prepaid expenses	-	-	-	-
Other postemployment benefits asse	8,358	14,287	8,572	31,217
Deferred outflows - pensions	(74,416)	(31,729)	(15,190)	(121,335)
Deferred outflows - OPEB	344	587	352	1,283
Accounts payable	130,060	24,051	2,292	156,403
Accrued liabilities	3,445	6,295	2,539	12,279
Retainage payable	14,963	-	-	14,963
Unearned revenue	-	23,686	-	23,686
Developer and customer deposits	78,500	-	-	78,500
Compensated absences	6,287	4,773	2,341	13,401
Deferred inflows - pensions	(797)	(1,425)	(600)	(2,822)
Deferred inflows - OPEB	(1,850)	(3,162)	(1,897)	(6,909)
Net pension liability	43,768	20,027	9,485	73,280
Net cash flows from operating activities	\$ 1,274,210	\$ 349,164	\$ (54,337)	\$ 1,569,037
Schedule of non-cash capital and related financing activities				
Contributions of capital assets	\$ 116,200	\$ -	\$ -	\$ 116,200
Capital asset purchase in current liabilities	270,708	74,694	-	345,402

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the services provided by an internal service fund to other departments of the City on a cost-reimbursement basis. The City has the following internal service funds:

- Risk Management – this fund’s primary purpose is to provide general liability immunity services for City operations covering costs of claims and insurance policies. The City is self-insured up to \$500,000 with an excess insurance policy covering from \$500,000 up to \$10,000,000. This fund accounts for monthly interfund charges estimated to cover the cost to of insurance, claims, and other operating costs associated with City operational risk mitigation. This fund also accounts for any operating costs incurred to provide the risk mitigation services.
- Workers’ Compensation Self-Insurance – this fund’s primary purpose is to provide employee compensation for work-related injuries. The City is self-insured up to \$600,000 for workers’ compensation claims with and excess insurance policy covering from \$600,000 to \$1,000,000. This fund accounts for monthly interfund charges estimated to cover the cost to of insurance, claims, and other operating costs associated with workers’ compensation. This fund also accounts for any operating and capital expenses incurred to provide the workers’ compensation services.

BOUNTIFUL CITY
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2024

	Risk Management	Workers' Compensation Self-Insurance	Total Internal Service Funds
Assets			
Current Assets			
Cash and cash equivalents	\$ 204,191	\$ 239,657	\$ 443,848
Receivables:			
Interest receivable	3,436	3,692	7,128
Other receivables	-	7,274	7,274
Investments	671,073	721,315	1,392,388
Prepaid expenses	-	80,894	80,894
Total Current Assets	878,700	1,052,832	1,931,532
Noncurrent Assets			
Restricted cash and cash equivalents	534,538	-	534,538
Total Noncurrent Assets	534,538	-	534,538
Total Assets	1,413,238	1,052,832	2,466,070
Deferred Outflows of Resources			
Pensions	24,912	16,314	41,226
Total Deferred Outflows	24,912	16,314	41,226
Total Assets and Deferred Outflows	\$ 1,438,150	\$ 1,069,146	\$ 2,507,296
Liabilities			
Current Liabilities			
Accounts payable	\$ 326,983	\$ 366,766	\$ 693,749
Accrued liabilities	2,506	1,246	3,752
Total Current Liabilities	329,489	368,012	697,501
Noncurrent Liabilities			
Net pension liability	14,059	9,207	23,266
Total Noncurrent Liabilities	14,059	9,207	23,266
Total Liabilities	343,548	377,219	720,767
Deferred Inflows of Resources			
Pensions	205	134	339
Total Deferred Inflows	205	134	339
Net Position			
Restricted:			
Regulatory required deposit	534,538	-	534,538
Unrestricted	559,859	691,793	1,251,652
Total Net Position	1,094,397	691,793	1,786,190
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 1,438,150	\$ 1,069,146	\$ 2,507,296

BOUNTIFUL CITY
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - INTERNAL SERVICE FUNDS
For The Fiscal Year Ended June 30, 2024

	<u>Risk Management</u>	<u>Workers' Compensation Self-Insurance</u>	<u>Total Internal Service Funds</u>
Operating Revenues			
Charges for services	\$ 706,782	\$ 343,251	\$ 1,050,033
Miscellaneous	-	235,680	235,680
Total Operating Revenues	<u>706,782</u>	<u>578,931</u>	<u>1,285,713</u>
Operating Expenses			
Personnel wages and benefits	108,877	75,234	184,111
Contractual and professional services	43,342	10,140	53,482
General and administrative costs	708,421	111,536	819,957
Claims	245,669	184,132	429,801
Total Operating Expenses	<u>1,106,309</u>	<u>381,042</u>	<u>1,487,351</u>
Operating Income (Loss)	<u>(399,527)</u>	<u>197,889</u>	<u>(201,638)</u>
Nonoperating Revenues (Expense)			
Investment earnings	51,617	45,426	97,043
Total Nonoperating Revenues (Expense)	<u>51,617</u>	<u>45,426</u>	<u>97,043</u>
Changes in Net Position	(347,910)	243,315	(104,595)
Net Position, Beginning	<u>1,442,307</u>	<u>448,478</u>	<u>1,890,785</u>
Net Position, Ending	<u>\$ 1,094,397</u>	<u>\$ 691,793</u>	<u>\$ 1,786,190</u>

BOUNTIFUL CITY
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For The Fiscal Year Ended June 30, 2024

	Risk Management	Workers' Compensation Self-Insurance	Total Internal Service Funds
Cash Flows From Operating Activities			
Receipts from interfund charges	\$ 706,782	\$ 341,193	\$ 1,047,975
Payments to suppliers	(849,705)	(473,732)	(1,323,437)
Payments to employees and related benefits	(112,526)	(77,070)	(189,596)
Net cash flows from operating activities	(255,449)	(209,609)	(465,058)
Cash Flows From Investing Activities			
Interest on investments	44,206	37,115	81,321
Purchase of investments	(279,020)	(299,910)	(578,930)
Sale of investments	513,642	502,285	1,015,927
Net cash flows from investing activities	278,828	239,490	518,318
Net Increase (Decrease) In Cash and Cash Equivalents	23,379	29,881	53,260
Cash and Cash Equivalents, Beginning	715,350	209,776	925,126
Cash and Cash Equivalents, Ending	\$ 738,729	\$ 239,657	\$ 978,386
Reconciliation of operating income to net cash flows from operating activities			
Earnings (loss) from operations	\$ (399,527)	\$ 197,889	\$ (201,638)
Adjustments to reconcile earnings (loss) to net cash flows from operating activities:			
Changes in assets and liabilities			
Accounts receivable	-	(2,058)	(2,058)
Prepaid expenses	-	(80,894)	(80,894)
Accounts payable	146,188	(323,313)	(177,125)
Accrued liabilities	562	402	964
Deferred outflows - pensions	(6,424)	(3,940)	(10,364)
Deferred inflows - pensions	(231)	(158)	(389)
Net pension liability	3,983	2,463	6,446
Net cash flows from operating activities	\$ (255,449)	\$ (209,609)	\$ (465,058)

STATISTICAL SECTION

**BOUNTIFUL CITY
STATISTICAL SECTION
INTRODUCTION
(Unaudited)**

This part of the Bountiful City Annual Comprehensive Financial Report presents detailed information to aid the reader in understanding what the financial statements, note disclosures, and required supplementary information say about the City's overall financial picture.

Contents

Financial Trend Data (tables 1-4)

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

Revenue Capacity Data (tables 5-10)

These schedules contain information to help the reader assess the City's most significant local revenue sources.

Debt Capacity Data (tables 11-15)

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

Demographic and Economic Information (tables 16-17)

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

Operating Information (tables 18-20)

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.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant years.

BOUNTIFUL CITY
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
Table 1

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Governmental Activities										
Net investment in capital assets	\$ 81,472,401	\$ 82,121,939	\$ 81,356,410	\$ 81,135,964	\$ 82,645,913	\$ 91,946,665	\$ 101,589,508	\$ 102,661,451	\$ 98,466,871	\$ 104,316,677
Restricted	3,112,341	1,671,755	1,463,046	1,457,025	1,503,841	1,564,641	1,599,918	1,670,855	3,224,984	2,018,219
Unrestricted	36,157,946	40,132,172	36,802,950	42,218,254	44,728,492	41,096,727	39,125,888	43,205,024	55,797,325	64,735,142
Total governmental activities net position	\$ 120,742,688	\$ 123,925,866	\$ 119,622,406	\$ 124,811,243	\$ 128,878,246	\$ 134,608,033	\$ 142,315,314	\$ 147,537,330	\$ 157,489,180	\$ 171,070,038
Business-type Activities										
Net investment in capital assets	\$ 49,827,165	\$ 65,576,188	\$ 70,987,081	\$ 78,825,694	\$ 78,015,217	\$ 77,309,072	\$ 85,234,823	\$ 84,257,406	\$ 88,481,755	\$ 88,287,825
Restricted	543,050	548,086	616,883	618,702	649,646	689,822	111,629	244,228	200,572	-
Unrestricted	59,483,812	47,268,834	48,610,993	45,475,180	46,762,253	46,728,077	44,297,484	45,110,297	42,867,235	49,167,937
Total business-type activities net position	\$ 109,854,027	\$ 113,393,108	\$ 120,214,957	\$ 124,919,576	\$ 125,427,116	\$ 124,726,971	\$ 129,643,936	\$ 129,611,931	\$ 131,549,562	\$ 137,455,762
Primary Government										
Net investment in capital assets	\$ 131,299,566	\$ 147,698,127	\$ 152,343,491	\$ 159,961,658	\$ 160,661,130	\$ 169,255,737	\$ 186,824,331	\$ 186,918,857	\$ 186,948,626	\$ 192,604,502
Restricted	3,655,391	2,219,841	2,079,929	2,075,727	2,153,487	2,254,463	1,711,547	1,915,083	3,425,556	2,018,219
Unrestricted	95,641,758	87,401,006	85,413,943	87,693,434	91,490,745	87,824,804	83,423,372	88,315,321	98,664,560	113,903,079
Total primary government net position	\$ 230,596,715	\$ 237,318,974	\$ 239,837,363	\$ 249,730,819	\$ 254,305,362	\$ 259,335,004	\$ 271,959,250	\$ 277,149,261	\$ 289,038,742	\$ 308,525,800

BOUNTIFUL CITY
Changes in Net Position - Last Ten Fiscal Years (accrual basis of accounting)

Table 2

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Government Activities:										
General governmental	\$ 3,437,814	\$ 3,341,296	\$ 7,192,448	\$ 3,016,861	\$ 2,756,678	\$ 2,931,729	\$ 3,421,476	\$ 3,283,145	\$ 3,189,018	\$ 3,305,109
Public safety	9,375,233	9,866,805	12,489,219	9,472,327	10,670,198	10,353,927	10,384,978	9,377,051	11,126,163	11,687,268
Highways and streets	3,984,340	4,063,869	4,897,436	4,425,284	5,058,822	5,243,263	4,923,386	4,934,614	5,888,282	5,812,225
Planning and engineering	745,669	731,941	867,524	859,976	893,628	951,735	985,748	900,243	1,160,009	1,222,372
Parks and recreation	1,067,132	1,065,934	1,244,612	1,219,344	1,375,540	1,445,627	1,739,662	1,868,699	2,136,461	2,993,457
Redevelopment	1,371,281	251,093	204,313	253,521	531,500	264,816	249,706	5,239,087	283,315	287,651
Interest on long-term debt	26,339	10,817	9,638	-	-	-	-	-	304,921	294,708
Total governmental activities expenses	20,007,808	19,331,755	26,905,190	19,247,313	21,286,366	21,191,097	21,704,956	25,602,839	24,088,169	25,602,790
Business-type Activities:										
Fiber (1)	-	-	-	-	-	-	-	-	18,098.00	2,474,830
Water	3,494,082	3,631,578	3,869,619	3,818,230	4,413,045	4,611,958	4,534,515	4,531,550	5,176,103	5,422,078
Light and Power	23,688,812	22,315,745	23,243,493	24,157,027	25,588,771	28,016,154	25,621,368	26,988,227	30,471,547	27,297,327
Sanitation	2,003,479	1,937,430	2,165,326	2,382,296	2,665,632	2,811,880	2,885,808	3,680,104	4,117,748	4,693,729
Storm Water	868,856	912,170	1,004,376	1,094,184	1,173,363	1,244,172	1,270,552	1,336,011	1,443,112	1,474,402
Golf Course	1,483,707	1,467,338	1,540,593	1,569,171	1,692,390	1,785,364	1,781,220	1,695,138	1,915,209	2,037,565
Recycling (2)	368,091	377,577	402,793	475,457	585,331	650,384	652,993	581,666	-	-
Cemetery	394,069	407,908	483,845	523,846	544,294	588,639	568,098	571,228	657,958	651,793
Total business-type activities expenses	32,301,096	31,049,746	32,710,045	34,020,211	36,662,826	39,708,551	37,314,554	39,383,924	43,799,775	44,051,724
Total primary government expenses	\$ 52,308,904	\$ 50,381,501	\$ 59,615,235	\$ 53,267,524	\$ 57,949,192	\$ 60,899,648	\$ 59,019,510	\$ 64,986,763	\$ 67,887,944	\$ 69,654,514
Program Revenues										
Government Activities:										
Charges for Services:										
General Government	\$ 1,574,521	\$ 1,063,736	\$ 1,201,472	\$ 1,072,202	\$ 1,044,255	\$ 877,529	\$ 1,000,129	\$ 1,300,266	\$ 1,027,592	\$ 1,507,251
Parks, culture and recreation	16,260	19,050	16,550	20,890	18,800	13,550	23,950	20,632	19,680	18,860
Public safety and highways/streets	776,226	785,777	797,307	736,835	786,737	823,572	875,481	855,977	913,064	943,410
Operating Grants and Contributions (3)	1,411,005	1,607,310	2,341,078	2,310,290	2,454,563	5,797,259	5,742,276	6,748,873	6,679,007	4,334,320
Capital Grants and Contributions	459,557	546,698	419,547	9,370	431,640	15,000	934,741	213,010	341,331	1,895,665
Total gov. activities program revenues	4,237,569	4,022,571	4,775,954	4,149,587	4,735,995	7,526,910	8,576,577	9,138,758	8,980,674	8,699,506
Business-type Activities:										
Charges for Services:										
Fiber (1)	-	-	-	-	-	-	-	-	3,104.00	85,759
Water	3,937,063	4,035,730	4,099,364	5,609,766	5,639,247	5,731,483	5,810,603	5,322,829	5,451,116	5,946,589
Light and Power	25,719,743	25,824,251	26,506,316	27,098,178	27,252,441	26,614,792	28,428,125	27,863,911	30,352,580	33,071,146
Sanitation	2,337,975	2,141,057	2,174,640	2,615,459	2,586,965	2,802,191	3,030,533	3,344,036	3,864,283	3,992,389
Storm Water	1,101,803	1,159,092	1,379,679	1,611,518	1,643,847	1,686,172	1,819,937	1,933,255	2,055,540	2,053,242
Golf Course	1,446,847	1,380,724	1,379,892	1,364,870	1,149,420	1,528,188	1,743,628	1,695,612	1,833,257	2,137,524
Recycling	376,751	382,605	418,230	419,927	434,547	423,553	440,046	585,208	-	-
Cemetery	514,595	530,805	540,969	667,486	579,650	637,109	818,825	883,290	730,675	537,510
Operating Grants and Contributions	-	-	-	-	-	42,575	854,579	142,730	-	-
Capital grants and Contributions	656,541	627,167	4,979,663	800,673	974,966	655,433	1,116,124	419,375	478,223	652,488
Total business-type act. program rev.	36,091,318	36,081,431	41,478,753	40,187,877	40,261,083	40,121,496	44,062,400	42,190,246	44,768,778	48,476,647
Total primary gov. program revenues	\$ 40,328,887	\$ 40,104,002	\$ 46,254,707	\$ 44,337,464	\$ 44,997,078	\$ 47,648,406	\$ 52,638,977	\$ 51,329,004	\$ 53,749,452	\$ 57,176,153
Net (expense)/revenue										
Governmental activities	\$ (15,770,239)	\$ (15,309,184)	\$ (22,129,236)	\$ (15,097,726)	\$ (16,550,371)	\$ (13,664,187)	\$ (13,128,379)	\$ (16,464,081)	\$ (15,107,495)	\$ (16,903,284)
Business-type activities	3,790,222	5,031,685	8,768,708	6,167,666	3,598,257	412,945	6,747,846	2,806,322	969,003	4,424,923
Total primary government net expense	\$ (11,980,017)	\$ (10,277,499)	\$ (13,360,528)	\$ (8,930,060)	\$ (12,952,114)	\$ (13,251,242)	\$ (6,380,533)	\$ (13,657,759)	\$ (14,138,492)	\$ (12,478,361)

(1) This fund began operations as a new City utility in fiscal year 2023.

(2) This fund's operations were consolidated into the Sanitation Fund in fiscal year 2023.

(3) In fiscal year 2020 Operating Grants and Contributions revenue began including RDA property tax increment contributions instead of where it was previously included as property tax revenue.

BOUNTIFUL CITY
Changes in Net Position - Last Ten Fiscal Years (accrual basis of accounting)
Table 2 (continued)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General Revenues and Other Changes in net position										
Governmental activities:										
Taxes										
Property taxes (2)	\$ 3,788,098	\$ 4,040,013	\$ 3,707,397	\$ 3,617,496	\$ 3,969,296	\$ 2,928,484	\$ 2,954,441	\$ 4,057,728	\$ 4,742,917	\$ 4,545,694
Sales taxes	7,134,825	7,623,749	7,877,935	8,248,442	8,460,480	8,937,963	10,297,567	11,471,705	11,643,379	11,856,450
Franchise taxes	3,681,671	3,664,256	3,770,244	3,782,565	3,802,154	3,642,291	3,681,339	3,770,664	4,313,583	4,445,299
Interest on investments	498,436	587,417	566,395	551,096	1,625,239	1,211,323	572,469	(453,049)	1,348,912	3,264,971
Miscellaneous	153,874	198,791	232,739	189,540	157,982	253,286	235,074	257,045	217,471	202,068
Gain (loss) on sale of capital assets	66,376.00	21,178.00	43,644	94,356	57,951	5,543	106,349	66,816	63,675	49,756
Transfers	2,164,845	2,356,958	2,357,317	2,414,344	2,544,272	2,415,084	2,752,122	2,515,188	2,724,379	3,624,352
Total governmental activities	<u>17,488,125</u>	<u>18,492,362</u>	<u>18,555,671</u>	<u>18,897,839</u>	<u>20,617,374</u>	<u>19,393,974</u>	<u>20,599,361</u>	<u>21,686,097</u>	<u>25,054,316</u>	<u>27,988,590</u>
Business-type Activities:										
Interest on investments	436,633	579,854	533,388	555,260	1,528,309	1,190,104	462,287	(609,931)	840,534	4,201,413
Gain (loss) on sale of capital assets	28,229	1,135	400	111,436	10,007	6,881	271,555	15,304	2,696,855	24,837
Miscellaneous	299,601	283,365	241,449	284,601	263,662	105,009	187,399	210,598	155,618	234,756
Transfers	(2,164,845)	(2,356,958)	(2,357,317)	(2,414,344)	(2,544,272)	(2,415,084)	(2,752,122)	(2,515,188)	(2,724,379)	(2,979,729)
Total business-type activities	<u>(1,400,382)</u>	<u>(1,492,604)</u>	<u>(1,582,080)</u>	<u>(1,463,047)</u>	<u>(742,294)</u>	<u>(1,113,090)</u>	<u>(1,830,881)</u>	<u>(2,899,217)</u>	<u>968,628</u>	<u>1,481,277</u>
Total primary government	<u>\$ 16,087,743</u>	<u>\$ 16,999,758</u>	<u>\$ 16,973,591</u>	<u>\$ 17,434,792</u>	<u>\$ 19,875,080</u>	<u>\$ 18,280,884</u>	<u>\$ 18,768,480</u>	<u>\$ 18,786,880</u>	<u>\$ 26,022,944</u>	<u>\$ 29,469,867</u>
Change in net position										
Governmental activities	\$ 1,717,886	\$ 3,183,178	\$ (3,573,565)	\$ 3,800,113	\$ 4,067,003	\$ 5,729,787	\$ 7,470,982	\$ 5,222,016	\$ 9,946,821	\$ 11,085,306
Business-type activities	2,389,840	3,539,081	7,186,628	4,704,619	2,855,963	(700,145)	4,916,965	(92,895)	1,937,631	5,906,200
Total primary government	<u>\$ 4,107,726</u>	<u>\$ 6,722,259</u>	<u>\$ 3,613,063</u>	<u>\$ 8,504,732</u>	<u>\$ 6,922,966</u>	<u>\$ 5,029,642</u>	<u>\$ 12,387,947</u>	<u>\$ 5,129,121</u>	<u>\$ 11,884,452</u>	<u>\$ 16,991,506</u>

Information from Basic Financial Statements, Government-wide Financial Statement of Activities.

BOUNTIFUL CITY
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Table 3

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,738	\$ 5,000
Restricted	84,588	51,134	38,784	-	-	-	-	-	-	-
Committed (1)	-	-	-	-	-	3,606,000	4,686,000	5,410,000	6,664,000	5,731,000
Assigned	102	12,064	18,112	37,662	55,035	44,432	30,728	1,055	330	2,266
Unassigned	3,337,417	3,462,187	3,386,791	3,205,350	3,903,090	227,069	1,843,959	328,849	388,612	272,306
Total General Fund	\$ 3,326,525	\$ 3,422,107	\$ 3,525,385	\$ 3,443,687	\$ 3,243,012	\$ 3,958,125	\$ 6,560,687	\$ 5,739,904	\$ 7,067,680	\$ 6,010,572
All other governmental funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 8,780	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	2,508,167	1,100,305	826,762	841,957	865,831	889,085	888,436	917,879	2,365,633	1,483,681
Committed (1)	-	1,734,687	324,969	1,884,700	2,008,538	24,271,582	25,864,778	24,430,100	24,723,474	24,905,897
Assigned	32,199,536	35,544,447	36,245,936	38,734,766	40,933,831	15,921,394	9,661,143	13,538,696	24,374,065	33,165,247
Unassigned	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 34,707,703	\$ 38,379,439	\$ 37,397,667	\$ 41,461,423	\$ 43,816,980	\$ 41,082,061	\$ 36,414,357	\$ 38,886,675	\$ 51,463,172	\$ 59,554,825

(1) In fiscal year 2020 the City Council adopted a fund balance reserve policy committing funds for specific operating and capital expenditures

BOUNTIFUL CITY
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Table 4

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues:										
Taxes (see Table 5)	\$ 14,604,594	\$ 15,328,018	\$ 15,355,576	\$ 15,648,503	\$ 16,231,930	\$ 15,508,738	\$ 16,933,347	\$ 19,300,097	\$ 20,699,879	\$ 20,847,443
Licenses and permits	639,203	538,070	679,439	607,561	514,245	508,494	625,681	791,059	615,623	971,678
Intergovernmental (1)	1,411,005	1,607,310	2,341,078	2,399,903	2,535,658	5,878,964	5,986,854	6,987,481	6,761,347	5,575,528
Charges for services	1,577,584	1,178,991	1,207,577	1,102,127	1,204,818	1,093,312	1,154,482	1,272,768	1,225,124	1,340,982
Fines and forfeitures	150,220	151,502	128,313	120,239	130,729	112,845	119,397	113,048	119,589	156,861
Investment earnings	498,435	587,417	566,395	551,096	1,625,239	1,211,323	572,467	(453,049)	1,348,912	3,264,971
Miscellaneous	956,055	1,442,347	1,067,640	592,904	356,640	418,305	576,451	397,722	424,044	367,157
Total Revenues	19,837,096	20,833,655	21,346,018	21,022,333	22,599,259	24,731,981	25,968,679	28,409,126	31,194,518	32,524,620
Expenditures:										
General government	3,041,448	2,988,990	2,513,272	2,280,100	2,199,123	2,404,208	2,913,330	2,678,673	2,719,952	2,714,932
Public safety	8,519,714	8,946,888	8,935,881	8,846,095	9,517,509	9,660,827	10,079,173	10,715,111	11,651,121	12,009,806
Highways and streets	2,875,139	3,054,369	3,065,431	3,039,277	4,065,600	4,154,000	3,988,736	4,042,660	4,813,779	4,602,492
Planning and engineering	735,003	752,038	803,667	873,959	900,866	909,197	1,056,119	1,029,532	1,200,372	1,218,598
Parks and recreation	781,729	808,441	919,116	926,448	1,060,722	1,083,794	1,257,174	1,414,135	1,539,320	1,663,314
Redevelopment	1,636,222	248,744	605,556	1,093,209	2,419,268	2,616,503	672,552	5,452,465	160,565	693,588
Capital outlay (2)	-	176,965	4,562,705	129,191	(1,405,059)	(2,319,170)	(332,303)	80,493	137,672	512,273
Capitalized capital outlay	4,737,261	2,230,839	3,188,084	2,623,676	3,341,126	11,458,792	11,208,499	4,042,426	6,114,215	5,577,435
Debt service:										
Bond issuance costs	-	-	-	-	-	-	-	-	-	-
Principal	908,000	212,000	220,000	-	-	-	-	-	400,000	240,000
Interest and fiscal charges	35,637	17,280	8,800	-	-	-	-	-	331,413	163,600
Total expenditures	23,270,153	19,436,554	24,822,512	19,811,955	22,099,155	29,968,151	30,843,280	29,455,495	29,068,409	29,396,038
Excess of revenues over (under) expenditures	\$ (3,433,057)	\$ 1,397,101	\$ (3,476,494)	\$ 1,210,378	\$ 500,104	\$ (5,236,170)	\$ (4,874,601)	\$ (1,046,369)	\$ 2,126,109	\$ 3,128,582

(1) In fiscal year 2020 Intergovernment revenue began including RDA property tax increment contributions instead of where it was previously included as property tax revenue.

(2) This line may show a negative expenditure if capital expenditures were paid out of the Redevelopment Agency or other governmental funds where expenditures are coded by function.

BOUNTIFUL CITY
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Table 4 (continued)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Other financing sources (uses):										
Transfers in	\$ 2,400,468	\$ 2,356,958	\$ 5,123,707	\$ 4,385,292	\$ 2,860,431	\$ 3,001,334	\$ 3,582,950	\$ 2,998,667	\$ 3,619,518	\$ 4,219,252
Transfers out	(235,623)	-	(2,766,390)	(1,970,948)	(411,816)	(586,250)	(830,828)	(483,479)	(895,139)	(594,900)
Bonds issued	-	-	-	-	-	-	-	160,000	7,465,000	-
Premium on bonds issued	-	-	-	-	-	-	-	-	529,837	-
Notes payable issued	-	-	-	-	-	-	-	-	1,000,000	-
Software subscription issued	-	-	-	-	-	-	-	-	-	194,561
Sale of assets	24,700	20,955	55,707	68,697	121,951	5,543	137,961	22,716	58,948	87,050
Total other financing sources (uses)	<u>2,189,545</u>	<u>2,377,913</u>	<u>2,413,024</u>	<u>2,483,041</u>	<u>2,570,566</u>	<u>2,420,627</u>	<u>2,890,083</u>	<u>2,697,904</u>	<u>11,778,164</u>	<u>3,905,963</u>
Net change in fund balances	<u>\$ (1,243,512)</u>	<u>\$ 3,775,014</u>	<u>\$ (1,063,470)</u>	<u>\$ 3,693,419</u>	<u>\$ 3,070,670</u>	<u>\$ (2,815,543)</u>	<u>\$ (1,984,518)</u>	<u>\$ 1,651,535</u>	<u>\$ 13,904,273</u>	<u>\$ 7,034,545</u>
 Debt service as a percentage of non-capital expenditures	 5.09%	 1.33%	 1.06%	 0.00%	 N/A	 N/A	 N/A	 N/A	 3.19%	 1.69%

BOUNTIFUL CITY
Governmental Activities Tax Revenues by Source
(modified accrual basis of accounting)
Last Ten Fiscal Years
Table 5

Fiscal Year	Property Taxes	Fees in Lieu of Property Tax	Sales and Use Taxes	Recreation & Parks Taxes (2)	Franchise Taxes	Total
2015	\$ 3,577,649	\$ 210,449	\$ 6,672,517	\$ 462,308	\$ 3,681,671	\$ 14,604,594
2016	3,824,710	215,303	7,107,293	516,456	3,664,256	15,328,018
2017	3,493,781	213,616	7,350,405	527,530	3,770,244	15,355,576
2018	3,415,826	201,670	7,698,239	550,203	3,782,565	15,648,503
2019	3,751,875	217,421	7,891,905	568,575	3,802,154	16,231,930
2020 (1)	2,729,398	199,086	8,326,421	611,542	3,642,291	15,508,738
2021	2,749,290	205,151	9,601,683	695,884	3,681,339	16,933,347
2022	3,796,066	261,662	10,742,501	729,204	3,770,664	19,300,097
2023	4,530,292	212,625	10,903,611	739,768	4,313,583	20,699,879
2024	4,314,736	230,958	11,059,743	796,707	4,445,299	20,847,443

(1) In fiscal year 2020 the property tax increment contributions received by the Redevelopment Agency were displayed as Intergovernmental revenue instead of where it was previously included as property tax revenue.

(2) In march 2008, the City began collections of a Recreation, Arts, and Parks (RAP) sales tax. From 2008 to 2016 the City paid 90% of that tax to the Centerville City Redevelopment Agency for the construction of the CenterPoint Legacy Theatre. The original RAP tax levy expired in 2016. In the November 2014 municipal election, the City residents voted to reauthorize the City to collect, for a ten-year period, the RAP sales tax for sales transactions within City limits. On April 1, 2016 the City began collections of this reauthorized sales tax.

BOUNTIFUL CITY
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)
Table 6

Fiscal Year Ended June 30,	Real Property		Personal Property		Total Taxable Assessed Value (1)	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property (2)	Mobile Homes	Other				
2015	2,074,866	326,681	124	60,559	2,462,229	0.000946	4,091,095	60.19%
2016	2,135,735	494,329	79	73,273	2,703,416	0.000957	4,642,505	58.23%
2017	2,224,216	393,297	35	70,390	2,687,938	0.000890	4,453,396	60.36%
2018	2,405,742	410,184	16	61,045	2,876,987	0.000832	4,767,051	60.35%
2019	2,616,287	440,306	19	58,672	3,115,284	0.000880	5,178,287	60.16%
2020	2,862,151	480,876	24	72,962	3,416,013	0.000814	5,677,646	60.17%
2021	2,964,503	472,078	23	73,926	3,510,530	0.000789	5,835,949	60.15%
2022	3,369,265	496,551	32	81,356	3,947,204	0.000967	6,593,020	59.87%
2023	4,505,949	516,599	40	80,458	5,103,045	0.000889	8,621,722	59.19%
2024	4,507,907	534,208	51	103,748	5,145,915	0.000849	8,704,022	59.12%

(1) All taxable property is assessed and taxed on the basis of its fair market value. Utah law requires that the fair market value of property that is assessed by the County Assessor, using a comparable sales or a cost appraisal method, exclude expenses related to property sales transactions. For tax purposes, the fair market value of primary residential property is reduced by 45% under present law. Taxable value is net of Redevelopment Agency value.

(2) Includes centrally assessed property.

Source: Davis County Auditor's Office and Utah State Tax Commission, Property Tax Division

BOUNTIFUL CITY
Property Tax Rates Direct and Overlapping Governments
Last Ten Fiscal Years
Table 7

Fiscal Year	Total Direct & Overlapping Rate	Direct Rate		Overlapping Rates								
		Bountiful City (1)	Bountiful City Debt Service (1)	Davis County School Dist.	Davis County (2)	Weber Basin Water	Mosquito Abatement District	Bntfl Water Subcons. District	South Davis Sewer District	Davis County Library	South Davis Metro Fire Service A. (3)	South Davis Recreation District
2015	0.012809	0.000946	-	0.008259	0.002161	0.000199	0.000124	0.000120	0.000301	0.000361	-	0.000338
2016	0.012853	0.000957	-	0.008555	0.001905	0.000196	0.000122	0.000120	0.000303	0.000361	-	0.000334
2017	0.012387	0.000890	-	0.008125	0.002014	0.000187	0.000116	0.000110	0.000287	0.000342	0.000010	0.000306
2018	0.012288	0.000832	-	0.007575	0.002210	0.000174	0.000107	0.000103	0.000264	0.000376	0.000368	0.000279
2019	0.012200	0.000880	-	0.007701	0.002046	0.000164	0.000119	0.000096	0.000245	0.000349	0.000343	0.000257
2020	0.011869	0.000814	-	0.007808	0.001760	0.000153	0.000112	0.000089	0.000234	0.000329	0.000328	0.000242
2021	0.011874	0.000789	-	0.007670	0.001896	0.000146	0.000110	0.000183	0.000226	0.000319	0.000317	0.000218
2022	0.012195	0.000967	-	0.007642	0.001608	0.000132	0.000099	0.000078	0.000296	0.000578	0.000585	0.000210
2023	0.010033	0.000749	0.000140	0.006424	0.001233	0.000167	0.000096	0.000061	0.000306	0.000229	0.000475	0.000153
2024	0.009995	0.000738	0.000111	0.006228	0.001298	0.000200	0.000098	0.000062	0.000310	0.000234	0.000563	0.000153

(1) Until FY23 Bountiful City only had a general-purpose property tax levy. FY23 started a debt service tax levy. The rates are the same for all commercial, industrial, or residential residents.

(2) Davis County rate includes Multi-County and County Assessing & Collecting Levies

(3) South Davis Metro Fire Service Area became a Taxing Entity on July 1, 2016.

Source: Property Tax Division, Utah State Tax Commission

BOUNTIFUL CITY
Principal Property Tax Payers
Prior Year and Nine Years Ago
Table 8

Taxpayer	December 31, 2023 taxable valuation			December 31, 2014 taxable valuation		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
IHC Health Services Inc.	\$ 32,304,126	1	0.63 %	\$ 28,629,667	1	1.29 %
Hospital Corporation of Utah	30,228,571	2	0.59	7,212,786		0.32
Village Glen Main & Seniors LLC	26,668,042	3	0.52	11,360,605	3	0.51
Providential BBA Property LLC	25,320,170	4	0.49	9,699,912	5	0.44
Questar Gas	23,264,191	5	0.45	-		-
G&E Healthcare Reit Renaissance LLC	20,206,476	6	0.39	15,376,000	2	0.69
Columbia Lakeview Hospital	15,004,204	7	0.29	-		-
Creekside Senior Living LLC	14,347,792	8	0.28	10,011,096	4	0.45
MABEK Co.	14,100,545	9	0.27	-		-
Horne Carrington Place LLC	13,668,055	10	0.27	-		-
Hepworth Investment Group LLC	12,242,997	11	0.24	-		-
Colonial Lakeview Apartments LLC-ETAL	11,019,691	12	0.21	-		-
WBC Partners LLC	9,676,645	13	0.19	-		-
D U Company Inc	9,645,516	14	0.19	8,727,244	6	0.39
Community Centers of America-Auburn LLC	8,832,771	15	0.17	5,592,732	9	0.25
Health Care Property Investors inc	8,657,406	16	0.17	-		-
Bountiful Real Estate Investors LLC	8,298,889	17	0.16	-		-
Hidden Hollow Circle	8,296,457	18	0.16	-		-
HCP Lakeview MOB LLC	8,198,548	19	0.16	-		-
Eyelands LLC	8,070,001	20	0.16	-		-
Bill Olson Investment LTD_ETAL	-		-	5,692,500	8	0.26
Bountiful Plaza Holdings	-		-	5,477,255	10	0.25
	<u>\$308,051,093</u>		<u>5.99 %</u>	<u>\$ 107,779,797</u>		<u>4.86 %</u>

Taxable Value \$ 5,145,914,824 \$2,219,865,171

BOUNTIFUL CITY
Property Tax Levies and Collections
Last Ten Years
Table 9

Fiscal Year Ended June 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2015	2,520,959	2,312,056	91.71	112,197	\$ 2,424,253	96.16 %
2016	2,580,854	2,391,210	92.65	88,371	2,479,581	96.08
2017	2,581,960	2,426,593	93.98	51,411	2,478,004	95.97
2018	2,576,944	2,337,008	90.69	85,941	2,422,949	94.02
2019	2,932,394	2,681,062	91.43	66,550	2,747,612	93.70
2020	2,962,566	2,727,653	92.07	73,296	2,800,949	94.54
2021	2,937,547	2,798,781	95.28	70,507	2,869,287	97.68
2022	4,022,386	3,860,554	95.98	119,127	3,979,681	98.94
2023	4,807,137	4,567,887	95.02	109,656	4,677,543	97.30
2024	4,630,438	4,385,320	94.71	77,519	4,462,839	96.38

(1) Property taxes are levied January 1 and due on November 30.

Payments are not considered delinquent until after November 30.

(2) Levy includes all real and personal property plus fee in lieu of property taxes.

Source : Davis County

BOUNTIFUL CITY
Light and Power Charges for Services
Last Ten Fiscal Years
Table 10

Fiscal Year Ended June 30,	Electric Metered Sales	Industrial Customer Sales (1)	Miscellaneous (2)	Total Charges for Services	Residential Charge Per Kilowatt Hour (3)
2015	\$ 23,202,093	\$ 2,401,930	\$ 115,720	\$ 25,719,743	0.0925
2016	23,521,610	2,197,020	105,621	25,824,251	0.0925
2017	23,949,727	2,412,459	144,130	26,506,316	0.0925
2018	24,579,348	2,390,156	128,674	27,098,178	0.09250
2019	24,966,059	2,195,750	90,632	27,252,441	0.0925
2020	24,557,700	1,934,393	122,699	26,614,792	0.0925
2021	26,224,198	2,080,247	123,680	28,428,125	0.0800 (4)
2022	25,566,969	2,174,261	122,681	27,863,911	0.0800
2023	27,655,152	2,569,471	127,956	30,352,580	0.0824
2024	30,210,091	2,761,108	99,947	33,071,146	0.0824

- (1) Industrial customer with separate variable and contractual charge.
- (2) Includes rental income, power line underground system repairs, income from uncollectible accounts, and connection fee income.
- (3) Standard residential customer power rate. Does not apply to all classes of customers.
- (4) Beginning in Fiscal year 2021 a new tiered rate structure was implemented. Under the new rates a residential customer power rate was \$0.0800 for the first 400 KWH with additional KWH charged at a rate of \$0.1022

BOUNTIFUL CITY
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Table 11

Fiscal Year Ended June 30,	Governmental Activities				Business-type Activities		Total Primary Government	Percentage of Personal Income	Household Personal Income (2)	Debt Per Capita (1)	Population	Year
	General Obligation Bonds (3)	Special Assessment Bonds	Revenue Bonds	Other Debt	Revenue Bonds (4)	Lease Debt						
2015	-	454,534	-	-	12,740,000	-	13,194,534	1.00%	1,320,472,651	305	43,279	2014
2016	-	227,513	-	-	12,085,000	-	12,312,513	0.92%	1,343,706,868	283	43,583	2015
2017	-	-	-	-	11,420,000	-	11,420,000	0.79%	1,441,660,352	260	43,908	2016
2018	-	-	-	-	10,745,000	-	10,745,000	0.70%	1,545,305,837	244	43,998	2017
2019	-	-	-	-	10,055,000	-	10,055,000	0.60%	1,681,023,211	228	44,025	2018
2020	-	-	-	-	9,350,000	-	9,350,000	0.55%	1,708,182,073	213	43,981	2019
2021	-	-	-	-	-	302,868	302,868	0.02%	1,771,393,546	7	45,762	2020
2022	160,000	-	-	-	-	310,636	470,636	0.03%	1,855,465,460	10	45,811	2021
2023	7,728,345	-	-	1,034,064	-	419,092	9,181,501	0.38%	2,409,477,876	202	45,496	2022
2024	7,461,853	-	-	1,219,153	47,322,676	549,116	56,552,798	2.49%	2,272,093,111	1,247	45,353	2023

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

(1) See Table 16 for population details

(2) Income number from State Tax Commission - State Statistics of Income (AGI).

(3) The City issued a General Obligation Bond for \$7,625,000 on July 7th, 2022, and received a good faith payment of \$160,000 on June 28th, 2022.

(4) The City issued a Fiber Sales Tax Revenue Bond for \$45,525,000 on August 3, 2023.

BOUNTIFUL CITY
Ratios of General Bond Debt Outstanding
Last Ten Fiscal Years
Table 12

Fiscal Year Ended June 30,	General Obligation Bonds (1)	Less: Amounts Available In Debt Service Fund	Fiber Fund Sales Tax Revenue Bonds (2)	Less: Amount Restricted for repayment	Total	Percentage of Estimated Actual Taxable Value of Property (3)	Fiber Bond Percentage of Sales Tax (4)	Per Capita
2015	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	-
2016	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-
2022	160	-	-	-	160	0.004%	-	3.49
2023	7,728	20	-	-	7,708	0.151%	-	169
2024	7,462	198	47,323	690	53,896	0.141%	422%	1,188

Residents estimate source: Davis County and Utah State Tax Commission, Property Tax Division

(1) The City issued a General Obligation Bond for \$7,625,000 on July 7th, 2022, and received a good faith payment of \$160,000 on June 28th, 2022.

(2) The City issued a Fiber Sales Tax Revenue Bond with a par value of \$45,525,000 on August 3, 2023.

(3) Percentage of outstanding GO Bonded Debt to actual taxable value of property.

(4) Percentage of outstanding Fiber Sales Tax Revenue bonded debt to Sales Tax collections.

BOUNTIFUL CITY
Direct and Overlapping Governmental Activities Debt
June 30, 2024
Table 13

	<u>Total Debt</u>	<u>Applicable to City</u>		<u>City Debt Ratios (2)</u>		
			<u>Percentage</u>	<u>Amount</u>	<u>To assessed value of: \$ 5,145,914,563</u>	<u>To fair value of: \$8,704,022,238</u>
Direct Governmental-Activities City debt:						
Governmental Activities debt (3)	<u>\$ 8,681,006</u>	100.00%	<u>\$ 8,681,006</u>	0.17%	0.10%	\$ 191.41
Total direct debt	<u>\$ 8,681,006</u>		<u>\$ 8,681,006</u>			
Overlapping debt:						
State of Utah (1)	\$ -		\$ -			
Weber Basin Water Conservancy District	139,072,000	3.99%	5,552,314	0.11%	0.06%	\$ 122
Davis County	79,540,000	12.27%	9,763,108	0.19%	0.11%	\$ 215
Davis School District	516,830,000	12.27%	63,438,109	1.23%	0.73%	\$ 1,399
South Davis Recreation District	3,640,000	35.80%	1,302,968	0.03%	0.01%	\$ 29
Total Overlapping debt	<u>\$ 739,082,000</u>		<u>\$ 80,056,499</u>			
Total direct and overlapping debt applicable to the City			<u>\$ 88,737,505</u>	1.72%	1.02%	\$ 1,957

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Bountiful. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

- (1) The State of Utah general obligation debt is not included in the debt ratios because the State of Utah currently levies no ad valorem tax for payment of general obligation bonds.
- (2) Percentages and the per capita amount are calculated by dividing the total debt applicable to the City by the fair and assessed values of property within its boundaries and its current population.
- (3) The City issued a General Obligation Bond with a par value of \$7,625,000 on July 7th, 2022.

Source: Davis County Auditor and Utah State Tax Commission, Property Tax Division

BOUNTIFUL CITY
Legal Debt Margin Information
Last Ten Fiscal Years
(amounts expressed in thousands)
Table 14

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Assessed value (1)	\$ 4,103,401	\$ 4,153,601	\$ 4,453,396	\$ 4,779,007	\$ 5,191,204	\$ 5,689,454	\$ 5,847,008	\$ 6,607,668	\$ 8,636,745	\$ 8,718,844
Governmental Debt Limit										
4% of total assessed value	164,136	166,144	178,136	191,160	207,648	227,578	233,880	264,307	345,470	348,754
Debt applicable to limit:										
General obligation bonds (2)	-	-	-	-	-	-	-	160	7,728	7,462
Special Assessment Bonds	455	228	-	-	-	-	-	-	-	-
Revenue Bonds	-	-	-	-	-	-	-	-	-	-
Other Governmental Debt	-	-	-	-	-	-	-	-	1,034	1,219
Total Governmental debt applicable to limit	455	228	-	-	-	-	-	160	8,762	8,681
Governmental Legal Debt Margin	\$ 145,830	\$ 163,681	\$ 165,916	\$ 178,136	\$ 191,160	\$ 207,648	\$ 227,578	\$ 233,880	\$ 264,147	\$ 340,073
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%	0%	0%	0.06%	2.54%	2.49%
Business-Type Debt Limit										
8% of total assessed value	328,272	332,288	356,272	382,321	415,296	455,156	467,761	528,613	690,940	697,508
Debt applicable to limit:										
2023 Fiber Sales Tax Revenue Bonds (3)	-	-	-	-	-	-	-	-	-	47,323
2010 Power Revenue Bonds	12,740	12,085	11,420	10,745	10,055	9,350	-	-	-	-
2021 Golf Lease Debt	-	-	-	-	-	-	303	311	197	79
2014 & 2019 Power Lease Debt	-	-	-	-	-	-	-	-	222	218
2024 Power SBITA	-	-	-	-	-	-	-	-	-	32
Total Business-Type debt applicable to limit	12,740	12,085	11,420	10,745	10,055	9,350	303	311	419	47,652
Business-Type Legal Debt Margin	\$ 315,532	\$ 320,203	\$ 344,852	\$ 371,576	\$ 405,241	\$ 445,806	\$ 467,458	\$ 528,303	\$ 690,521	\$ 649,856
Total net debt applicable to the limit as a percentage of debt limit	3.88%	3.64%	3.21%	2.81%	2.42%	2.05%	0.06%	0.06%	0.06%	6.83%

(1) All taxable property is assessed and taxed on the basis of its fair market value. Utah law requires that the fair market value of property that is assessed by the County Assessor, using a comparable sales or a cost appraisal method, exclude expenses related to property sales transactions. For tax purposes, the fair market value of primary residential property is reduced by 45% under present law. Taxable value is net of Redevelopment Agency value.

(2) The City issued a General Obligation Bond with a par value of \$7,625,000 on July 7th, 2022.

(3) The City issued a Fiber Sales Tax Revenue Bond with a par value of \$45,525,000 on August 3, 2023.

BOUNTIFUL CITY
Pledged Revenue Coverage
Last Ten Fiscal Years
Table 15

Fiscal Year Ended June 30,	Revenue Bonds						Special Assessment Bonds			
	Gross Revenues	Less: Debt Expenses	Net Available Revenues	Debt Service		Coverage	Special Assessments Collections	Debt Service		Coverage
				Principal	Interest			Principal	Interest	
Revenue Bonds - Governmental Activities										
2015*	\$ 598,016	\$ 4,150	\$ 593,866	\$ 705,000	\$ 10,237	83.0%	\$ 266,219	\$ 203,000	\$ 25,400	116.6%
2016	-	-	-	-	-	0.0%	270,403	212,000	17,280	117.9%
2017	-	-	-	-	-	0.0%	251,465	220,000	8,800	109.9%
2018	-	-	-	-	-	0.0%	-	-	-	0.0%
2019	-	-	-	-	-	0.0%	-	-	-	-
2020	-	-	-	-	-	0.0%	-	-	-	-
2021	-	-	-	-	-	0.0%	-	-	-	-
2022	-	-	-	-	-	0.0%	-	-	-	-
2023	-	-	-	-	-	0.0%	-	-	-	-
2024	-	-	-	-	-	0.0%	-	-	-	-

* In fiscal year 2015 the Municipal Building Authority's lease revenue bonds were paid off.

Revenue Bonds - Business-Type Activities

2015	\$ 26,585,700	\$ 20,966,677	5,619,023	\$ 645,000	\$ 628,372	441.3%
2016	26,733,206	19,432,143	7,301,063	655,000	612,396	576.1%
2017	27,251,210	20,272,758	6,978,452	665,000	593,242	554.6%
2018	28,039,563	21,258,547	6,781,016	675,000	570,799	544.3%
2019	28,728,182	21,340,306	7,387,876	690,000	544,868	598.3%
2020	27,741,133	23,519,461	4,221,672	705,000	516,888	345.5%
2021**	29,206,419	21,451,507	7,754,912	9,350,000	179,754	81.4%
2022	-	-	-	-	-	0.0%
2023	-	-	-	-	-	0.0%
2024***	11,059,743	2,249,232	8,810,511	-	1,869,418	471.3%

** In Fiscal Year 2021 the Light & Power Fund Bond was paid off.

***In Fiscal Year 2024 the 2023 Fiber Sales Tax Revenue Bond was issued, City Sales Tax has been pledged to cover the Bond.

BOUNTIFUL CITY
Demographic and Economic Statistics
Last Ten Fiscal Years
Table 16

Fiscal Year Ended June 30,	Population		Personal Income (amounts expressed in thousands) (2)	Per Capita Personal Income	Number of residents 18 years and older		School Enrollment	Unemployment Rate (4)
2015	43,279	(1),(2)	1,320,473	30,511	30,862	(1)	10,144 (3)	3.60 %
2016	43,583	(1),(2)	1,343,707	30,831	31,005	(1)	11,191 (3)	3.30
2017	43,908	(1),(2)	1,441,660	32,834	31,331	(1)	11,303 (3)	3.10
2018	43,998	(1)	1,545,306	35,122	30,809	(1)	11,600 (3)	3.00
2019	44,025	(1)	1,681,023	38,183	30,886	(1)	10,974 (3)	2.70
2020	43,981	(1)	1,708,182	38,839	31,139	(1)	10,941 (3)	4.10
2021	45,762	(5)	1,771,394	38,709	33,008	(1)	10,570 (3)	2.40
2022	45,811	(1)	1,855,465	40,503	32,343	(1)	10,682 (3)	1.80
2023	45,496	(1)	2,409,478	52,960	31,985	(1)	10,699 (3)	2.40
2024	45,353	(1)	2,272,093	50,098	31,927	(1)	10,429 (3)	3.00

(1) U.S. Census Bureau, Population Estimates Program.

(2) Utah State Tax Commission.

(3) Davis School District/St. Olaf's School.

(4) Utah Department of Workforce Services -All rates are annual, except for the final year, which rate is as of July 2024.

(5) 2020 Census

BOUNTIFUL CITY
Principal Employers
Current Year and Nine Years Ago
Table 17

Employer (1)	2024			2015		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Lakeview Hospital	250 - 499	1	1.09 - 2.17 %	500 - 999	1	2.41 - 4.81 %
Smith's Marketplace	250 - 499	2	1.09 - 2.17	250 - 499	4	1.20 - 2.40
South Davis Recreation Center	250-499	3	1.09 - 2.17	250 - 499	5	1.20 - 2.40
Western Peaks Community Hospital	250 - 499	4	1.09 - 2.17	500 - 999	3	2.41 - 4.81
Bountiful Health Center	100 - 249	5	0.44 - 1.08	100 - 249	6	0.48 - 1.19
Bountiful High School	100 - 249	6	0.44 - 1.08	100 - 249	7	0.48 - 1.19
One Call Locators	100 - 249	7	0.44 - 1.08	N/A	N/A	N/A
Performance Ford Lincoln Bountiful	100 - 249	8	0.44 - 1.08	N/A	N/A	N/A
Viewmont High School	100 - 249	9	0.44 - 1.08	100 - 249	10	0.48 - 1.19
WC Staffing, LLC	100 - 249	10	0.44 - 1.08	N/A	N/A	N/A
Lexington Law Firm	N/A	N/A	N/A	500 - 999	2	2.41 - 4.81
Brighton Rehabilitation	N/A	N/A	N/A	100 - 249	8	0.48 - 1.19
Bountiful Medical Investors	N/A	N/A	N/A	100 - 249	9	0.48 - 1.19
Total	1,600 - 3,490		6.97 - 15.16 %	2,500 - 5,240		12.03 - 25.18 %

(1) Listed alphabetically within each employee range.

Source: Utah Department of Workforce Services

BOUNTIFUL CITY
June Employee Count - City Government Employees by Function
Last Ten Fiscal Years
Table 18

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Department										
General Fund										
Legislative	6	6	6	6	6	6	6	6	6	6
Legal	3	2	3	4	4	4	4	4	5	4
Executive	2	2	2	2	2	3	4	3	4	4
Human Resources	2	2	2	2	2	2	3	2	2	2
Information Systems	3	4	4	3	4	4	3	4	4	3
Administrative	5	5	5	5	5	5	5	5	5	12
Treasurer (2)	7	7	7	7	7	7	7	7	7	0
Government Buildings	2	2	1	2	1	2	1	1	1	1
Police	77	80	80	56	61	61	78	61	61	61
Streets	23	21	22	22	22	22	22	20	23	21
Engineering	8	8	7	8	8	9	9	9	9	9
Parks	23	21	19	28	28	32	28	23	29	28
Planning	5	4	5	6	4	4	5	4	5	5
General Fund Total	166	164	163	151	154	161	176	150	161	156
Enterprise Funds										
Storm Water (1)	3	3	2	4	4	3	3	4	4	4
Water	16	15	16	19	19	17	18	16	18	16
Light and Power	36	34	37	37	35	36	37	37	37	37
Golf	46	49	43	51	45	43	43	41	39	37
Landfill (1)	9	9	10	11	11	12	11	11	10	10
Sanitation (1)	6	5	5	6	5	5	5	5	6	6
Recycling (1)	0	0	0	0	0	0	0	0	2	2
Cemetery	7	8	8	7	7	8	6	7	8	8
Enterprise Fund Total	123	123	121	135	126	124	123	121	124	120
Internal Service Funds										
Risk Management (1)	-	-	-	-	-	-	-	-	-	-
Workers Compensation (1)	-	-	-	-	-	-	-	-	-	-
Internal Service Fund Total	-	-	-	-	-	-	-	-	-	-
Redevelopment Agency										
Redevelopment Agency (1)	-	-	-	-	-	-	-	-	-	-
Total Positions	294	289	287	284	286	280	285	299	271	276

(1) These departments have shared staff from the General Fund.

(2) In Fiscal Year 24 the Finance and Treasury departments were merged.

(3) In Fiscal Year 23, the City internalized its Recycling services.

Source: City of Bountiful Human Resource Office. These numbers are accumulated based on the number of employees paid in late June of each fiscal year. It does not represent full-time equivalents.

BOUNTIFUL CITY
Capital Assets Statistics by Function
Last Ten Fiscal Years
Table 19

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Fire protection:										
Number of stations (1)	2	2	2	2	2	2	2	2	2	2
Police protection:										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of patrol units	22	22	22	22	24	24	24	24	24	23
Highways and streets:										
Number of street lights	2,037	2,037	2,035	2,035	2,056	2,054	2,070	2,073	2,099	2,107
Number of traffic signals	15	15	15	15	15	15	15	15	15	15
Miles of streets	159.06	159.06	159.71	159.75	159.96	159.96	160.25	160.27	160.27	160.93
Public Services:										
Recreation and culture:										
Number of municipal parks	13	13	16	16	16	17	18	18	18	17
Number of municipal picnic areas	19	19	19	22	22	29	29	29	29	29
Number of municipal tennis courts	20	20	20	20	20	18	18	18	18	18
Number of municipal soccer fields	6	6	6	6	6	6	9	9	12	12
Number of municipal ball diamonds	10	10	10	10	10	8	9	9	9	9
Number of Trail Heads	2	2	2	2	2	2	3	3	3	4
Number of municipal golf courses	1	1	1	1	1	1	1	1	1	1
Number of ice arenas (3)	0	0	0	0	0	0	1	1	1	1
Municipal power plants:										
Number of distribution substations	5	5	5	5	5	5	5	5	5	5
Miles of distribution and transmission lines	229.16	229.36	229.61	230.72	232.86	235.05	236.89	249.00	267.00	268.75
Municipal water plants:										
Number of fire hydrants	1,618	1,629	1,644	1,659	1,671	1,683	1,696	1,707	1,716	1,718
Miles of water mains	176.38	176.40	176.60	177.43	178.22	179.18	179.48	180.16	180.25	180.31
Max instantaneous water source capacity (gallons per minute)	9,000	9,500	9,500	9,500	9,500	9,500	10,000	10,000	10,000	10,000
Sanitation utilities:										
Number of collection trucks	13	13	13	13	13	13	13	14	15	16
Number of sanitary landfills	1	1	1	1	1	1	1	1	1	1
Storm water utility:										
Miles of storm water lines (encased)	69.65	70.14	70.80	70.80	71.89	72.30	73.06	72.74	72.86	73.64
Miles of storm water lines (concrete lined)	1.32	1.32	1.32	1.33	1.32	1.31	1.37	1.37	1.37	1.37
Public Libraries (2)	1	1	1	1	1	1	1	1	1	1

(1) Fire operations were transferred to South Davis Metro Fire Agency on January 1, 2005.

(2) Owned and operated by Davis County.

(3) In FY 2021, the Bountiful Town Square Ice Ribbon opened, it is operated by the South Davis Recreation District.

Miscellaneous Statistics - Most current information only

Date of Incorporation: December 14, 1892

Form of government: Manager

Election data

Registered (active voters), November 2023: 25,903

Number of votes cast in 2023 General election: 11,364

Percentage of registered voters voting: 43.87%

Sources: Various City of Bountiful Departments.

BOUNTIFUL CITY
Operating Indicators by Program/Function
Last Ten Fiscal Years
Table 20

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function/Program										
General Governmental:										
Ordinances passed	28	12	11	9	11	8	13	11	7	9
Resolutions passed	11	14	20	12	7	16	29	22	18	18
Public Safety:										
Hazardous citations written	2,258	2,215	1,975	1,707	1,431	3,088	1,785	2,460	2,734	1,774
Non-hazardous citations written	1,469	1,458	1,339	1,094	799	736	368	580	623	526
Arrests	1,086	1,382	1,130	1,107	946	875	915	877	890	892
Highways and Streets:										
Miles of street overlaid	7.00	5.18	7.14	17.56	5	7	5.18	4.20	4.50	1.64
Miles of street reconstructed	0.39	0.60	0.00	0.44	0	0.44	0.42	0.39	0.47	0.70
Planning and Engineering:										
Building Permits Issued	62	81	169	134	79	33	67	66	50	351
Municipal water:										
Average daily gallons consumed	4,185,000	3,729,000	3,968,000	4,389,454	4,442,000	4,127,000	3,688,380	3,366,819	3,512,670	3,839,437
Municipal power:										
Kilowatt hours sold	277,674,203	278,780,541	283,037,185	283,555,713	280,753,086	267,283,693	277,070,477	273,365,941	291,431,986	276,066,839
Storm water:										
Miles of storm drains inspected	4.78	2.92	4.61	5.52	7.56	4.02	7.11	6.96	1.43	4.09
Miles of streets cleaned	158.36	159.64	159.71	159.75	159.96	159.96	160.25	160.27	160.27	160.93
Sanitation utilities:										
Tons of waste collected and landfilled	68,795	64,640	56,848	79,880	97,974	98,704	109,984	89,508	67,540	76,882
Tons of recyclables collected	2,384	2,549	2,618	2,587	3,087	2,797	2,273	2,072	1,955	1,793

Sources: Various City of Bountiful departments.

**BOUNTIFUL CITY
BOUNTIFUL, UTAH**

SUPPLEMENTARY REPORTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2024



**CERTIFIED PUBLIC
ACCOUNTANTS**

Gary K. Keddington, CPA
Marcus K. Arbuckle, CPA
Steven M. Rowley, CPA

**BOUNTIFUL CITY
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CERTIFIED PUBLIC
ACCOUNTANTS

Gary K. Keddington, CPA
Marcus K. Arbuckle, CPA
Steven M. Rowley, CPA

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

To the Mayor and City Council
Bountiful City
Bountiful, Utah

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Bountiful City, Utah (the City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated November 8, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’s internal control.

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

Our consideration of internal control 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 entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

K&C, CPAs

K&C, Certified Public Accountants
Woods Cross City, Utah
November 8, 2024



CERTIFIED PUBLIC
ACCOUNTANTS

Gary K. Keddington, CPA
Marcus K. Arbuckle, CPA
Steven M. Rowley, CPA

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

To the Mayor and City Council
Bountiful City
Bountiful, Utah

Report on Compliance

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

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

- Budgetary Compliance
- Fund Balance
- Restricted Taxes and Related Restricted Revenue
- Fraud Risk Assessment
- Governmental Fees
- Enterprise Fund Transfers, Reimbursements, Loans, and Services
- Tax Levy Revenue Recognition
- Open and Public Meetings Act

Opinion on Compliance

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

Basis for Opinion

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

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

Responsibilities of Management 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.

Other Matters

The results of our auditing procedures disclosed two instances of noncompliance, which is required to be reported in accordance with the Guide and which are described in the accompanying *Schedule of Findings and Recommendations* as items 2024-01 and 2024-02. Our opinion on compliance is not modified with respect to this matter.

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

Report On Internal Control over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or to detect and correct noncompliance with a state compliance requirement on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over

compliance, such that there is a reasonable possibility that material noncompliance with a state compliance requirement will not be prevented or detected and corrected on a timely basis.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a state compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings 2024-01 and 2024-02 as items to be significant deficiencies.

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.

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

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

K&C, CPAs

K&C, Certified Public Accountants
Woods Cross City, Utah
November 8, 2024

BOUNTIFUL CITY
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
For the Fiscal Year Ended June 30, 2024

Utah State Compliance

2024-01 – Fund Balance

Condition: During our testing of compliance over fund balances, we noted a deficit in the Fiber Fund in the amount of \$430,558.

Criteria: Utah Code Annotated (UCA) 10-6-117 states “The governing body of any city may not make any appropriation in the final budget of any fund in excess of the estimated expendable revenue for the budget period of the fund.”

Cause: The City made more appropriations in the Fiber Fund than the fund had expendable revenues or savings to cover.

Effect: The Fiber Fund has a deficit fund balance which represents negative fund balance that must be recovered to bring the fund back into compliance with State Code.

Recommendation: We recommend that the City take the steps necessary to retire the current deficit in the Fiber Fund, and to prevent future deficits.

City’s Response: The City’s Fiber fund accounts for the new fiber-optic network utility started in fiscal year 2023. These new operations are running at a deficit as the network is still being built and subscribership is only available to a small portion of the City. As such, subscriber revenues are not currently sufficient to cover the operating costs of the utility. It was known that for these start-up years the operations would run deficits. The buildout of the network is estimated to be complete in the Fall of 2025. It is estimated that at completion of the network there will be sufficient subscription revenue to cover all operating costs with enough surplus to soon remove the deficit net position of the Fund.

2024-02 Budgetary Compliance

Condition: During our testing of State Compliance it was noted that the City was over-budget in the Liability Insurance Fund by \$142,653.

Criteria: Utah Code Annotated (UCA) 10-6-123 states “City officers may not make or incur expenditures or encumbrances in excess of total appropriations for any department in the budget as adopted or as subsequently amended...”

Cause: Each year the City estimates the potential costs that the City may incur from ongoing claims and recognizes those estimated costs as current-year expenditures. For the 2024 fiscal year these estimates were significantly higher than had been anticipated during the budgeting process, resulting in the fund going over budget.

Effect: The City was not in compliance with Budgetary Compliance requirements of Utah Code Annotated 10-6-123.

Recommendation: Due to the City going over budget from estimated rather than actual expenditures, we recommend that the City re-evaluate its methods of estimating potential costs during the budget process for this fund.

BOUNTIFUL CITY
SCHEDULE OF FINDINGS AND RECOMMENDATIONS (Continued)
For the Fiscal Year Ended June 30, 2024

City's Response: The budget overage in the Liability Insurance Fund occurred as a result of an accounting adjustment that was discovered as necessary after the Fiscal Year 2023-2024 budget had been closed. This accounting adjustment increased the claims expense beyond the original budget due to estimated claims settlement and did not allow for any amendment to the budget. The City will look at claim estimates closer in the final months of each fiscal year to have a better chance at an accurate settlement estimate before the budget amendment period has concluded.