

# Park City Municipal Corporation, Utah



Annual Comprehensive Financial Report  
Fiscal Year Ended June 30, 2024





# **PARK CITY MUNICIPAL CORPORATION, UTAH**



## **ANNUAL COMPREHENSIVE FINANCIAL REPORT** **(Including Internal Control and Compliance Reports** **and Supplementary Information)** **for fiscal year ended June 30, 2024**

**Prepared by:**

**Finance Department**

Mindy Finlinson, CPA, Finance Manager

Nike Noack, City Treasurer

Kim Atkinson, Accountant



**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**June 30, 2024**

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# INTRODUCTORY SECTION



December 11, 2024

To the Honorable Mayor, City Council, and Park City community:

Utah State law requires that every general-purpose local government 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. In conformance with that requirement, we issue the Annual Comprehensive Financial Report (ACFR) of Park City Municipal Corporation for the fiscal year ended June 30, 2024.

This ACFR has been prepared by the City's Finance Department. The City's management is responsible for the accuracy of the report, as well as the completeness and fairness of the presentation, including all disclosures. To the best of our knowledge and belief, the report is complete and accurate in all material respects. In order to provide a reasonable basis for making these representations, management of the City has established an internal control framework designed to ensure the assets of the government are protected from loss, theft or misuse, and to ensure adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of the control should not exceed the benefits likely to be derived, and 2) the valuation of costs and benefits requires estimates and judgments by management. As a recipient of federal, state, and local financial assistance, the City is also responsible for ensuring that an adequate internal control structure is in place to ensure and document compliance with applicable laws and regulations related to the appropriate programs. This internal control structure is subject to periodic evaluation by management.

HBME, LLC, a firm of licensed certified public accountants, has audited the City's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2024, represent an accurate portrayal of the City's financial position in all material respects. 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.

- ***HBME, LLC concluded, based upon the audit, that there is reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended June 30, 2024, were fairly presented in conformity with GAAP.***

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

Park City Municipal Corporation  
445 Marsac Avenue • P.O. Box 1480 • Park City, UT 84060-1480  
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## **Profile of Park City Municipal Corporation, Utah**

Park City Municipal Corporation (City) was chartered March 15, 1884, under the provisions of the Utah Territorial Government and is in Summit County in the northeast part of Utah, which is one of the top growth areas in the state. Park City currently occupies 22 square miles and serves an estimated full-time resident population of 8,615. The City is empowered to levy a property tax on real property located within its boundaries and empowered by state statute to extend its corporate limits by annexation, which it has done this past year. *We acknowledge that Park City Municipal Corporation is on the traditional land and seized territory of the Eastern Shoshone and Ute people, who have stewarded this land throughout the generations.*

The City is governed by a six member council form of government. Policy-making and legislative authority are vested in the Governing Council (Council) consisting of the mayor and a five-member council, all of whom are elected at large. Council members serve four-year staggered terms. Elections are held every odd numbered year. The Governing Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the City's manager and attorney. The Mayor is the administrative authority by statute; however, the City's manager has been delegated and tasked with the responsibility for carrying out the policies and ordinances of the Governing Council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments to achieve Council objectives and goals.

The City provides a full range of public services, including police, parks, recreation, library, water, stormwater, public improvements, streets, planning and zoning, golf course, transportation and parking, licensing and permits, building inspections, affordable housing, and administrative services. This report includes the financial statements of the funds required to report on those activities, organizations and functions which are related to the City and are controlled by or financially accountable to the City Council. The Park City Municipal Building Authority, the Park City Redevelopment Agency, the Park City Housing Authority, and the Park City Water Service District are chartered under Utah law as separate governmental entities. However, this report includes the financial statements of these entities, since the City Council is the appointed board for all four agencies, they are financially accountable to the City, and management (below the level of the elected officials) of the City have operational responsibility for their activities.

The State of Utah, Summit County, Wasatch County, Park City School District, Park City Fire Protection District, Snyderville Basin Special Recreation District, Snyderville Basin Water Reclamation District, and Weber Basin Water Conservancy District are overlapping governments that provide services to City residents; however, they are separately controlled and not financially accountable to the City; therefore, they are not included in this report.

### **Budgetary Control**

The Council is required to adopt a final budget by no later than June 30 of the fiscal year. The 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). The City Council approves all City budgets at the department level. Budgetary control is maintained at the department level where expenditures may not legally exceed appropriations. Department heads may make transfers within a department. The City Council may amend the budget by ordinance during the budget year but must hold a public hearing to increase a governmental fund's budget before it can pass the ordinance.

## Local Economy and Economic Trends

Park City is located in Summit County, Utah, in the heart of the Wasatch Mountains, 30 miles east of Salt Lake City and 40 minutes by freeway from the Salt Lake International Airport. In 1869, silver bearing quartz was discovered in the area, of what is now Park City, and a silver mining boom began. From the 1930's through the 1950's, the mining boom subsided due to the decline of silver prices, and Park City came very close to becoming a historic ghost town. During that time, the residents began to consider an alternative to mining and began developing Park City into a resort town. Today, Park City is one of the western United States premier multi-season resort communities.

Because of its location in a State with a diverse economic base, recent unemployment rates are historically low. The unemployment rate in Summit County increased from last year's low of 2.4 percent to 2.8 percent in June 2024.

Tourism is the major industry in Park City, with skiing, lodging facilities and restaurants contributing significantly to the local economy. Park City is the home of two major ski resorts, Deer Valley Resort and Park City Mountain. A portion of the latter, formerly known as Canyons Resort, operates outside of municipal boundaries. Vail Resorts acquired the Canyons Resort in 2013 and Park City Mountain in September 2014. In July 2015, Vail linked the two resorts creating the largest skiing resort in the United States with over 7,300 acres of skiable terrain. Alterra Mountain Company acquired Deer Valley Resort in 2018. In 2023, Alterra Mountain Company and Deer Valley agreed to operate a new resort on the southeastern reaches of their boundary, Mayflower Resort. Overall, the growth and consolidation of local ski areas is unprecedented and continues to rank Park City as arguably the premier ski destination in all of North America. Deer Valley Resort and Park City Mountain also host several major international and world ski competitions such as, FIS Freestyle International Ski World Cup. Deer Valley was voted 9<sup>th</sup> and Park City Mountain 15<sup>th</sup> in *Ski Magazine*'s Reader's Top-Ranked Ski Resorts in the West 2024. During the 2023-2024 season, Utah reported 6.7 million skier days, making it the second busiest in Utah's history with the previous record of 7.1 million skier days set in 2022-2023.

Park City's service population is significant due to the demands of the resort economy and number of secondary homeowners within Park City. The City has approximately 134 restaurants, 140 shops, 26 private art centers and a community art center. Many of Park City's restaurants are award winning and among the finest in the intermountain west. Based on fiscal year 2022 data, the Chamber of Commerce estimates that the City has a nightly rental capacity for 32,669 guests (please see Schedule 24 of the Statistical Section of this report).

The Sundance Film Festival held its 40th annual festival in Park City in January 2024. A recent study revealed that Festival drew at least 72,840 attendees to film screenings, panel discussions, and other interactive storytelling events in Park City, Salt Lake City, and at the Sundance Resort.

The Kimball Arts Center sponsored its 54<sup>th</sup> annual three-day Park City Arts Festival in August 2023. The Park City Arts Festival is Utah's oldest and the longest running arts festival. A recent study revealed that the 2023 Festival attracted an estimated 29,700 visitors, including 198 artists from all 50 states, Canada, Mexico and Germany.

Closely connected to the tourism and ski industries in Park City is the real estate industry. During the past ten years, building activity within the City fluctuated from a low of \$81.2 million in valuation in 2016, to a high of \$205.2 million in valuation in 2023. Building activity over the last decade averaged \$135.4 million per year. In the first six months of 2024, all of the \$17.9 million in building activity was residential construction. The residential construction total valuation consisted of both single and multi-family homes. Easy access to Salt Lake City has intensified the role for Park City as a bedroom community to the Wasatch Front. The economy has continued to produce new construction of single-family homes, remodels, and commercial building expansion.



*\* The 2024 number is from January 2024 through June 2024 only. For activity by fiscal year, please see Schedule 26 of the Statistical Section.*

As reported by *Park City Realtors*, the real estate market in Park City continued to experience steady growth during 2024. Land sales increased 1.0 percent and sales volume increased 24.0 percent. The median price of land rose 30.0 percent. Single-family home sales increased 13.0 percent and sales volume increased 27.0 percent. The median price of single-family homes across the City increased 15.0 percent to 3.9 million. One sector that saw a decline was the condominium market. Condominium sales decreased 1.0 percent and sales volume decreased 12.0 percent. The median price of condominiums decreased 10.0 percent to \$1.5 million.

Median household incomes within the City are significantly higher than Utah as a whole. According to US Census Bureau 5-year estimates (2018-2022), the City’s median family income was \$132,315, Summit County’s \$126,392, Utah’s \$86,833, and the National median income \$75,149.

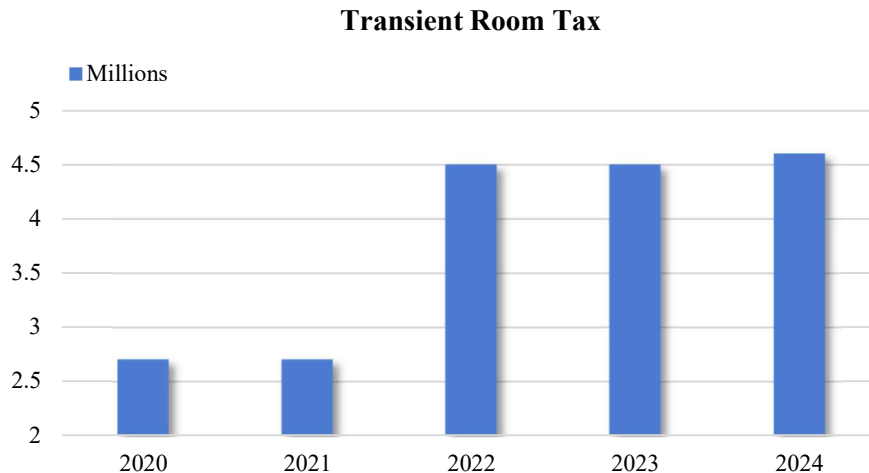
Due to our diverse and healthy local economy, Park City has maintained a strong credit rating of at least Aa2 from Moody’s Investor Service since 2011, including a recently adjusted increase to Aaa rating for general obligation bonds.

## Long-term Financial Planning

**Insurance** – The City maintains a health plan through Aetna and a dental insurance plan through Regence Blue Cross Blue Shield of Utah for its employees. Each year, the City examines its use and total insurance costs to negotiate coverage prices and premiums for the following year. In fiscal year 2024, the City changed health insurance providers for the first time in 30 years. After a competitive RFP process, the City selected Aetna as the new health insurance vendor. Switching from Regence to Aetna, the City saved an estimated 9% in cost premiums and offered our employees a broader network. Employees could keep the same low premiums as before, and there were no changes to plan designs. The City provides a high-deductible medical plan in addition to a traditional plan that offers both the City and its employees cost savings. The City offers a discount on premiums to employees if they participate in employee wellness programs, which require annual physicals, regular dental visits, and numerous other activities to promote a healthier lifestyle and reduce the prevalence of overall and preventable insurance claims.

**Sales Tax** – The City depends on sales tax revenue to fund City services and fund infrastructure to support the tourism economy. Of the 9.05 percent sales tax on general purchases in Park City, the City levies a 1.0 percent local sales and use tax, a 0.25 county option sales tax, a combined 1.25 percent transit tax, 0.1 county cultural tax, and a 1.6 percent resort community tax.

**Transient Room Tax** – The City levies a 1.0 percent transient room tax and uses the revenue to fund cultural services and capital projects. For the past 5 years, the City has collected the following revenue:



**Property Tax** – A property tax comparison that normalized tax rates across 50 states, including the District of Columbia, ranked states by property tax rate. Utah was consistently amongst the lowest in the nation, ranking between 40 and 50. The Property Tax Act provides that all taxable property must be assessed and taxed at a uniform and equal rate on the basis of its fair market value by January 1 each year. Summit County levies, collects, and distributes property taxes for Park City and all other taxing jurisdictions within Summit County. Primary residences are taxed at 55 percent of the assessed value while secondary residences are taxed at 100 percent of assessed value. The budget for fiscal year 2024 was adopted with no property tax increase.

## Relevant Financial Policies

**Fund Balance** – Unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) in the general fund at year end was 32.3 percent of total general fund revenues. This amount was consistent with the policy guidelines set by the Council for budgetary and planning purposes (i.e., maintain the general fund balance at *approximately* the legal maximum of 35.0 percent). For budgetary purposes, any balance greater than 5.0 percent of the total revenues of the General Fund may be used. The General Fund balance reserve is an important factor in the City’s ability to respond to emergencies and unavoidable revenue shortfalls, and we are confident in the strength of our fund balance.

**Budgeting for Outcomes** – The City employs a Budgeting for Outcomes (BFO) process that focuses on Council priorities and objectives to determine the annual budget. BFO provides a comprehensive review of the entire organization, identifying every program offered and associated cost, evaluating the relevance of every program based upon the community’s priorities and, ultimately, guiding the Governing Council. The City is confident that the BFO process provides the tools needed to build a budget that reflects the Community’s values and needs.

The BFO process is just part of the process the City employs in the development of the annual budget. The other distinctive part of the process is the utilization of cross-departmental teams to develop budget recommendations. The *Results Team* develops operating budget recommendations and the *Capital Improvement Plan Committee* creates the capital budget recommendation. These recommendations are presented to the City Manager. Next, the Finance Manager; Human Resources Manager; Budget Manager and the City Manager hold a Budget Summit to collectively provide a comprehensive budget review and discuss any outstanding issues. The result of this collaborative process and the participation of more than 50 members of the organization is included within the City Manager’s Recommended Budget.

## Major Initiatives

**Transportation** – In 2024, the Park City Transportation Planning department expanded to include transit service planning, transportation communications, transportation outreach, and transit grants. As Park City remains home to long-standing residents who take pride in the City’s historic, small-town character, new growth is occurring across the region and Park City has only become more popular as a year-round destination. New technologies, changing demographics, and evolving travel preferences also continue to disrupt how people get around. Park City’s transportation system embraces innovative technologies and mitigation measures to provide safe, year-round transportation options that promote a connected and inclusive mountain community. A few examples of this collaboration include:

*Long Range Transportation Planning* – The City has started the process of looking to the future on the SR248 corridor. This process, named ReCreate 248, is evaluating different transit solutions to accommodate travelers during peak periods and connect the Quinns Junction area with reliable transit options. This fall City Council unanimously adopted the Park City Bike and Pedestrian Plan. This plan sets the foundation for the next 10 years of walking and biking projects in Park City. The City also teamed with Summit County to review park and ride alternatives in Snyderville Basin and conduct a robust survey on what amenities the community most desires at these locations.

*New Transit Routes* – Two new transit routes were established in 2024. Building on the success of the Richardson Flat Park and Ride, Park City Transit is now providing year-round service from Richardson Flat to the Old Town Transit Center, as well as winter seasonal service to the ski resorts.

**Sustainability** – Park City became one of the first in a series of mountain communities to commit to 100 percent renewable electricity by 2030. This announcement came on the heels of a similar pledge from Salt Lake City showing that local communities can collaborate and take control of their energy future. Park City is also a founding partner of Mountain Towns 2030, a coalition of mountain towns committed to achieving ambitious carbon reduction goals by 2030. Park City hosted the first MT2030 Net Zero Summit in October 2019 and broke ground on an 80-megawatt renewable energy facility to support Park City Municipal, Park City Mountain, and Deer Valley Resort’s electricity needs. The facility came online in May of 2024.

**Affordable Housing** – The City Council is committed to making Park City a thriving mountain community through accessible housing opportunities, with the goal of adding 800 new housing units to the City’s affordable/attainable housing inventory by 2026. In 2023, the City broke ground on EngineHouse, the largest public-private partnership for affordable housing in Park City’s history. EngineHouse will deliver 99 deed-restricted affordable units and 24 market-rate units on City land. Construction is estimated to be completed in June 2025. Future projects and partnerships may include the Woodside Housing & Senior Center and Clark Ranch affordable housing. These two projects will provide nearly 200 new affordable units, a new Senior Center, and potentially up to 40 market-rate units to help cover development costs.

**Neighborhood First Streets Program** – In April of 2023, the City Council approved the Neighborhood First Streets Program (NFSP) to replace the existing Neighborhood Traffic Management Program and enhance the effectiveness of the City’s goals of protecting neighborhoods. The NFSP is a dynamic resident-involved program managed by a committee that includes residents and City departments (Engineering, Public Works, Transportation Planning, Building, Police, and Community Engagement). The goals of the NFSP include enhancing livability and safety by calming traffic speeds, improving connectivity to the City’s transportation system, involving residents and businesses in addressing local traffic issues, using clear evidence and documented processes to evaluate and implement traffic calming solutions, incorporating public safety and emergency response interests, and balancing the transportation needs of the various land uses in and around Park City neighborhoods.

**Park City General Plan** – The General Plan is the community-driven blueprint that builds upon prior planning documents and visioning to guide future development, growth, and land use policy. Updating the General Plan presents a once-in-a-decade opportunity for community members to confirm our direction and shape our future. Periodic updates confirm the vision for the future and prioritize goals and objectives for policymakers and staff to implement actions addressing community needs. The updates to the General Plan address state requirements like land use, transportation and traffic circulation, and moderate-income housing, and identify community needs and priorities to confirm what we want to preserve and protect, and to lay out how we will evolve, grow, and develop in the coming decade and beyond.

**Main Street Area Plan** – Park City’s Historic District, including Main Street, is considered the cultural and economic heart of Park City, known for its rich architectural heritage and unique character. This area draws both locals and visitors, fostering a sense of community while also serving as a vibrant commercial center. Protecting the historical integrity of the district, while adapting to evolving economic and visitor needs, is a key focus of the Main Street Area Plan Advisory Committee discussions. Formed in the spring of 2024, the Main Street Advisory Committee consists of local business leaders and resident stakeholders focused on exploring investment concepts that develop infrastructure for better access, stabilize workforce and business success, and enhance economic vibrancy while preserving Main Street’s historic character. Examples of the concepts being brought to the Council at the end of 2024 may include: a proposed redesign of Main Street’s streetscape as car-lite, enhancement of Swede Alley with underground parking, reimagined design, and additional services (i.e. grocery, hotel, daycare, etc.), new designs for Miner’s and 9th Street Parks, possible aerial transit solutions, historic preservation opportunities, and more. The Plan also points to the need for park and rides near Highway 40 and SR248, with high-speed transit for improved future access to these improvements.

## Update on Major Projects

**City Park Center** – The proposed Park City Community Center is a new single-story building at City Park that will replace the existing recreation building, built in the early 1980s. The new and expanded building and programming capabilities to include multipurpose spaces, classrooms, and recreational spaces, as well as new City Park restrooms and maintenance support functions. Importantly, the new building will provide more support to the City’s Summer Day Camp and expand the capacity from 90 to 150 children. The overall site redesign also includes a long-desired replacement of the 2 volleyball courts and basketball court, new parking spaces (including EV charging stalls), a new building entry plaza, outdoor patio, local trails connection, fenced-in and new playground area, and a trash / recycling enclosure to assist our public works and building maintenance teams. The project is zero-emissions and will be an all-electric building.

**PC MARC Aquatics Projects** – The City is working to replace its current outdoor aquatics facilities that outlived their projected life expectancy and have recently had significant repair costs due to failing mechanical systems and infrastructure. New aquatics facilities will have lower maintenance costs and increase operational efficiency. The current lap pool was built in 1991 and the leisure pool in 2003. The proposed lap pool will be an 8-lane / 25-yard facility ranging from 4 to 6 feet in depth. It will remain in its current location but shift to the northeast to better utilize the site and will increase in surface area by 42.0 percent going from 3,150 square feet to 4,465 square feet. The leisure pool will be relocated to the same area as the lap pool and will be 87.0 percent larger than the current facility going from a surface area of 2,400 square feet to 4,494 square feet. The new pool will have a zero-depth entry, climbing wall, play structure, and slide ranging from 0 to 9 feet in depth.

**Bonanza 5-Acre Site Redevelopment** – Park City purchased a 5.25-acre property in 2016 to bring a centrally located property into public ownership. The envisioned redeveloping will include a local community gathering area and public-private partnerships. Funds for the purchase, development, and maintenance will be generated, in part, by overnight visitors via the 1.0 percent municipal transient room tax, and there are currently no plans for any additional taxes to be assessed on Park City residents. While future development plans for the district are being considered, the City uses the space for temporary uses such as overflow parking and construction material staging for a nearby project.

**Bus Stop Improvements** – The City designed and constructed 18 bus stops including 8 bus shelters. The new designs feature real time information and ski racks. Over the next two years, the City will work to identify, design, and construct 50 more bus stops. The majority of the project was supported with grant funding from Utah Department of Transportation.

**Water Projects** – Water quality and delivery continue to be a top priority for Park City, with future water needs identified and the cost of improvements fairly distributed between existing users and new development. Capital spending in the Water Fund is reflective of the City’s commitment to secure Park City’s water needs and conservation through improvements to the City’s water infrastructure. The Water Fund Financial Model is reviewed and updated annually to assess the long-range operating and capital needs of the system and to determine future water rate increases and bonding needs. Additionally, the City continues to improve the culinary water system with funds from the five-year Capital Improvement Plan, an account with an approximate value of \$41 million.

In 2019, to comply with State regulations that allows the City to discharge water draining from the Judge and Spiro mine tunnels into Mcleod and Silver Creeks, the City began construction of the Three Kings Water Treatment Plant to replace the existing Spiro plant, which was built in the 1990’s. The new plant will increase overall water supply resiliency, peak day capacity, water quality, and reliability well into the future. The City issued Water Revenue and Refunding Bonds for \$75.5 million in June 2020 and \$66.1 million in October 2021. The bonds, in large part, funded the construction of the water treatment plant, and the facility was officially opened in August of 2024.

## Awards and Acknowledgements

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Park City Municipal Corporation for its annual comprehensive financial report for the fiscal year ended June 30, 2023. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Park City Municipal Corporation also received the Distinguished Budget Presentation Award from the GFOA for the City's adopted budget for the period beginning July 1, 2023. In order to qualify for the award, the City's budget document was judged proficient in several categories, including policy documentation, financial planning, and organization.

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the Finance Department. We would like to express our appreciation to HBME, LLC, certified public accountants, for their professional service and assistance. We would also like to thank the Mayor and City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and transparent manner.

Respectfully submitted,

  
\_\_\_\_\_  
Matt Dias, City Manager

  
\_\_\_\_\_  
Mindy Finlinson, Finance Manager



**PARK CITY MUNICIPAL CORPORATION, UTAH**

Park City Municipal Building  
445 Marsac Avenue  
Park City, Utah 84060

**MAYOR AND CITY COUNCIL AS OF JUNE 30, 2024**



**Name (left to right):**

**Term Expires**

**Councilors:**

Bill Ciraco	January 2028
Ryan Dickey	January 2028
Ed Parigian	January 2028
Jeremy Rubell	January 2026
Tana Toly	January 2026

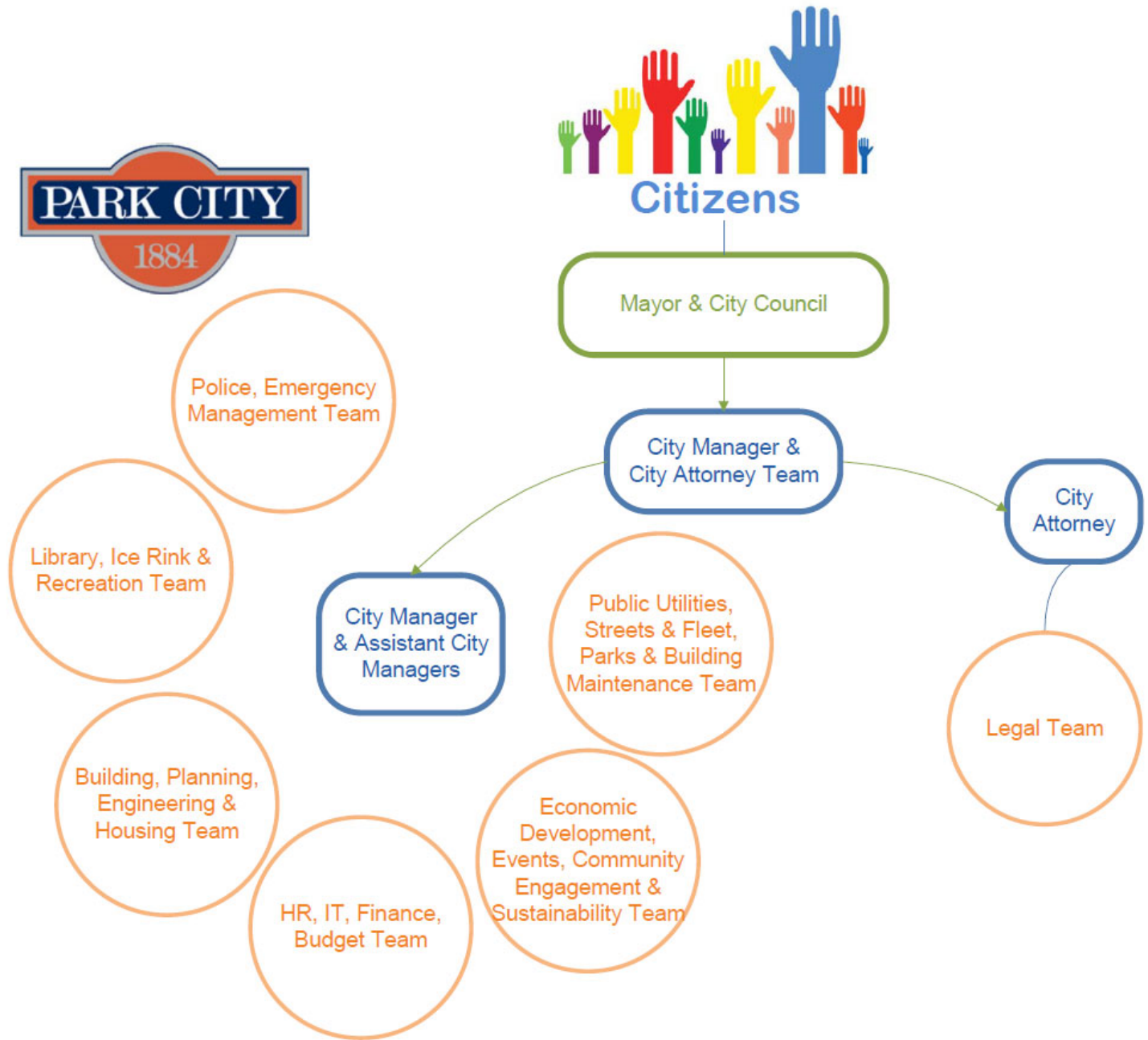
**Mayor:**

Nann Worel	January 2026
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**Appointed Officials:**

Matt Dias, City Manager  
Margaret Plane, City Attorney  
Wade Carpenter, Police Chief  
John Robertson, City Engineer  
Nike Noack, City Treasurer  
Michelle Kellogg, City Recorder

# PARK CITY MUNICIPAL CORPORATION, UTAH



The above organizational structure also accurately depicts the Park City Redevelopment Agency, the Park City Municipal Building Authority, the Park City Housing Authority and the Park City Water Service District structure.



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Park City Municipal Corporation  
Utah**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2023

*Christopher P. Morill*

Executive Director/CEO

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# FINANCIAL SECTION



COMMITTED. EXPERIENCED. TRUSTED.

PARTNERS

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

**INDEPENDENT AUDITOR’S REPORT**

Honorable Mayor and Members of the City Council  
Park City Municipal Corporation, Utah

***Report on the Financial Statements***

***Opinions***

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Park City Municipal Corporation, Utah, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

The City’s management is responsible for the preparation and fair presentation of these 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 Responsibility for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

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

### ***Supplementary Information***

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

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

### ***Other Information Included in the Annual Report***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the financial statements and our auditor's report thereon. Our opinions on the 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 financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the 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 December 11, 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 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.

***ABMC, LLC***

December 11, 2024



**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**June 30, 2024**

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**INTRODUCTION**

The following narrative is presented to facilitate a better understanding of the City’s financial position and results of operations for the year ended June 30, 2024. When read in conjunction with the letter of transmittal and the notes to the basic financial statements, the financial highlights, overview and analysis should assist the reader to gain a more complete knowledge of the City’s financial performance.

**FINANCIAL HIGHLIGHTS**

- The City’s government-wide net position (the amount by which assets and deferred outflows exceed liabilities and deferred inflows) as of June 30, 2024, was \$562,163,893. Of this amount, \$217,048,176 (unrestricted net position) is available to meet ongoing financial obligations.
- The City’s government-wide net position increased by \$37,908,303. Of this amount, governmental activities increased by \$29,984,306, and business-type activities increased by \$7,923,997, an increase of 11.4 percent, and a decline of 36.7 percent, respectively, when compared to last fiscal year.
- The City’s governmental funds reported a combined ending fund balance of \$160,250,698, an increase of \$7.9 million (5.2 percent) compared to the beginning of this year’s fund balance amount. Total governmental funds revenue increased by \$5.4 million (6.3 percent) compared to prior year, and total governmental expenditures increased \$11.6 million (15.4 percent). Interest income was the most significant contributor to the current year increase in revenues. An increase in salaries and benefits and large capital outlays were the most significant contributors to the current year increase in expenditures.
- The General Fund is the primary operating fund of the City. The unassigned fund balance (amount available for spending) of the General Fund at June 30, 2024, totaled \$15,556,589 and is 32.3 percent of the General Fund total revenues for the year and 9.7 percent of total governmental fund balance.
- The City’s enterprise funds reported a combined ending net position of \$170,554,356, an increase of \$7.4 million (4.6 percent) compared to the beginning of this year’s fund balance amount. The City’s enterprise funds operating revenue increased \$2.7 million (8.9 percent increase) compared to the prior year, total enterprise funds operating expenses increased \$0.7 million (1.5 percent). The largest increase in revenues is related to water service fees primarily due to rate increases.
- The City’s total bond debt had a net decrease of \$16,865,000 during fiscal year 2024. This represents a 6.7 percent decrease over the prior fiscal year and is attributable to normal reduction in principal balances from required debt service payments.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The financial section of this report includes four parts: 1) the independent auditors’ report on financial statements and supplementary information; 2) this segment, management’s discussion and analysis; 3) the basic financial statements; and 4) supplementary information. Within the basic financial statements are two distinct types of financial statements, 1) the government-wide financial statements, and 2) the fund financial statements. The notes to the basic financial statements are also an integral part of the basic financial statements. The City’s basic financial statements are presented in accordance with Governmental Accounting Standards Board Statement No. 34 (GASB 34), *Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments*, as amended.

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED), Continued**  
**June 30, 2024**

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**Government-wide Financial Statements:** The government-wide financial statements provide a view of City finances as a whole, similar to a private-sector business. These statements include the Statement of Net Position and the Statement of Activities.

The *Statement of Net Position* includes all of the City’s assets, liabilities, and deferred inflows and outflows of resources, with the difference reported as net position. Net position (and the related change in net position from year to year) is one of the most important financial measurements to enable understanding of the financial position of the City, and whether financial position improves or deteriorates each year. To assess the overall health of the City, additional non-financial factors such as changes in the property tax base, the condition of the City’s infrastructure, etc. should be considered.

The *Statement of Activities* shows how the City’s net position changed as a result of its operations during the most recent fiscal year. To understand the basis of how these numbers are determined, it is important to note that changes in net position are reported whenever an event occurs that requires a revenue or expense to be recognized, regardless of when the related cash is received or disbursed (the accrual basis of accounting). For example, most revenues are reported when the revenues are legally due, even though they may not be collected for some time after that date; and an obligation to pay a supplier is reported as an expense when the goods or services are received, even though the bill may not be paid until sometime later.

There are two distinct types of activities reflected in the government-wide statements: 1) governmental activities; and 2) business-type activities. Governmental activities are those supported primarily by taxes and intergovernmental revenues, while business-type activities are those in which all costs (or at least a significant portion of costs) are intended to be recovered through user fees and charges. The governmental activities for the City include General Government (Council and Mayor, City Manager, City Attorney, Human Resources, Budget Debt and Grants, Finance, Technical Services, Economy, Community Engagement, Environmental, Special Events, Planning, Engineering, Building, and Non-departmental); Public Safety (Police and Communications Center); Public Works (Streets, Snow Removal, Parks, Building Maintenance); Library and Recreation (PC MARC and Ice). The business-type activities include Water, Stormwater, Golf Course, and Transportation and Parking. The Park City Municipal Building Authority, the Park City Redevelopment Agency, the Park City Housing Authority and the Park City Water Service District are chartered under Utah law as separate governmental entities. However, the government-wide financial statements include the financial statements of these entities, since the City Council is the appointed board for all four agencies, and these entities are financially accountable to the City.

**Fund Financial Statements:** The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based on the purposes for which the funds are to be spent as well as by how the activities are to be controlled. The three broad categories of funds are: governmental funds, proprietary funds and fiduciary funds.

**Governmental Funds** – At the fund level, the focus is on changes in short-term spendable resources and the balance available to spend, rather than the long-term focus used for determining government-wide numbers. Because the focus is so different between fund statements and government-wide statements, reconciliation between the two types of statements is necessary to understand how the numbers differ. The City has four governmental type funds. These are the general fund, special revenue funds, the debt service funds and the capital projects funds. Four of these are considered major funds: General Fund, Capital Projects Improvement Fund, Sales Tax Revenue and Refunding Bonds Debt Service Fund, and Park City General Obligation Bonds Debt Service

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED), Continued**  
**June 30, 2024**

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Fund. A summary of other funds (nonmajor funds) is combined into one “Nonmajor Governmental Funds” column. The composition of the nonmajor funds is shown in the combining statements later in the report in the supplementary information section.

- The **General Fund** is used to account for all financial resources of the City that are not accounted for by a separate specialized fund. More specifically, the general fund is used to account for ordinary operations such as collection of tax revenues and general government expenditures. The City adopts an annual appropriated budget for the general fund. A budgetary comparison statement is provided for the general fund to demonstrate budgetary compliance.
- **Capital Projects Funds** are used to account for financial resources to be used for the acquisition or construction of major capital improvements. These funds do not account for capital improvements financed by the proprietary funds.
- **Debt Service Funds** are used to account for the accumulation of resources for the payment of general obligation bonds, special assessment bonds and sales tax revenue and refunding bonds. Therefore, this fund is set up to accumulate the resources used to pay both the interest and principal on bond debt.
- **Special Revenue Funds** are used to account for specific revenue sources that are restricted to expenditures for specific purposes.

**Proprietary Funds** – These funds provide the same type of information as the government-wide financial statements, only in more detail. The City uses both enterprise funds and internal service funds.

- **Enterprise Funds** are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The City currently operates enterprise funds for the City-owned water system, storm water system, golf course, and public transportation system (bus and trolley system) and paid parking system.
- **Internal Service Funds** are used to account for the central financing of goods or services provided to various departments of the City or other governments on a cost-reimbursement basis. The City currently has two internal service funds. The Fleet Services Fund provides vehicle storage, repair and maintenance. The Self-Insurance Fund was established to allow the City to supplement its regular insurance coverage. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

**Fiduciary Funds** – These funds are used for assets the City receives wherein the City has temporary custody. Custodial funds are used to account for assets held by the City as an agent for individuals, private organizations, other governments and/or other funds and do not involve measurement of results of operations (assets equal liabilities).

**Notes to the basic Financial Statements** contain additional information important to a complete understanding of the information contained in the government-wide and fund financial statements.

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED), Continued**  
**June 30, 2024**

**Other Information:** In addition to the basic financial statements and accompanying notes, this report also presents supplementary information. Immediately following the required supplementary information, the supplementary information includes balance sheets and income statements for nonmajor governmental funds, internal service funds, as well as other budgetary information.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The following analysis examines the factors that affect the *net position* (Table 1) and the *changes in net position* (Table 2) of both the governmental and the business-type activities. As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. At June 30, 2024, the City’s assets and deferred outflows exceeded liabilities and deferred inflows by \$562,163,893, an increase of \$37.9 million from the prior fiscal year.

**Table 1 - Net Position**

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 205,347,844	\$ 197,600,710	\$ 74,213,276	\$ 86,815,806	\$ 279,561,120	\$ 284,416,516
Capital assets (net)	343,875,200	335,937,962	258,958,983	249,281,856	602,834,183	585,219,818
Total assets	549,223,044	533,538,672	333,172,259	336,097,662	882,395,303	869,636,334
Deferred outflows of resources	6,182,180	4,546,277	3,258,333	2,118,032	9,440,513	6,664,309
Total assets and deferred outflows of resources	555,405,224	538,084,949	336,430,592	338,215,694	891,835,816	876,300,643
Current and other liabilities	22,341,839	22,958,553	19,310,010	23,443,828	41,651,849	46,402,381
Long-term liabilities	106,770,789	118,711,704	145,965,267	151,432,931	252,736,056	270,144,635
Total liabilities	129,112,628	141,670,257	165,275,277	174,876,759	294,387,905	316,547,016
Deferred inflows of resources	35,138,737	35,245,139	145,281	252,898	35,284,018	49,717,560
Total liability and deferred inflows of resources	164,251,365	176,915,396	165,420,558	175,129,657	329,671,923	366,264,576
<b>NET POSITION</b>						
Net investment in capital assets	240,616,245	246,886,924	104,440,532	92,621,212	345,056,777	339,508,136
Restricted	58,940	58,940	-	1,096,717	58,940	1,155,657
Unrestricted	150,478,674	114,223,689	66,569,502	69,368,108	217,048,176	183,591,797
Total net position	\$ 391,153,859	\$ 361,169,553	\$ 171,010,034	\$ 163,086,037	\$ 562,163,893	\$ 524,255,590

By far the largest portion of the City’s net position (61.4 percent) reflects its investment in capital assets (e.g., infrastructure, land, buildings, machinery, and equipment); less any related outstanding debt issued to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City’s investment in its 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 of \$58,940 at June 30, 2024 represents resources that are subject to external restrictions on how they may be used.

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED), Continued**  
**June 30, 2024**

The other sub-classification of net position is unrestricted. The unrestricted balance of \$217,048,176 at June 30, 2024 denotes that this amount may be used to meet general, on-going financial obligations without constraints established by debt covenants or other legal requirements. Unrestricted net position increased \$33.4 million from last fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

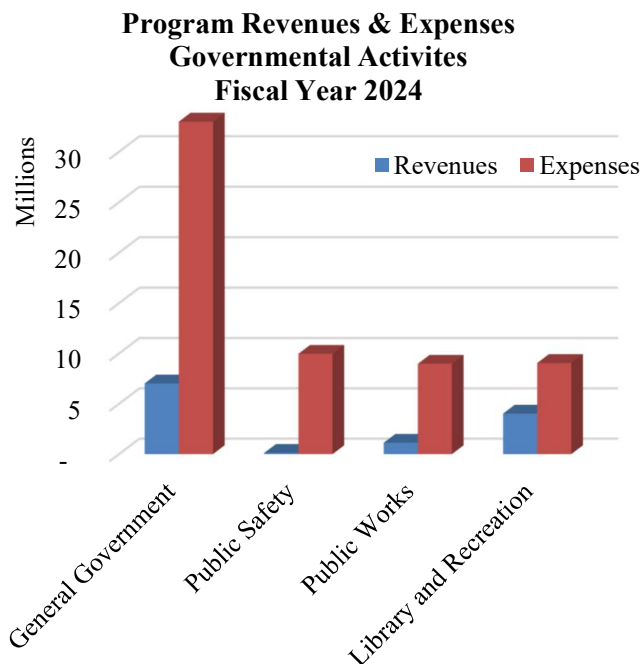
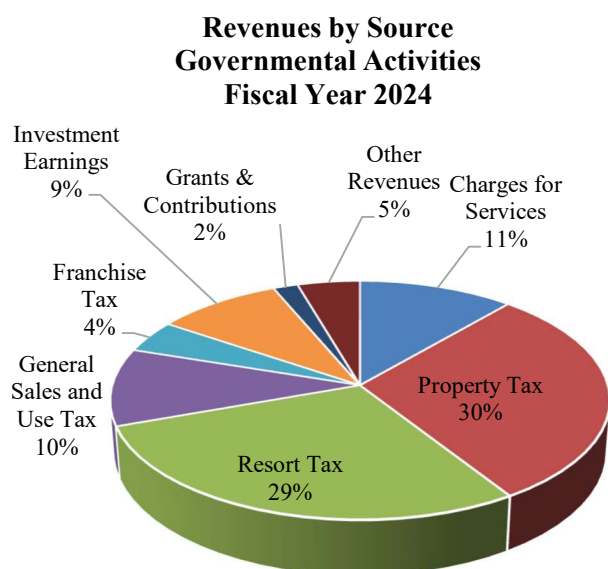
At the end of fiscal year 2024, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

**Table 2 - Changes in Net Position**

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
<b>REVENUES</b>						
Program revenues:						
Charges for services	\$ 10,618,763	\$ 10,626,013	\$ 32,485,169	\$ 29,803,467	\$ 43,103,932	\$ 40,429,480
Operating grants and contributions	119,835	648,943	5,359,920	9,620,080	5,479,755	10,269,023
Capital grants and contributions	1,566,828	555,424	6,212,334	10,397,791	7,779,162	10,953,215
General revenues:						
Property tax, levied for general purposes	18,199,884	16,783,697	-	-	18,199,884	16,783,697
Property tax, levied for debt service	9,478,438	9,509,688	-	-	9,478,438	9,509,688
General sales and use tax	9,818,123	9,598,138	11,637,308	11,419,196	21,455,431	21,017,334
Franchise tax	4,096,926	4,368,710	-	-	4,096,926	4,368,710
Resort tax	26,798,263	26,043,857	4,605,518	4,468,541	31,403,781	30,512,398
Investment earnings	8,634,826	5,381,810	3,277,179	2,705,144	11,912,005	8,086,954
Miscellaneous	3,993,541	4,638,111	322,791	137,151	4,316,332	4,775,262
Gain on sale of capital assets	272,593	93,513	110,519	4,895	383,112	98,408
Total revenues	<u>93,598,020</u>	<u>88,247,904</u>	<u>64,010,738</u>	<u>68,556,265</u>	<u>157,608,758</u>	<u>156,804,169</u>
<b>EXPENSES</b>						
Governmental activities:						
General government	32,979,763	31,996,433	-	-	32,979,763	31,996,433
Public safety	9,970,439	9,325,631	-	-	9,970,439	9,325,631
Public works	8,979,789	8,838,131	-	-	8,979,789	8,838,131
Library and recreation	9,052,407	8,213,984	-	-	9,052,407	8,213,984
Interest on long-term debt	3,683,126	3,661,987	-	-	3,683,126	3,661,987
Business-type activities:						
Water Fund	-	-	23,161,952	23,626,444	23,161,952	23,626,444
Stormwater Fund	-	-	1,428,065	1,048,489	1,428,065	1,048,489
Golf Course Fund	-	-	2,009,620	1,764,238	2,009,620	1,764,238
Transportation and Parking Fund	-	-	28,435,294	28,877,355	28,435,294	28,877,355
Total expenses	<u>64,665,524</u>	<u>62,036,166</u>	<u>55,034,931</u>	<u>55,316,526</u>	<u>119,700,455</u>	<u>117,352,692</u>
Change in net position before transfers	28,932,496	26,211,738	8,975,807	13,239,739	37,908,303	39,451,477
Transfers	1,051,810	715,000	(1,051,810)	(715,000)	-	-
Change in net position	<u>29,984,306</u>	<u>26,926,738</u>	<u>7,923,997</u>	<u>12,524,739</u>	<u>37,908,303</u>	<u>39,451,477</u>
Total net position - beginning	<u>361,169,553</u>	<u>334,242,815</u>	<u>163,086,037</u>	<u>150,561,298</u>	<u>524,255,590</u>	<u>484,804,113</u>
Total net position - ending	<u>\$ 391,153,859</u>	<u>\$ 361,169,553</u>	<u>\$ 171,010,034</u>	<u>\$ 163,086,037</u>	<u>\$ 562,163,893</u>	<u>\$ 524,255,590</u>

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED), Continued**  
**June 30, 2024**

**Governmental Activities:** As shown in *Table 2 – Changes in Net Position* governmental activities increased the City’s net position by \$29.9 million. Key elements of this increase were as follows:



**Revenue Highlights:**

For the year ended June 30, 2024, governmental revenues were \$93,598,020, an increase of \$5.3 million from the prior fiscal year.

- Taxes comprise the largest source of revenue for the City’s governmental activities: \$68,391,634 or 73.1 percent in fiscal year 2024 of total governmental activities revenues, an increase of \$2.1 million from the prior fiscal year. This increase is primarily related to an increase in resort tax revenues and property taxes. Park City continues to see a dramatic increase in tourism due to people looking for outdoor recreation opportunities ever since the pandemic. Of total taxes revenues, real property taxes are \$27,678,322 or 40.5 percent of total tax revenue in fiscal year 2024.
- Charges for services were \$10,618,763 and represented 11.3 percent of total governmental activities revenues in fiscal year 2024. Charges for services remained nearly flat compared to the previous fiscal year.
- Total governmental operating and capital grant and contribution revenues were \$1,686,663, representing 1.8 percent of total governmental activities revenue in fiscal year 2024, and a net increase of \$0.5 million from the prior fiscal year. The net increase was primarily related to large Recreation, Art and Parks and Restaurant Tax grants received in the amount of \$0.9 million in fiscal year 2024.
- Interest revenues were \$8,634,838, representing 9.2 percent of total governmental activities revenue in fiscal year 2024, and a net increase of \$3.2 million from the prior fiscal year.

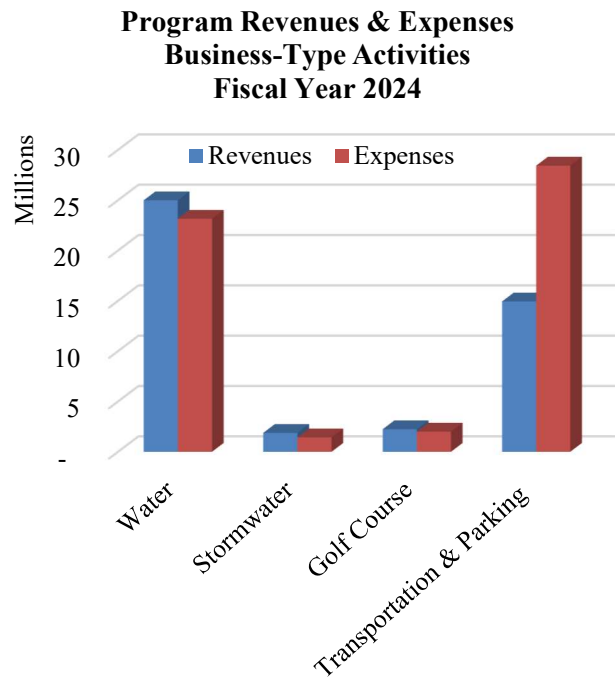
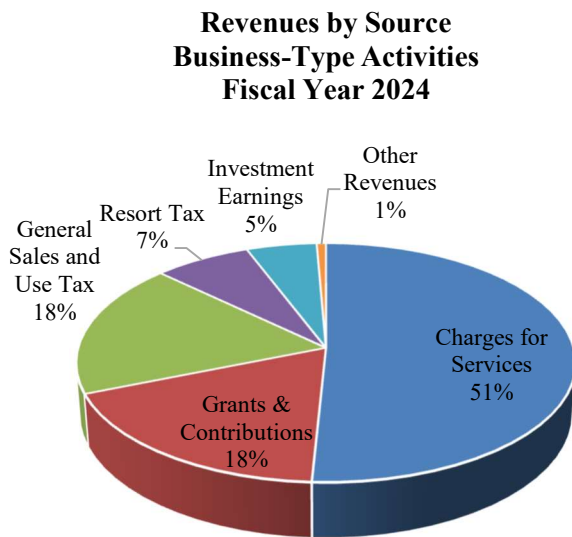
**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED), Continued**  
**June 30, 2024**

**Expense Highlights:**

For the year ended June 30, 2024, governmental expenditures were \$64,665,524 an increase of \$2.6 million from the prior fiscal year.

- In fiscal year 2024, the City provided a 5.5 percent cost of living adjustment to eligible employees. Total salaries and benefits for general government, public safety, public works, and library and recreation increased \$3.7 million from the prior fiscal year.
- Governmental funds report capital outlays as expenditures. However, in the *Statement of Activities*, the cost of these assets is allocated over the estimated useful lives and reported as depreciation expense. The amount that the capital outlays exceeded depreciation in fiscal year 2024 is \$7,957,871.

**Business-Type Activities:** As shown in *Table 2 – Changes in Net Position* business-type activities increased the City’s net position by \$7.9 million. Key elements of this increase were as follows:



**Revenue Highlights:**

For the year ended June 30, 2024, business-type revenues were \$64,010,738, a decrease of \$4.5 million from the prior fiscal year.

- Charges for services for business-type activities were \$32,485,169 representing 50.7 percent of total business-type revenue, an increase of \$2.6 million from the prior fiscal year. This increase is primarily related to an increase in water service fees in the Water Fund. For fiscal year 2024, the City adopted a 10% water rate increase to help mitigate inflation. Also, the Water Fund saw an increase in irrigation usage due to a dryer summer than the previous fiscal year.

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED), Continued**  
**June 30, 2024**

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- Operating and capital grants and contributions were \$11,572,254 representing 18.1 percent of total business-type revenue, a decrease of approximately \$8.4 million from the prior fiscal year. The decrease is primarily due to a decrease in intergovernmental funds received by the Transportation Fund. During fiscal year 2023, the Transportation Fund was awarded over \$18.0 million in grant funds. In fiscal year 2024, the Transportation Fund only received \$7.2 million in grant funds.
- Combined general sales and use tax and resort tax revenues were \$16,242,826, representing 25.4 percent of total business-type revenue, an increase of approximately \$0.3 million from the prior fiscal year.

***Expense Highlights:***

For the year ended June 30, 2024, business-type expenses were \$55,034,931, remaining relatively flat as compared to the prior fiscal year.

- In fiscal year 2024, the City provided a 5.5 percent cost of living adjustment to eligible employees. Total salaries and benefits for business-type activities increased \$4.0 million from the prior fiscal year.
- Supplies, maintenance and services expenses were \$17,636,556 representing 35.9 percent of total business-type operating expenses, a decrease of \$4.4 million from the prior fiscal year. The majority of the decrease is related to decreased expenses in the Transportation Fund. In the previous fiscal year, the Transportation Fund received a grant for \$8.6 million for capital expenditures that was not repeated in the current fiscal year.

**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

**Governmental Funds:** The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of resources available for appropriation. Such information is useful in assessing the City's financing requirements. GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental funds. GASB Statement No. 54 requires that the fund balances be classified into categories based upon the type of restrictions imposed on the use of funds. The City classified fund balances into the following five categories: nonspendable, restricted, committed, assigned and unassigned. In particular, unassigned fund balance is a useful measure of the City's net resources available for spending at the end of the fiscal year. More detailed information about GASB Statement No. 54 is presented in Note A, Section 4.

As of June 30, 2024, the aggregate fund balance of the City's governmental funds was \$160,250,698, an increase of \$7.9 million in comparison with the fiscal year ended June 30, 2023. As of June 30, 2024, \$15,556,589 or 9.7 percent of this amount is in unassigned fund balance. Unassigned fund balance category is available for appropriation by the City Council at their discretion.

Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to remain intact. Nonspendable fund balance is \$543,605 in fiscal year 2024, consistent with the prior year balance.

Restricted fund balance has externally enforceable limitations on use and is not available for new spending. Restricted fund balance is \$31,337,007 in fiscal year 2024, a decrease of \$2.3 million from the prior fiscal year. The decrease is related to restricted capital improvement funds which will be used to pay for several large dollar construction projects in future fiscal years.



**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED), Continued**  
**June 30, 2024**

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The remainder of the fund balance of \$112,813,497 is committed. Of the total committed fund balance, \$106,463,015 is committed to capital projects, \$1,752,258 is committed to debt service and \$4,598,224 is committed to economic development.

The **General Fund** is the principal operating fund of the City. Utah State code establishes a 5.0 percent minimum (\$2,408,967) and a 35.0 percent maximum (\$16,862,766) limit to the amount that may be accumulated as the fund balance in the General Fund. As of June 30, 2024 the unassigned fund balance of the General Fund was \$15,556,589 and was \$1,306,177 below the 35.0 percent limit. The unassigned fund balance decreased by \$379,429 in 2024.

As of June 30, 2024, the restricted fund balance in the **Capital Improvements Fund** was \$6,619,142 and the committed fund balance was \$98,479,233. The restricted balance is the amount of unspent general obligation bond proceeds, B&C road funds and impact fees that are restricted to certain projects. This amount will decrease as bond funds are spent each year. The committed balance is the amount of funds budgeted for capital projects. This amount will change based on current projects approved by City Council.

As of June 30, 2024, the restricted fund balance in the **Sales Tax Revenue and Refunding Bonds Debt Service Fund** was \$24,636,750 and the committed fund balance was \$100,785. The fund balances remained consistent with the prior fiscal year. The restricted balance is the amount held in trust by a third party to either make bond payments or hold in reserve until the City requisitions the funds for expenditures made on approved projects identified in the bond agreements. The committed balance is the amount of funds budgeted for capital projects. This amount will change based on current projects approved by City Council.

As of June 30, 2024, the restricted fund balance in the **Park City General Obligation Bonds Debt Service Fund** was \$22,175 and the committed fund balance was \$1,651,473. The fund balances remained consistent with the prior fiscal year. The restricted balance is the amount held in trust by a third party to make bond payments. The committed balance is the amount of funds budgeted for capital projects. This amount will change based on current projects approved by City Council.

**Proprietary Funds:** The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net position of the City's enterprise funds totaled \$170,554,356 at June 30, 2024, as compared to \$163,099,385 at the end of fiscal year 2023. The increase in net position from the prior fiscal year was \$7.4 million as compared to an increase of \$13.0 million in fiscal year 2023. Net position at the end of fiscal year 2024 for each of these funds were:

Water Fund net investment in capital assets increased by \$3.2 million, and unrestricted net position decreased by \$0.2 million. The increase in net investment in capital assets was due to the acquisition of capital assets related to ongoing water treatment plant construction offset by the repayment of related debt and depreciation expense.

Stormwater Fund net investment in capital assets of \$7.9 million and unrestricted net position of \$3.8 million remained consistent with the prior fiscal year.

Golf Course Fund net investment in capital assets of \$2.0 million and unrestricted net position of \$2.5 million remained consistent with the prior fiscal year.

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED), Continued**  
**June 30, 2024**

Transportation and Parking Fund net investment in capital assets increased by \$8.5 million, and unrestricted net position decreased by \$4.2 million. The increase in net investment in capital assets was primarily due to \$1.3 million in purchases of buses and engine replacements and \$4.3 million in various construction in progress discussed in more detail in the Capital Assets and Debt Administration section.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Park City budgets for full-time regular positions at the maximum wage each position could earn for a full 40 hours per week for 52 weeks. However, due to vacant positions and some employees being paid below the maximum allowed for a position, at any given time during the year, the City spends approximately 7.0 percent less than is budgeted for personnel. This is referred to as the vacancy factor. The majority of the adjustments in the budget this fiscal year were due to the vacancy factor.

Key differences between the original budget and the final amended budget for expenditures of \$602,102 (net increase) can be briefly summarized as follows:

- \$0.5 million of the increase in appropriations was to adjust contract services. A large portion of this was to increase the budget for dispatch services that the City contracts out to the County.
- \$0.1 million of the increase in appropriations was to adjust miscellaneous office equipment.

Total actual expenditures of \$50,594,284 were \$3.4 million less than the budgeted expenditures of \$54,028,332.

Total actual revenues of \$48,179,332 were \$2.5 million more than the budgeted revenues of \$45,626,730.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets:** The City’s investment in capital assets for its governmental and business-type activities totaled \$602,834,183 (net of \$278,898,929 accumulated depreciation) at June 30, 2024, as compared to \$585,219,818 (net of \$266,482,106 accumulated depreciation) at June 30, 2023. This investment in capital assets includes land and water rights, buildings, improvements other than buildings, vehicles and equipment, art, intangibles, infrastructure, right to use assets, and construction in progress.

**Park City Municipal Corporation Capital Assets (net of depreciation/amortization)**

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land and water rights	\$246,450,614	\$243,725,614	\$ 21,612,188	\$ 22,337,188	\$268,062,802	\$266,062,802
Construction in progress	9,525,846	8,743,785	118,156,795	114,922,556	127,682,641	123,666,341
Art	828,717	828,717	117,850	117,850	946,567	946,567
Right to use asset / SBITA	391,481	391,481	3,380,984	3,380,984	3,772,465	3,772,465
Buildings	50,811,405	50,286,235	39,926,880	40,183,170	90,738,285	90,469,405
Improvements other than buildings	55,832,385	49,854,869	137,393,830	124,083,890	193,226,215	173,938,759
Vehicles and equipment	23,058,838	20,152,234	46,812,319	45,648,383	69,871,157	65,800,617
Infrastructure	117,835,456	117,835,456	-	-	117,835,456	117,835,456
Intangibles	9,511,069	9,123,057	86,455	86,455	9,597,524	9,209,512
Accumulated depreciation	(170,370,611)	(165,003,486)	(108,528,318)	(101,478,620)	(278,898,929)	(266,482,106)
Total assets	\$343,875,200	\$335,937,962	\$258,958,983	\$249,281,856	\$602,834,183	\$585,219,818

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED), Continued**  
**June 30, 2024**

Major capital asset additions during the year ended June 30, 2024 included:

**Governmental Activities:**

- \$3.9 million for the Rossie Hill Drive Reconstruction projects
- \$2.8 million for Fleet replacement vehicles and equipment
- \$2.0 million for the purchase of the Red Maple property
- \$1.1 million for the Munchkin and Homestake road improvements
- \$1.1 million for 9<sup>th</sup> and 10<sup>th</sup> Street Stairs replacement projects
- \$0.9 million for the Homestake affordable housing project (EngineHouse)

**Business-type Activities:**

- \$9.4 million for 3 Kings Water Treatment Plant
- \$3.1 million for the Marsac and American Saddler Reconstruction projects
- \$11.3 million for various distribution and waterline replacement projects
- \$2.7 million for bus shelter improvements
- \$1.4 million for electric bus charger replacement projects
- \$1.3 million for new buses and bus engine replacements

Additional information on the City’s capital assets can be found in Note G-Capital Assets of this report.

**Long-term Debt:** At June 30, 2024, the City had \$262,666,069 in long-term debt, a decrease of 6.7 percent from fiscal year 2023. Of this amount, \$60,945,501 is considered to be general obligation debt and backed by the full faith and credit of the City. Debt that is secured solely by specific revenue sources is \$199,069,038. Additionally, the City has a contract payable and a contract payable - subscription-based IT arrangement for \$2,651,530.

	<b>Park City Municipal Corporation Outstanding Debt</b>					
	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	2024	2023	2024	2023	2024	2023
General obligation bonds	\$ 60,945,501	\$ 68,581,170	\$ -	\$ -	\$ 60,945,501	\$ 68,581,170
Revenue bonds	52,200,464	57,664,246	146,868,574	152,717,460	199,069,038	210,381,706
Contract payable/SBITA	51,625	222,271	2,599,905	2,749,182	2,651,530	2,971,453
Total debt	<u>\$ 113,197,590</u>	<u>\$ 126,467,687</u>	<u>\$ 149,468,479</u>	<u>\$ 155,466,642</u>	<u>\$ 262,666,069</u>	<u>\$ 281,934,329</u>

The City’s general obligation bonds, including the recent 2021 Series Bond, were assigned a rating by Moody’s of Aaa, and confirmed at AA+ by Standard and Poor’s and AA+ by Fitch. Standard and Poor’s has assigned a rating of AA- to the most recent Series 2015, 2017 and 2019 Sales Tax Revenue Bonds. The City’s 2013, 2014, 2020 and 2021 Water Revenue Bonds are rated Aa2 by Moody’s and AA by Standard and Poor’s.

The State of Utah mandates a general obligation debt limit of 4.0 percent of total assessed value of \$21,606,819,080. The current limitation for the City is \$864,272,763 which is significantly in excess of the City’s outstanding general obligation debt. The City’s net debt subject to this limitation was \$60,945,501 or 0.3 percent of total assessed value, leaving the amount available for future indebtedness at \$803,327,262. See Statistical Schedule 17 of this report for additional details.

More detailed information about the City’s long-term liabilities is presented in Note H-Long-term Obligations of this report.

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED), Continued**  
**June 30, 2024**

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**ECONOMIC FACTORS AND NEXT YEAR’S BUDGET RATES**

- As of June 2024, the unemployment rate for Summit County (of which Park City is the largest city) was 2.8 percent consistent with the State unemployment rate, and a national rate of 4.1 percent. This compares with a rate of 2.4 percent for Summit County in June 2023. (Sources: Utah Dept. of Workforce Services and Bureau of Labor Statistics)
- The fiscal year 2025 City budget does not include a property tax increase. The City Council recently adopted the certified tax rate for the General Fund. In accordance with Utah Statutes, the certified tax rate is intended to generate the same amount of property tax revenue as was received the prior fiscal year plus revenue for “new growth” occurring in the City. All other revenue sources have been estimated on a conservative basis using a multi-year trend analysis and assuming significant changes in the local economy. The City’s approach to budgeting includes preparation of a five-year capital plan. The long-term nature of the City’s financial planning system allows decision makers to better understand the true effect of policy decisions. One of the most powerful aspects of the multi-year financial planning is its capability to recognize trends over time and begin at an early point to consider the necessary steps to alter the long-term forecasted position of the City.
- The rates and fees for most services remained comparable for fiscal year 2024 compared with the prior fiscal year. The most significant changes in rates were in the Water and Stormwater Funds. In the Water Fund, the water base and irrigation base rates were increased 10.0 percent. The energy surcharge also increased 10.0 percent. In the Stormwater Fund, the Equivalent Surface Unit (ESU) charge increased 3.0 percent. The City anticipates rate increases each year over the next several years in order to provide adequate working capital necessary to maintain the water and storm water systems.

**REQUESTS FOR INFORMATION**

This financial report is designed to give its readers a general overview of the City’s finances. Questions regarding any information contained in this report or requests for additional financial information should be addressed to Park City Municipal Corporation, Finance Department at P.O. Box 1480, Park City, Utah 84060-1480.

# **BASIC FINANCIAL STATEMENTS**

**Park City Municipal Corporation**  
**Statement of Net Position**  
**June 30, 2024**

	Primary Government		Total
	Governmental Activities	Business-type Activities	
<b>ASSETS</b>			
Current assets:			
Cash, cash equivalents and investments	\$ 132,348,265	\$ 51,674,186	\$ 184,022,451
Restricted cash and cash equivalents, fiscal agent	24,658,956	10,498,582	35,157,538
Restricted cash, cash equivalents and investments, other	6,619,142	-	6,619,142
Taxes receivable	29,848,151	1,833,917	31,682,068
Accounts receivable	516,131	7,691,431	8,207,562
Notes receivable	246,291	-	246,291
Inventories	751,311	1,140,716	1,892,027
Prepays	151,442	918,766	1,070,208
Lease receivable	68,613	-	68,613
Internal balances	(455,678)	455,678	-
Total current assets	<u>194,752,624</u>	<u>74,213,276</u>	<u>268,965,900</u>
Noncurrent assets:			
Lease receivable	10,595,220	-	10,595,220
Land and water rights	246,450,614	21,612,188	268,062,802
Construction in progress	9,525,846	118,156,795	127,682,641
Art	828,717	117,850	946,567
Right to use asset - subscription-based IT arrangement	164,751	-	164,751
Right to use asset	-	3,000,624	3,000,624
Buildings	28,034,575	28,053,982	56,088,557
Improvements other than buildings	25,129,536	69,352,833	94,482,369
Vehicles and equipment	9,006,870	18,659,249	27,666,119
Infrastructure	15,636,341	-	15,636,341
Intangibles	9,097,950	5,462	9,103,412
Total noncurrent assets	<u>354,470,420</u>	<u>258,958,983</u>	<u>613,429,403</u>
Total assets	<u>549,223,044</u>	<u>333,172,259</u>	<u>882,395,303</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows of resources related to pensions	6,182,180	3,258,333	9,440,513
Total assets and deferred outflows of resources	<u>555,405,224</u>	<u>336,430,592</u>	<u>891,835,816</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	2,436,933	2,060,225	4,497,158
Accrued liabilities	7,202,484	11,290,582	18,493,066
Contract payable / subscription-based IT arrangement	51,625	152,032	203,657
Compensated absences	1,335,797	602,171	1,937,968
General obligation bonds	6,175,000	-	6,175,000
Revenue bonds	5,140,000	5,205,000	10,345,000
Total current liabilities	<u>22,341,839</u>	<u>19,310,010</u>	<u>41,651,849</u>
Noncurrent liabilities:			
Contract payable	-	2,447,873	2,447,873
Compensated absences	161,399	101,730	263,129
General obligation bonds	54,770,501	-	54,770,501
Revenue bonds	47,060,464	141,663,574	188,724,038
Net pension liability	4,778,425	1,752,090	6,530,515
Total noncurrent liabilities	<u>106,770,789</u>	<u>145,965,267</u>	<u>252,736,056</u>
Total liabilities	<u>129,112,628</u>	<u>165,275,277</u>	<u>294,387,905</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property taxes	24,755,882	-	24,755,882
Deferred gain on refunding	5,062	118,494	123,556
Deferred inflows of resources related to pensions	86,928	26,787	113,715
Deferred inflows - leases	10,290,865	-	10,290,865
Total deferred inflows of resources	<u>35,138,737</u>	<u>145,281</u>	<u>35,284,018</u>
Total liabilities and deferred inflows of resources	<u>164,251,365</u>	<u>165,420,558</u>	<u>329,671,923</u>
<b>NET POSITION</b>			
Net investment in capital assets	240,616,245	104,440,532	345,056,777
Restricted for:			
Other	58,940	-	58,940
Unrestricted	150,478,674	66,569,502	217,048,176
Total net position	<u>\$ 391,153,859</u>	<u>\$ 171,010,034</u>	<u>\$ 562,163,893</u>

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

**Park City Municipal Corporation**  
**Statement of Activities**  
**For the 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	Primary Government		
					Governmental Activities	Business-type Activities	Total
<b>Primary government:</b>							
Governmental activities:							
General government	\$ 32,979,763	\$ 6,141,252	\$ -	\$ 883,228	\$ (25,955,283)	\$ -	\$ (25,955,283)
Public safety	9,970,439	5,729	103,683	11,489	(9,849,538)	-	(9,849,538)
Public works	8,979,789	557,387	-	576,539	(7,845,863)	-	(7,845,863)
Library and recreation	9,052,407	3,914,395	16,152	95,572	(5,026,288)	-	(5,026,288)
Interest on long-term debt	3,683,126	-	-	-	(3,683,126)	-	(3,683,126)
Total governmental activities	<u>64,665,524</u>	<u>10,618,763</u>	<u>119,835</u>	<u>1,566,828</u>	<u>(52,360,098)</u>	<u>-</u>	<u>(52,360,098)</u>
Business-type activities:							
Water Fund	23,161,952	23,977,559	-	1,009,338	-	1,824,945	1,824,945
Stormwater Fund	1,428,065	1,882,321	-	-	-	454,256	454,256
Golf Course Fund	2,009,620	2,248,565	-	-	-	238,945	238,945
Transportation and Parking Fund	28,435,294	4,376,724	5,359,920	5,202,996	-	(13,495,654)	(13,495,654)
Total business-type activities	<u>55,034,931</u>	<u>32,485,169</u>	<u>5,359,920</u>	<u>6,212,334</u>	<u>-</u>	<u>(10,977,508)</u>	<u>(10,977,508)</u>
Total primary government	<u>\$ 119,700,455</u>	<u>\$ 43,103,932</u>	<u>\$ 5,479,755</u>	<u>\$ 7,779,162</u>	<u>(52,360,098)</u>	<u>(10,977,508)</u>	<u>(63,337,606)</u>
General revenues:							
Property tax, levied for general purposes					18,199,884	-	18,199,884
Property tax, levied for debt service					9,478,438	-	9,478,438
General sales and use tax					9,818,123	11,637,308	21,455,431
Franchise tax					4,096,926	-	4,096,926
Resort tax					26,798,263	4,605,518	31,403,781
Investment earnings					8,634,838	3,277,179	11,912,017
Miscellaneous					3,993,529	322,791	4,316,320
Gain on sale of capital assets					272,593	110,519	383,112
Transfers					1,051,810	(1,051,810)	-
Total general revenues, special items, and transfers					<u>82,344,404</u>	<u>18,901,505</u>	<u>101,245,909</u>
Change in net position					29,984,306	7,923,997	37,908,303
Net position - beginning					361,169,553	163,086,037	524,255,590
Net position - ending					<u>\$ 391,153,859</u>	<u>\$ 171,010,034</u>	<u>\$ 562,163,893</u>

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

# GOVERNMENTAL FUNDS

## Major Funds

**General Fund** - Accounts for all activities not accounted for by other funds of the City. The General Fund accounts for the normal recurring activities of the City, (*i.e.*, public safety, public works, library, recreation, general government, *etc.*). The principal sources of revenue for this fund are property taxes, sales and use taxes and franchise taxes.

**Capital Projects - Capital Improvements Fund** - Accounts for the acquisition or construction of major capital projects not accounted for in the proprietary funds. The Capital Improvements Fund is used to account for capital projects of the City's general government.

**Debt Service - Sales Tax Revenue and Refunding Bonds Fund** - Accounts for the accumulation of money for the repayment of the 2014B, 2015, 2017 and 2019 Sales Tax Revenue and Refunding Bonds.

**Debt Service - Park City General Obligation Bonds Fund** - Accounts for the accumulation of money for the repayment of 2013A, 2017, 2019 and 2020 General Obligation Bonds. The principal source of revenue is property tax.



**Park City Municipal Corporation  
Balance Sheet  
Governmental Funds  
June 30, 2024**

	General Fund	Capital Improvements Fund	Sales Tax Revenue and Refunding Bonds Debt Service Fund	Park City General Obligation Bonds Debt Service Fund	Total Nonmajor Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash, cash equivalents and investments	\$ 15,027,677	\$ 97,878,102	\$ 100,784	\$ 1,651,473	\$ 13,378,258	\$ 128,036,294
Restricted cash, cash equivalents and investments, fiscal agent	-	30	24,636,751	22,175	-	24,658,956
Restricted cash, cash equivalents and investments, other	-	6,619,142	-	-	-	6,619,142
Taxes receivable	13,747,581	1,136,051	-	8,418,526	5,413,956	28,716,114
Accounts receivable	159,682	75,730	-	-	1,298	236,710
Notes receivable	-	246,291	-	-	-	246,291
Inventory	75,819	-	-	-	-	75,819
Prepays	94,818	-	-	-	56,624	151,442
Lease receivable	10,663,833	-	-	-	-	10,663,833
Total assets	<u>\$ 39,769,410</u>	<u>\$ 105,955,346</u>	<u>\$ 24,737,535</u>	<u>\$ 10,092,174</u>	<u>\$ 18,850,136</u>	<u>\$ 199,404,601</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 740,180	\$ 610,680	\$ -	\$ -	\$ 789,377	\$ 2,140,237
Accrued liabilities	1,638,188	-	-	-	82,440	1,720,628
Total liabilities	<u>2,378,368</u>	<u>610,680</u>	<u>-</u>	<u>-</u>	<u>871,817</u>	<u>3,860,865</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue - property tax	10,941,043	-	-	8,418,526	5,396,313	24,755,882
Unavailable revenue - notes	-	246,291	-	-	-	246,291
Unavailable revenue - leases	10,290,865	-	-	-	-	10,290,865
Total deferred inflows of resources	<u>21,231,908</u>	<u>246,291</u>	<u>-</u>	<u>8,418,526</u>	<u>5,396,313</u>	<u>35,293,038</u>
Total liabilities and deferred inflows of resources	<u>23,610,276</u>	<u>856,971</u>	<u>-</u>	<u>8,418,526</u>	<u>6,268,130</u>	<u>39,153,903</u>
<b>FUND BALANCES</b>						
Nonspendable						
Inventory	75,819	-	-	-	-	75,819
Prepays	94,818	-	-	-	-	94,818
Leases	372,968	-	-	-	-	372,968
Restricted						
Capital projects	-	6,619,142	23,574,969	-	-	30,194,111
Debt service	-	-	1,061,781	22,175	-	1,083,956
Drug and tobacco enforcement	58,940	-	-	-	-	58,940
Committed						
Capital projects funds	-	98,479,233	-	-	7,983,782	106,463,015
Debt service funds	-	-	100,785	1,651,473	-	1,752,258
Economic development	-	-	-	-	4,598,224	4,598,224
Unassigned	15,556,589	-	-	-	-	15,556,589
Total fund balances	<u>16,159,134</u>	<u>105,098,375</u>	<u>24,737,535</u>	<u>\$ 1,673,648</u>	<u>12,582,006</u>	<u>160,250,698</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 39,769,410</u>	<u>\$ 105,955,346</u>	<u>\$ 24,737,535</u>	<u>\$ 10,092,174</u>	<u>\$ 18,850,136</u>	<u>\$ 199,404,601</u>

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

**Park City Municipal Corporation**  
**Reconciliation of the Balance Sheet - Governmental Funds**  
**to the Statement of Net Position**  
**June 30, 2024**

Fund balances of governmental funds		\$ 160,250,698
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.		343,875,200
Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds:		
Taxes receivable	\$ 1,132,037	
Interest receivable	176,341	
Deferred outflows of resources related to pensions	5,949,513	7,257,891
Internal service funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The assets and liabilities of certain internal service funds are included in governmental activities in the statement of net position.		3,292,642
Certain items not accounted for as unavailable under accrual accounting.		246,291
Pollution remediation liability not reported in the funds.		(3,470,000)
Noncurrent liabilities, including bonds payable and net pension obligations, are not due and payable in the current period and, therefore, are not reported in the funds. Noncurrent liabilities at year-end consist of:		
Compensated absences	(1,405,719)	
Subscription-based IT arrangement contract payable	(51,625)	
Revenue bonds	(47,865,000)	
General obligation bonds	(54,105,000)	
Deferred bond premiums	(11,175,965)	
Accrued interest on the bonds	(956,848)	
Net pension liability	(4,648,351)	(120,208,508)
Deferred inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds:		
Deferred gain on debt refunding	(5,062)	
Deferred inflows of resources related to pensions	(85,293)	(90,355)
Net position of governmental activities		\$ 391,153,859

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

**Park City Municipal Corporation**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2024**

	General Fund	Capital Improvements Fund	Sales Tax Revenue and Refunding Bonds Debt Service Fund	Park City General Obligation Bonds Debt Service Fund	Total Nonmajor Funds	Total Governmental Funds
<b>REVENUES</b>						
Taxes and special assessments	\$ 36,434,974	\$ 17,194,424	\$ -	\$ 9,478,438	\$ 1,257,644	\$ 64,365,480
Licenses and permits	5,559,413	-	-	-	-	5,559,413
Intergovernmental	119,972	1,566,691	-	-	4,210,371	5,897,034
Charges for services	4,068,811	-	-	-	-	4,068,811
Fines and forfeitures	54,069	-	-	-	-	54,069
Investment income	1,517,195	5,092,564	1,528,211	24,504	472,364	8,634,838
Impact fees	-	375,061	-	-	-	375,061
Rental and other	158,075	85,133	-	-	-	243,208
Miscellaneous	266,823	1,028,932	-	-	-	1,295,755
Total revenues	<u>48,179,332</u>	<u>25,342,805</u>	<u>1,528,211</u>	<u>9,502,942</u>	<u>5,940,379</u>	<u>90,493,669</u>
<b>EXPENDITURES</b>						
Current:						
General government	25,654,848	-	-	-	-	25,654,848
Public safety	9,464,264	-	-	-	-	9,464,264
Public works	7,938,515	-	-	-	-	7,938,515
Library and recreation	7,536,657	-	-	-	-	7,536,657
Economic development	-	-	-	-	773,096	773,096
Debt service:						
Interest	-	-	2,560,945	2,586,927	-	5,147,872
Principal retirement	-	-	4,950,000	6,890,000	-	11,840,000
Capital outlay	-	13,604,209	-	-	4,749,028	18,353,237
Total expenditures	<u>50,594,284</u>	<u>13,604,209</u>	<u>7,510,945</u>	<u>9,476,927</u>	<u>5,522,124</u>	<u>86,708,489</u>
Excess (deficiency) of revenues over expenditures	<u>(2,414,952)</u>	<u>11,738,596</u>	<u>(5,982,734)</u>	<u>26,015</u>	<u>418,255</u>	<u>3,785,180</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Sale of capital assets	523	445	-	-	179,538	180,506
Transfers in	4,011,403	1,015,844	6,965,316	-	6,628,985	18,621,548
Transfers out	(1,910,600)	(4,174,476)	(2,666,697)	-	(5,883,372)	(14,635,145)
Total other financing sources (uses)	<u>2,101,326</u>	<u>(3,158,187)</u>	<u>4,298,619</u>	<u>-</u>	<u>925,151</u>	<u>4,166,909</u>
Net change in fund balances	(313,626)	8,580,409	(1,684,115)	26,015	1,343,406	7,952,089
Fund balances - beginning	16,472,760	96,517,966	26,421,650	1,647,633	11,238,600	152,298,609
Fund balances - ending	<u>\$ 16,159,134</u>	<u>\$ 105,098,375</u>	<u>\$ 24,737,535</u>	<u>\$ 1,673,648</u>	<u>\$ 12,582,006</u>	<u>\$ 160,250,698</u>

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

**Park City Municipal Corporation**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in**  
**Fund Balances - Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2024**

Net change in fund balances - total government funds	\$	7,952,089
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense:		
Capital outlay	\$	14,644,254
Depreciation expense		<u>(6,686,383)</u>
		7,957,871
In the statement of activities, only the gain or (loss) on the sale of capital assets is reported; whereas in the governmental funds, proceeds from disposal or sale of assets increase financial resources.		(20,633)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds:		
Taxes receivable		(190,998)
Interest receivable		(1,436)
Unavailable revenue		<u>(3,186)</u>
		(195,620)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Premiums and discounts associated with the issuance of debt are reported as other financing sources (uses) in the governmental funds, but in the statement of activities they are deferred and amortized throughout the period during which the related debt is outstanding. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces liabilities in the statement of net position:		
Principal repayments of long-term debt		11,840,000
Amortization of bond premiums and discounts		<u>1,342,007</u>
		13,182,007
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(56,749)
Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense:		
Pension contributions		3,769,660
Actuarial calculated pension expense		<u>(3,027,248)</u>
		742,412
Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet management, to individual funds. Internal service fund net income of \$891,955 less amount allocated to business-type activities of \$455,678 and reversal of prior year allocation of \$13,348.		<u>422,929</u>
Change in net position of governmental activities	\$	<u><u>29,984,306</u></u>

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

**Park City Municipal Corporation**  
**Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>REVENUES</b>				
Taxes and special assessments	\$ 35,461,620	\$ 35,461,620	\$ 36,434,974	\$ 973,354
Licenses and permits	4,577,280	4,577,280	5,559,413	982,133
Intergovernmental	138,275	138,275	119,972	(18,303)
Charges for services	3,944,475	3,944,475	4,068,811	124,336
Fines and forfeitures	4,069	4,069	54,069	50,000
Investment income	519,117	1,362,000	1,517,195	155,195
Rental and other	90,329	90,329	158,075	67,746
Miscellaneous	148,337	48,682	266,823	218,141
Total revenues	<u>44,883,502</u>	<u>45,626,730</u>	<u>48,179,332</u>	<u>2,552,602</u>
<b>EXPENDITURES</b>				
General government	28,528,858	28,649,529	25,654,848	2,994,681
Public safety	8,976,726	9,820,355	9,464,264	356,091
Public works	8,420,024	8,199,406	7,938,515	260,891
Library and recreation	7,500,622	7,359,042	7,536,657	(177,615)
Total expenditures	<u>53,426,230</u>	<u>54,028,332</u>	<u>50,594,284</u>	<u>3,434,048</u>
Excess (deficiency) of revenues over expenditures	<u>(8,542,728)</u>	<u>(8,401,602)</u>	<u>(2,414,952)</u>	<u>5,986,650</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets	-	-	523	523
Transfers in	4,011,403	4,011,403	4,011,403	-
Transfers out	<u>(1,910,600)</u>	<u>(1,910,600)</u>	<u>(1,910,600)</u>	<u>-</u>
Total other financing sources	<u>2,100,803</u>	<u>2,100,803</u>	<u>2,101,326</u>	<u>523</u>
Net change in fund balances	(6,441,925)	(6,300,799)	(313,626)	5,987,173
Fund balances - beginning	16,472,760	16,472,760	16,472,760	-
Fund balances - ending	<u>\$ 10,030,835</u>	<u>\$ 10,171,961</u>	<u>\$ 16,159,134</u>	<u>\$ 5,987,173</u>

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

# PROPRIETARY FUNDS

## Major Funds

**Water Fund** - Accounts for the operations of the City's water utility.

**Stormwater Fund** - Accounts for the operations of the City's storm water utility.

**Golf Course Fund** - Accounts for the operations of the City's golf course.

**Transportation and Parking Fund** - Accounts for the operations of the City's public transportation (bus and trolley) system and paid parking system.

**Park City Municipal Corporation**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2024**

	Business-type Activities				Total Enterprise Funds	Governmental Activities
	Water Fund	Stormwater Fund	Golf Course Fund	Transportation and Parking Fund		Internal Service Funds
<b>ASSETS</b>						
Current assets:						
Cash, cash equivalents and investments	\$ 6,989,561	\$ 3,605,317	\$ 2,434,996	\$ 38,644,312	\$ 51,674,186	\$ 4,311,969
Restricted cash, cash equivalents and investments, fiscal agent	10,498,582	-	-	-	10,498,582	-
Taxes receivable	-	-	-	1,833,917	1,833,917	-
Accounts receivable	2,171,335	177,873	384	5,341,839	7,691,431	103,082
Inventories	726,042	7,356	296,263	111,055	1,140,716	675,492
Prepays	527,800	-	-	390,966	918,766	-
Total current assets	<u>20,913,320</u>	<u>3,790,546</u>	<u>2,731,643</u>	<u>46,322,089</u>	<u>73,757,598</u>	<u>5,090,543</u>
Noncurrent assets:						
Land and water rights	17,785,588	-	828,451	2,998,149	21,612,188	-
Construction in progress	113,305,928	132,085	-	4,718,782	118,156,795	-
Art	8,636	-	-	109,214	117,850	-
Right to use asset	3,380,984	-	-	-	3,380,984	-
Buildings	17,240,472	320,962	1,671,486	20,693,960	39,926,880	-
Improvements other than buildings	110,442,724	15,832,482	1,728,630	9,389,994	137,393,830	-
Vehicles and equipment	14,523,813	614,852	1,931,852	29,741,802	46,812,319	47,450
Intangible	27,810	-	-	58,645	86,455	-
Accumulated depreciation and amortization	(64,992,323)	(8,914,602)	(4,146,487)	(30,474,906)	(108,528,318)	(47,450)
Total noncurrent assets	<u>211,723,632</u>	<u>7,985,779</u>	<u>2,013,932</u>	<u>37,235,640</u>	<u>258,958,983</u>	<u>-</u>
Total assets	<u>232,636,952</u>	<u>11,776,325</u>	<u>4,745,575</u>	<u>83,557,729</u>	<u>332,716,581</u>	<u>5,090,543</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred outflows of resources related to pensions	1,215,331	269,168	113,610	1,660,224	3,258,333	232,667
Total assets and deferred outflows of resources	<u>233,852,283</u>	<u>12,045,493</u>	<u>4,859,185</u>	<u>85,217,953</u>	<u>335,974,914</u>	<u>5,323,210</u>
<b>LIABILITIES</b>						
Current liabilities:						
Accounts payable	1,473,095	35,384	90,355	461,391	2,060,225	296,697
Accrued liabilities	10,595,611	24,641	93,917	576,413	11,290,582	55,008
Contract payable	152,032	-	-	-	152,032	-
Compensated absences	153,911	25,285	34,129	388,846	602,171	57,169
Revenue bonds	5,205,000	-	-	-	5,205,000	-
Total current liabilities	<u>17,579,649</u>	<u>85,310</u>	<u>218,401</u>	<u>1,426,650</u>	<u>19,310,010</u>	<u>408,874</u>
Noncurrent liabilities:						
Accrued liabilities	-	-	-	-	-	1,000,000
Contract payable	2,447,873	-	-	-	2,447,873	-
Compensated absences	26,002	4,272	5,766	65,690	101,730	34,307
Revenue bonds	141,663,574	-	-	-	141,663,574	-
Net pension liability	695,393	159,675	63,443	833,579	1,752,090	130,074
Total noncurrent liabilities	<u>144,832,842</u>	<u>163,947</u>	<u>69,209</u>	<u>899,269</u>	<u>145,965,267</u>	<u>1,164,381</u>
Total liabilities	<u>162,412,491</u>	<u>249,257</u>	<u>287,610</u>	<u>2,325,919</u>	<u>165,275,277</u>	<u>1,573,255</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred inflows of resources related to pensions	7,647	1,376	803	16,961	26,787	1,635
Deferred inflows of resources related to debt	118,494	-	-	-	118,494	-
Total deferred inflows of resources	<u>126,141</u>	<u>1,376</u>	<u>803</u>	<u>16,961</u>	<u>145,281</u>	<u>1,635</u>
Total liabilities and deferred inflows of resources	<u>162,538,632</u>	<u>250,633</u>	<u>288,413</u>	<u>2,342,880</u>	<u>165,420,558</u>	<u>1,574,890</u>
<b>NET POSITION</b>						
Net investment in capital assets	57,487,139	7,962,459	2,013,932	36,977,002	104,440,532	-
Unrestricted	13,826,512	3,832,401	2,556,840	45,898,071	66,113,824	3,748,320
Total net position	<u>\$ 71,313,651</u>	<u>\$ 11,794,860</u>	<u>\$ 4,570,772</u>	<u>\$ 82,875,073</u>	<u>170,554,356</u>	<u>\$ 3,748,320</u>
Difference between business-type adjustments to assets and liabilities					455,678	
Net position of business-type activities					<u>\$ 171,010,034</u>	

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

**Park City Municipal Corporation**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2024**

	Business-type Activities				Governmental	
	Water Fund	Stormwater Fund	Golf Course Fund	Transportation and Parking Fund	Total Enterprise Funds	Internal Service Funds
<b>OPERATING REVENUES</b>						
Charges for services	\$ 23,977,559	\$ 1,882,321	\$ 2,248,565	\$ 4,376,724	\$ 32,485,169	\$ 5,578,245
Miscellaneous	-	-	42,291	85,749	128,040	-
Total operating revenues	<u>23,977,559</u>	<u>1,882,321</u>	<u>2,290,856</u>	<u>4,462,473</u>	<u>32,613,209</u>	<u>5,578,245</u>
<b>OPERATING EXPENSES</b>						
Salaries and benefits	5,197,398	589,933	1,026,267	13,880,152	20,693,750	1,322,832
Supplies, maintenance and services	7,760,695	153,412	613,895	9,108,555	17,636,557	2,518,416
Energy and utilities	875,257	53,702	49,773	942,631	1,921,363	845,042
Depreciation and amortization	4,655,595	506,285	211,656	3,432,266	8,805,802	-
Total operating expenses	<u>18,488,945</u>	<u>1,303,332</u>	<u>1,901,591</u>	<u>27,363,604</u>	<u>49,057,472</u>	<u>4,686,290</u>
Operating income (loss)	<u>5,488,614</u>	<u>578,989</u>	<u>389,265</u>	<u>(22,901,131)</u>	<u>(16,444,263)</u>	<u>891,955</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Taxes and special assessments	-	-	-	16,242,826	16,242,826	-
Investment income	1,254,265	163,009	118,617	1,741,288	3,277,179	-
Gain (loss) on sale of capital assets	23,988	51,555	71,000	(36,024)	110,519	-
Operating grants and contributions	-	-	-	5,359,920	5,359,920	-
Interest expense	(3,511,892)	-	-	-	(3,511,892)	-
Total nonoperating revenues (expenses)	<u>(2,233,639)</u>	<u>214,564</u>	<u>189,617</u>	<u>23,308,010</u>	<u>21,478,552</u>	<u>-</u>
Income before contributions and transfers	<u>3,254,975</u>	<u>793,553</u>	<u>578,882</u>	<u>406,879</u>	<u>5,034,289</u>	<u>891,955</u>
Capital contributions	1,009,338	-	-	5,202,996	6,212,334	-
Transfers in	-	-	25,000	194,751	219,751	-
Transfers out	(2,281,294)	(133,774)	(142,070)	(1,454,265)	(4,011,403)	-
Change in net position	1,983,019	659,779	461,812	4,350,361	7,454,971	891,955
Total net position - beginning	<u>69,330,632</u>	<u>11,135,081</u>	<u>4,108,960</u>	<u>78,524,712</u>	<u>163,099,385</u>	<u>2,856,365</u>
Total net position - ending	<u>\$ 71,313,651</u>	<u>\$ 11,794,860</u>	<u>\$ 4,570,772</u>	<u>\$ 82,875,073</u>	<u>\$ 170,554,356</u>	<u>\$ 3,748,320</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					469,026	
Changes in net position of business-type activities					<u>\$ 7,923,997</u>	

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



**Park City Municipal Corporation**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2024**

	Business-type Activities - Enterprise Funds				Governmental	
	Water Fund	Stormwater Fund	Golf Course Fund	Transportation and Parking Fund	Total Enterprise Funds	Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Cash receipts from customers	\$ 22,247,313	\$ 1,873,236	\$ 2,290,857	\$ 6,005,608	\$ 32,417,014	\$ 6,066,053
Payments to employees	(5,260,757)	(606,003)	(1,002,587)	(13,643,762)	(20,513,109)	(1,316,019)
Payments to suppliers	(5,827,745)	(216,725)	(958,356)	(17,136,928)	(24,139,754)	(3,936,317)
Net cash provided (used) by operating activities	<u>11,158,811</u>	<u>1,050,508</u>	<u>329,914</u>	<u>(24,775,082)</u>	<u>(12,235,849)</u>	<u>813,717</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Transfers from other funds	-	-	25,000	194,751	219,751	-
Transfers to other funds	(1,229,484)	(133,774)	(142,070)	(1,454,265)	(2,959,593)	-
Transit and resort sales tax	-	-	-	15,837,876	15,837,876	-
Operating grants	-	-	-	4,359,196	4,359,196	-
Net cash provided (used) by noncapital financing activities	<u>(1,229,484)</u>	<u>(133,774)</u>	<u>(117,070)</u>	<u>18,937,558</u>	<u>17,457,230</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Impact fees, contributions and grants	1,009,338	-	-	12,815,220	13,824,558	-
Acquisition and construction of capital assets	(13,266,721)	(416,611)	(18,921)	(4,696,046)	(18,398,299)	-
Principal paid on capital debt and interfund loan	(2,849,277)	-	-	-	(2,849,277)	-
Interest paid on capital debt and interfund loan	(6,760,811)	-	-	-	(6,760,811)	-
Proceeds from sales of capital assets	23,988	-	-	1,900	25,888	-
Net cash provided (used) by capital and related financing activities	<u>(21,843,483)</u>	<u>(416,611)</u>	<u>(18,921)</u>	<u>8,121,074</u>	<u>(14,157,941)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Interest received by investing activities	1,256,077	163,004	118,641	1,742,067	3,279,789	-
Net cash provided by investing activities	<u>1,256,077</u>	<u>163,004</u>	<u>118,641</u>	<u>1,742,067</u>	<u>3,279,789</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	<u>(10,658,079)</u>	<u>663,127</u>	<u>312,564</u>	<u>4,025,617</u>	<u>(5,656,771)</u>	<u>813,717</u>
Balances - beginning of year	28,146,222	2,942,190	2,122,432	34,618,695	67,829,539	3,498,252
Balances - end of the year	<u>\$ 17,488,143</u>	<u>\$ 3,605,317</u>	<u>\$ 2,434,996</u>	<u>\$ 38,644,312</u>	<u>\$ 62,172,768</u>	<u>\$ 4,311,969</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>						
Operating income (loss)	\$ 5,488,614	\$ 578,989	\$ 389,265	\$ (22,901,131)	\$ (16,444,263)	\$ 891,955
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	4,655,595	506,285	211,656	3,432,266	8,805,802	-
Non-cash water interfund transfer to general fund	(1,051,810)	-	-	-	(1,051,810)	-
Pension related	(221,785)	(29,694)	(15,162)	(222,607)	(489,248)	(44,417)
Changes in assets and liabilities:						
Accounts receivable	(709,260)	(9,085)	-	2,001,641	1,283,296	(44,228)
Inventory	17,827	(6,130)	(89,176)	(193)	(77,672)	(176,784)
Accounts and other payables	2,821,204	(3,481)	(205,511)	(7,544,055)	(4,931,843)	135,957
Accrued liabilities	115,076	8,548	32,523	300,339	456,486	26,156
Compensated absences	43,350	5,076	6,319	158,658	213,403	25,078
Net cash provided (used) by operating activities	<u>\$ 11,158,811</u>	<u>\$ 1,050,508</u>	<u>\$ 329,914</u>	<u>\$ (24,775,082)</u>	<u>\$ (12,235,849)</u>	<u>\$ 813,717</u>

**NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES**

Included in investment income is an increase of \$64,280 in fair value for the year ended June 30, 2024.

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

# FIDUCIARY FUND

**Custodial Fund** - Used to hold deposits and performance bonds from individuals, organizations and other governments.

**Park City Municipal Corporation  
Statement of Fiduciary Net Position  
Fiduciary Fund  
June 30, 2024**

	Custodial Funds
<b>ASSETS</b>	
Cash, cash equivalents and investments	\$ 1,637,476
Total assets	1,637,476
 <b>NET POSITION</b>	
Restricted for:	
Individuals, organizations, and other governments	1,637,476
Total net position	\$ 1,637,476

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

**Park City Municipal Corporation**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Fund**  
**For the Year Ended June 30, 2024**

	Custodial Funds
<b>ADDITIONS</b>	
Contributions from individuals, organizations, and other governments	\$ 232,585
Total additions	232,585
<b>DEDUCTIONS</b>	
Refunds to individuals, organizations, and other governments	827,194
Total deductions	827,194
Net decrease in fiduciary net position	(594,609)
Net Position -- beginning of the year	2,232,085
Net Position -- end of the year	\$ 1,637,476

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

# **NOTES TO THE BASIC FINANCIAL STATEMENTS**

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the City conform in all material respects to generally accepted accounting principles in the United States of America (GAAP) as applicable to governments. The City has adopted the provisions of the Governmental Accounting Standards Board (GASB). Preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements.

The following is a summary of the more significant policies and is presented to assist the reader in interpreting the financial statements and other data in this report. These policies, as presented, should be viewed as an integral part of the accompanying financial statements.

**1. Reporting Entity**

Park City Municipal Corporation (the City) is a municipal corporation governed by an elected mayor and five-member Council elected at large with staggered terms. The City was chartered March 15, 1884, under the provisions of the Utah Territorial Government. The Mayor is the administrative authority by statute; however, that responsibility has been delegated to the City Manager by City Ordinance. Therefore, the City operates under a six member council form of government. The City provides the following services as authorized in its charter: public safety (police), highways and streets, cultural and recreational, library, public improvements, planning and zoning, public transportation, public utilities (water and stormwater), golf and general administrative services.

These financial statements include the City and its component units. The City has considered all potential component units for which it is financially accountable. The criteria to be considered in determining financial accountability have been set forth in the Governmental Accounting Standards Board's (GASB) Statement No. 61. These criteria include (1) substantively the same governing body, (2) the primary government and the component unit have a financial benefit or burden relationship, or (3) management (below the level of the elected officials) of the primary government have operational responsibility for the activities of the component unit.

Blended component units, although legally separate entities are so intertwined with the City that they are, in substance, the same as the City. They have the same governing board and provide services almost entirely to the City. They are reported as funds of the City. These are organizations for which the City is financially accountable, and the relationship with the City is significant enough that exclusions would possibly lead to misleading or incomplete financial statements.

Included in this report are the following blended component units:

The Park City Redevelopment Agency (RDA) was legally created by City ordinance pursuant to the Utah Limited Purpose Local Government Entities-Community Development and Renewal Agencies Act. The City Council is designated as the governing body of the RDA. The City has accountability for all fiscal and operating activities of the RDA. The RDA currently has two special revenue funds and two capital projects funds.

The Park City Municipal Building Authority (MBA) governing board is comprised of the same individuals as the City Council and was created to provide a mechanism for financing City facilities. The MBA acquires and/or builds facilities by borrowing money secured by a lease agreement between the City and the Authority. The MBA currently has a capital projects fund. The bond issuance authorizations are approved by the City Council and the legal liability for those bonds remains with the City.

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

The Park City Housing Authority (HA) governing board is comprised of the same individuals as the City Council and was created to accumulate funds for construction of affordable housing within the City. The City has accountability for all fiscal and operating activities of the HA.

The Park City Water Service District (WSD) governing board is comprised of the same individuals as the City Council and was created to furnish municipal water service within the boundaries of the District. The City has accountability for all fiscal and operating activities of the WSD.

**2. Government-wide and Fund Financial Statements**

The government-wide financial statements (*i.e.*, the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City. 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 fees and charges for support. Certain eliminations have been made as prescribed by Governmental Accounting Standards Board (GASB) Statement No. 34 for interfund activities. All internal balances in the statement of net position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the statement of activities, internal service fund transactions have been eliminated except interfund services provided and used by business-type activities, which are not eliminated.

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 that 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. 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 enterprise funds are reported as separate columns in the fund financial statements.

**3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

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 City 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 expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest 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 recognized as revenues in the year for which they are levied. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It is used to account for all financial resources of the City not accounted for by a separate, specialized fund.

The Sales Tax Revenue and Refunding Bonds Debt Service Fund and the Park City General Obligation Bonds Debt Service Fund are used to account for the accumulation of resources for the payment of sales tax revenue bonded debt and general obligation debt.

The Capital Improvements Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds, the Redevelopment Agencies or Municipal Building Authority).

The City reports the following major proprietary funds:

The Water Fund operates the water distribution system for residents of the City.

The Stormwater Fund operates the storm drain system for residents of the City.

The Golf Course Fund accounts for the operations of the City's golf course.

The Transportation and Parking Fund accounts for the operations of the City's public transportation (bus and trolley) system and paid parking system.

Additionally, the City reports the following fund types:

Capital Project Funds are used to account for the acquisition or construction of capital projects. The City currently has the Lower Park Avenue Redevelopment Agency, the Main Street Redevelopment Agency, the Municipal Building Authority, and the Equipment Replacement capital project funds.



**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

Special Revenue Funds are used to account for specific revenue sources that are restricted to expenditures for specific purposes. The City currently has the Lower Park Avenue Redevelopment Agency and the Main Street Redevelopment Agency special revenue funds. These funds account for redevelopment activities that are supported by property tax increment.

Internal Service Funds are used to account for the central financing of goods or services provided to various departments of the City or other governments on a cost-reimbursement basis. The City currently has two internal service funds. The Fleet Services Fund provides vehicle storage, repair and maintenance. The Self-Insurance Fund was established to allow the City to supplement its regular insurance coverage.

Custodial Funds are used to account for the assets held by the City as a fiduciary activity. Custodial funds use the economic resources measurement focus. The City currently has one custodial fund. The Park City Custodial Fund is used to hold deposits and performance bonds.

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 internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and 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.

**4. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance**

***Cash, Cash Equivalents and Investments*** – Cash and cash equivalents are generally considered short-term, highly liquid investments with a maturity of three months or less from the purchase date.

Investments are recorded at fair value in accordance with GASB Statement No. 72 *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

Unrestricted and restricted cash balances of all funds are combined to form a pool of cash and investments which is managed by the City Treasurer. Utah State Statutes allow for investments in the Utah Public Treasurer's Investment Fund and the Utah Money Management Act (UMMA) approved financial institutions. The UMMA provides for a committee to evaluate financial institutions and provides a list of those qualified as depositories for public funds, including the amount they are authorized to maintain over and above insured amounts. The City Treasurer invests unrestricted cash with the Utah Public Treasurer's Investment Fund and with financial institutions on the approved list. Investments in the pooled cash fund consist primarily of certificates of deposit, repurchase agreements, time deposits, commercial paper and government agency securities and are carried at amortized cost which approximates fair value. Interest income earned as a result of pooling is distributed to the appropriate funds based on month end balances of cash and investments.

***Prepaid Items*** – Payments made to vendors for services that will benefit periods beyond June 30, 2024 are recorded as prepaid items in both government-wide and fund financial statements. The costs of governmental fund type prepaid items are recorded as expenditures when consumed rather than when purchased.

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

***Inventories*** – Inventories of supplies for the proprietary fund types consist principally of items used in repairing and maintaining the water distribution system and transportation equipment. Supplies inventories are valued at cost using the weighted average method. Inventory held for retail sale in the Golf Course Fund is valued at lower-of-cost or market using the first-in, first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Reported inventories are equally offset by fund balance which classification indicates that they do not constitute available spendable resources even though they are a component of current assets.

***Leases Receivable*** – The City’s lease receivable is measured at the present value of lease 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 during the lease term. Subsequently, the deferred inflow of resources is recognized as revenue over the lease term. The City uses its effective borrowing rate as the discount rate.

***Capital Assets*** – General capital assets are not capitalized in the governmental funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds. Capital assets, with an initial, individual cost of more than \$5,000 and a useful life greater than two years, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. All purchased capital assets are valued at cost or estimated historical cost. Donated capital assets or donated works of art are reported at acquisition value rather than fair value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities) the government included all assets with acquisition dates as far back as June 30, 1980. Most of the City’s infrastructure assets were valued at historical cost (when available) or estimated historical cost through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost.

Art represents a collection of the City and is therefore not depreciated. Property, plant, equipment and intangible assets of the primary government are depreciated or amortized using the straight-line method over the following estimated useful lives:

<b>Assets</b>	<b>Years</b>
Buildings and improvements	20-75
Public domain infrastructure	20-30
System infrastructure	20-30
Vehicles, equipment and intangibles	3-25

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

***Subscription Assets*** – The City has recorded subscription assets as a result of implementing GASB 96, *Subscription-Based Information Technology Arrangements*. Subscription assets, with an initial, individual cost of more than \$5,000 and a subscription term greater than one year, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The subscription assets are initially measured at an amount equal to the initial measurement of the subscription vendor at the commencement of the subscription term, less any subscription vendor incentives received at the commencement of the subscription. The subscription assets are amortized on a straight-line basis over the life of the subscription.

***Long-term Obligations*** - In the government-wide financial statements, and proprietary fund types in the fund financial statements, noncurrent debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums, discounts, and gains and losses on bond refunding are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Gains and losses on bond refunding are reported as deferred inflows and outflows. Bond issuance costs are expensed in the period in which they are incurred. The unamortized bond premiums/discounts at June 30, 2024 for governmental activities were \$11,175,965 and \$13,053,574 for business-type activities and proprietary funds, respectively. In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as current expenditures.

***Compensated Absences*** - Accumulated unpaid vacation is accrued based on the years of service of each employee. Vacation is accumulated on a monthly basis and is fully vested when earned. The maximum amount of accumulated accrued vacation hours is determined by the length of service of each employee. Accumulated vacation cannot exceed these limits at the end of any calendar year and any vacation in excess of this amount is forfeited. At retirement, death, or termination in good standing, all unpaid vacation that has been accrued, up to the above limits, is paid. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service.

***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 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 Outflows of Resources or Deferred Inflows of Resources*** - In addition to assets, the statement of financial position reports 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 will not be recognized as an outflow of resources (expense/expenditure) until then. In accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, the government-wide statement of net position and the proprietary fund statement of net position report deferred outflows of resources related to pensions.

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

In addition to liabilities, the statement of financial position reports 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 will not be recognized as an inflow of resources (revenue) until that time. The City has items which qualify for reporting in this category. The governmental funds report unavailable revenue from property taxes, notes receivable, and leases receivable. The government-wide statement of net position reports deferred inflows from property taxes, pension related items, deferred gain on refunding of debt, and leases receivable. Property taxes are deferred and recognized as an inflow of resources in the following fiscal year to correspond with the period in which the taxes are levied. The deferred gain on refunding resulted from the difference in the carrying value of the refunded debt and its reacquisition price. The proprietary fund statement of net position reports items related to pensions.

***Net Position Flow Assumption*** - Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide and proprietary 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-net position to have been depleted before unrestricted-net position is applied.

***Fund Balance*** - Fund balances presented in the governmental fund financial statements represent the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental funds. GASB Statement No. 54 requires that the fund balances be classified into categories based upon the type of restrictions imposed on the use of funds.

The City evaluated each of its funds at June 30, 2024, and classified fund balances into the following five categories:

**Nonspendable** - Amounts that cannot be spent because they are (1) not in spendable form, such as prepaid items, inventories and long-term receivables for which the payment of proceeds are not restricted or committed with respect to the nature of the specific expenditures of that fund or (2) legally or contractually required to be maintained intact.

**Restricted** - Amounts that are restricted by external parties such as creditors or imposed by grants, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The City has legislative restrictions on amounts collected and reported in the City's various governmental funds. As a result, these restrictions have been classified as restricted for capital projects, debt service and drug and tobacco enforcement.

**Committed** - Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (ordinance) of the City's "highest level of decision-making authority", which the City considers to be the Park City Municipal City Council. Commitments may be changed by the government by taking the same action that imposed the constraint initially.

**Assigned** - Amounts that have been allocated by action of the Park City Municipal City Council through a resolution in which the City's intent is to use the funds for a specific purpose, but that do not meet the criteria to be classified as restricted or committed.

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

Unassigned - Amounts that constitute the residual balances that have no restrictions placed upon them. If restrictions exceed available resources only deficit amounts are reported in the unassigned category. The general fund is the only fund that reports a positive unassigned balance.

The City reduces restricted amounts first when expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) amounts are available. The City reduces committed amounts first, followed by assigned amounts and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

The City does not have a minimum fund balance policy. *Utah Code* 10-6-116(4) requires the City to maintain a minimum unrestricted fund balance in the general fund equal to 5.0 percent of general fund revenue, with a maximum of 35.0 percent.

***Restricted Assets*** - Certain proceeds of the City’s Water Revenue and Refunding Bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the proprietary funds’ statement of net position because their use is limited by applicable bond covenants.

Proceeds of the City’s 2013A and 2020 Series General Obligation Bonds in the amount of \$5,663,564 are classified as restricted assets as well as impact fees of \$266,884 and B & C road funds of \$688,694 in the Capital Improvements Fund. Bond proceeds are restricted to acquiring and preserving undeveloped park and recreational land and to acquire, construct, improve and modify pathways, roads and related improvements for use by pedestrians and cyclists. The “reserve fund” account with a balance at June 30, 2024 of \$22,175 is used to report resources set aside to make up potential future deficiencies in the revenue bond debt service account.

Proceeds of the City’s 2015, 2017 and 2019 Sales Tax Revenue Bonds are classified as restricted assets on the governmental funds balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. The “construction fund” account with a balance at June 30, 2024 of \$23,574,969 is used to report those proceeds of revenue bond issuances that are restricted for the purpose of financing the cost associated with improvements and acquisition of open space. The “reserve fund” account with a balance at June 30, 2024, of \$1,061,781 is used to report resources set aside to make up potential future deficiencies in the revenue bond debt service account.

**5. Budgets**

State law requires the City Council to prepare and adopt budgets for all governmental and proprietary funds. The City Manager submits to the Mayor and City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the proposed sources of revenues. Between May 1 and June 30, the City Council reviews and adjusts the City Manager’s proposed budget. On or before June 30, a public hearing is held and the budget is legally adopted through passage of an ordinance. Budgets are adopted below individual department levels, but control of budget appropriations is exercised, under state law, at the department level (General Government, Public Safety, Public Works and Library and Recreation).

After the budget is adopted, transfers of any unexpended appropriation amounts between line items within a major category are to be initiated and approved by each respective department. Transfers between major categories and between programs within the same department and fund are to be initiated by the respective departments and approved by the City Manager. Transfers between capital

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

improvement projects within the same fund are to be initiated by the individual designated as responsible for the project and approved by the City Manager. Transfers that will result in a total change in the appropriation for a project of more than 20.0 percent or if a project would be eliminated by the transfer must be approved by the City Council. The City Council may reduce or increase the budget of any fund by ordinance during the budget year. The City Council must hold a public hearing to increase a fund's budget before it can pass the ordinance. Utah State law prohibits the appropriation of unassigned general fund balance until it exceeds the sum of 5.0 percent of the budgeted general fund revenues. Until unassigned fund balance is greater than the above amount, it cannot be budgeted but is used to provide working capital until tax revenue is received, meet emergency expenditures and cover unanticipated deficits. When the unassigned fund balance is greater than 35.0 percent of actual revenues, the excess must be appropriated to capital projects determined to be in the best long-term interest of the City.

Budgets are prepared on the modified accrual basis of accounting according to accounting principles generally accepted in the United States (GAAP) for governmental funds. Budgets are not prepared for the custodial fund since this fund is comprised only of deposits and performance bonds held by the City. Encumbrance accounting is used by the City.

Each year the capital projects fund adjusted budget is comprised of new appropriations from the current year and unexpended appropriations from the prior year, since unexpended capital projects appropriations do not automatically lapse at year end. The adjusted capital projects fund budget represents the amount available for expenditures in the current year. Future projects and appropriations that are to come from funds available in future years are not reflected in the current year budget.

**6. Implementation of the New GASB Pronouncements**

In June 2022, the GASB issued Statement No. 101 *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal year periods beginning after June 15, 2023. The City adopted GASB No. 101 for the fiscal year ended June 30, 2024. Implementation of this Statement had no impact on the City's financial statements.

**NOTE B – CASH, CASH EQUIVALENTS AND INVESTMENTS**

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

The City follows the practice of pooling deposits and investments of all funds, except for funds required to be held by fiscal agents under the provision of bond indentures. Each fund type's portion of this pool is displayed on the basic financial statements as "cash, cash equivalents and investments". Interest income earned on pooled deposits and investments is allocated on an accounting period basis to the various funds based on the period-end deposit and investment balances. Interest income from deposits and investments held with fiscal agents is credited directly to the related fund.

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE B – CASH, CASH EQUIVALENTS AND INVESTMENTS, Continued**

As of June 30, 2024, the City had the following deposits and investments, including \$1,637,476 held in a custodial capacity for others:

<b>Held by city:</b>		Investments maturities	
Investment Type	Fair Value	1 year or less	1-5 years
Debt securities			
Negotiable Certificates of Deposits	\$ 230,427	\$ 230,427	\$ -
Corporate Bonds	2,755,281	1,247,669	1,507,612
Government Agency Securities	783,085	-	783,085
U.S. Obligations	2,199,761	493,195	1,706,566
	5,968,554	\$ 1,971,291	\$ 3,997,263
Other investments			
State treasurer's investment pool	177,732,405	\$ 177,732,405	
Total investments	183,700,959		
<b>Deposits</b>			
Cash deposits - net of outstanding checks	\$ 7,836,262		
Cash deposits - money market/savings	735,048		
Cash on hand	6,800		
Total deposits	8,578,110		
Total deposits and investments held by city	192,279,069		
<b>Held by fiscal agent:</b>			
State treasurer's investment pool	35,157,538		
Total deposits and investments	\$ 227,436,607		

**Deposits**

*Custodial credit risk* for deposits is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a formal deposit policy for custodial credit risk. The Act requires all deposits of funds 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 State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council. As of June 30, 2024, the City's bank balance was \$8,779,427 of which \$8,529,427 was uninsured and uncollateralized.

**Investments**

The Act defines the types of securities authorized as appropriate investments for the City's funds and the conditions for making investment transactions. Investment transactions may be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities.

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE B – CASH, CASH EQUIVALENTS AND INVESTMENTS, Continued**

Statutes authorize the City to invest in negotiable or nonnegotiable deposits of qualified or permitted depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as “first tier” by two nationally recognized statistical rating organizations; bankers’ acceptances; obligations of the United States Treasury including bills, notes, and bonds; obligations, other than mortgage derivative products, issued by U.S. government sponsored enterprises (U.S. Agencies) such as the Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae); bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed rate corporate obligations and variable rate securities rated “A” or higher, or the equivalent of “A” or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in the Act; and the Utah Public Treasurers’ Investment Fund (PTIF).

The Utah State Treasurer’s Office operates the PTIF. The PTIF is available for investment of funds administered by any Utah public treasurer and is not registered with the Securities and Exchange Commission as an investment company. The PTIF is authorized and regulated by the Act. The Act established the Money Management Council which oversees the activities of the Utah State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

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

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

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

	June 30, 2024	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
<u>Investments by fair value level:</u>				
Negotiable Certificate of Deposit	\$ 230,427	\$ 230,427	\$ -	\$ -
Corporate Bonds	2,755,281	2,755,281	-	-
Government Agency Securities	783,085	783,085	-	-
U.S. Obligations	2,199,761	2,199,761	-	-
Utah Public Treasurers' Investment Fund	177,732,406	-	177,732,406	-
Total	\$ 183,700,960	\$ 5,968,554	\$ 177,732,406	\$ -

Debt securities classified in Level 1 are valued using prices quoted in active markets for those securities. The Utah Public Treasurers’ Investment Fund classified in Level 2 is valued by application of the June 30, 2024 fair value factor, as calculated by the Utah State Treasurer, to the City’s average daily balance in the Fund.



**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE B – CASH, CASH EQUIVALENTS AND INVESTMENTS, Continued**

At June 30, 2024, the City’s investments had the following quality ratings:

	Fair Value	Primary Government		
		Corporate Bonds	Government Agency Securities	U.S. Obligations
<b>Quality Ratings:</b>				
AAA	\$ 2,982,846	\$ -	\$ 783,085	\$ 2,199,761
AA2	500,824	500,824	-	-
AA3	1,004,043	1,004,043	-	-
A1	749,646	749,646	-	-
A2	250,000	250,000	-	-
A3	250,768	250,768	-	-
	<u>\$ 5,738,127</u>	<u>\$ 2,755,281</u>	<u>\$ 783,085</u>	<u>\$ 2,199,761</u>

\* Negotiable Certificates of Deposit and the PTIF are not rated.

*Interest Rate Risk* is the risk that changes in interest rates will adversely affect the fair value of an investment. The City’s policy for managing its exposure to fair value loss arising from increasing interest rates is to comply with the Act. Section 51-7-11 of the Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on all investments in commercial paper, bankers’ acceptances, fixed rate negotiable deposits, and fixed rate corporate obligations to 270 days – 15 months or less. The Act further limits the remaining term to maturity on all investments in obligations of the United States Treasury; obligations issued by U.S. Government-sponsored enterprises; and bonds, notes, and other evidence of indebtedness of political subdivisions of the State to 5 years. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding 3 years.

*Credit Risk* is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City’s policy for reducing its exposure to credit risk is to comply with the Act, as previously discussed.

*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 policy for reducing this risk of loss is to comply with the Rules of the Money Management Council. Rule 17 of the Money Management Council limits investments in a single issuer of commercial paper and corporate obligations to 5.0 - 10.0 percent depending upon the total dollar amount held in the portfolio at the time of purchase. None of the City’s investments exceed this limit.

*Custodial Credit Risk* for an investment 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 or collateral securities that are in the possession of an outside party. The City does not have a formal policy for custodial credit risk. As of June 30, 2024, the City had \$5,968,554 in U.S. negotiable certificate of deposits, corporate bonds, government agency securities and U.S obligations which were held by the counterparty’s trust department or agent but not in the government’s name.

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

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**NOTE C – NOTES RECEIVABLE**

Notes receivable of the governmental fund types at June 30, 2024 include an affordable housing and an employee mortgage assistance loan with interest rates ranging from 0.0 - 5.0 percent and maturing in fiscal year 2025. At June 30, 2024 the City recorded \$246,291 in notes receivable for these arrangements.

**NOTE D – LEASES RECEIVABLE**

The City leases certain city property and building space to third parties. As of June 30, 2024, the City's receivable for lease payments is shown on the governmental funds balance sheet and the government-wide statement of net position. Also, the City has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease term. A general description of the lease agreements follows:

The City has 2 active leases for a portion of its land and use of facilities. These leases have a 99-year term. The agreements have increases of 10.0 percent every 5 years. At the end of the lease term, the property must be returned in good standing. During the fiscal year, the City recognized \$29,571 in lease revenue and \$16,629 in interest income related to these agreements. At June 30, 2024, the City recorded \$10,528,249 in lease receivables for these arrangements. The City used an interest rate of 1.89 percent based on incremental borrowing rates.

The City has 1 active lease for building space. The lease is for a period of 5 years; with an option to renew for an additional term of 2 years. The option to extend was exercised during the year ended June 30, 2024. During the fiscal year the City recognized \$16,858 in lease revenue and \$27 in interest income related to this agreement. At June 30, 2024, the City recorded \$56,985 in lease receivable for the arrangement. The City used an interest rate of 1.89 percent based on incremental borrowing rates.

The City leases building space out of its Library. The lease is for a period of 5 years with no option to renew. The agreement has an annual 3.0 percent increase. During the fiscal year the City recognized \$23,699 in lease revenue and \$1,729 in interest income related to this agreement. At June 30, 2024, the City recorded \$78,599 in lease receivable for the arrangement. The City used an interest rate of 1.89 percent based on incremental borrowing rates.

**NOTE E – INTERFUND TRANSFERS**

Transfers were made to and from several funds during the course of the year ended June 30, 2024. An interfund transfer is a legally authorized transfer between funds in which one fund is responsible for the initial receipt of funds and another fund is responsible for the actual disbursement. The General Fund transferred \$1,885,600 to the Equipment Replacement Capital Projects Fund for replacement of rolling stock and computer equipment. Additionally, the General Fund transferred \$25,000 to the Golf Course Fund for administrative costs and \$194,751 to the Transportation and Parking Fund for the purchase of a building. The Redevelopment Agency fund for Lower Park Avenue transferred \$3,092,532 to the Special Revenue funds for capital expenditures. Several funds transferred a total of \$6,965,316 to the Sales Tax Revenue Bond Debt Service Fund to support principal and interest payments on debt. The Sales Tax Revenue Debt Service Fund transferred \$2,666,697 to capital project funds for open space, affordable housing and park improvements. Transfers to the General Fund were comprised of: \$2,281,294 from the Water Fund, \$133,774 from the Stormwater Fund, \$142,070 from the Golf Course Fund for administrative expenses, and \$1,454,265 from the Transportation and Parking Fund for the year ended June 30, 2024. All interfund transfers within governmental activities and business-type activities are eliminated in the Government-Wide Financial Statements.

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE E – INTERFUND TRANSFERS, Continued**

The following are the transfers for the City as of June 30, 2024:

	<b>Transfers into:</b>						
	<b>Governmental Activities</b>				<b>Business-Type Activities</b>		
	<b>Major Funds</b>				<b>Golf Course Fund</b>	<b>Tranportation and Parking Fund</b>	<b>Total Transfers Out</b>
	<b>General Fund</b>	<b>Capital Improvement Fund</b>	<b>Sales Tax Revenue &amp; Refunding - DSF</b>	<b>Nonmajor Funds</b>			
<b>Transfers out from:</b>							
<b>Governmental activities</b>							
General Fund	\$ -	\$ -	\$ -	\$ 1,885,600	\$ 25,000	\$ 194,751	\$ 2,105,351
Capital Imp fund	-	-	4,174,476	-	-	-	4,174,476
Sales Tax - DSF	-	1,015,844	-	1,650,853	-	-	2,666,697
Nonmajor Funds	-	-	2,790,840	3,092,532	-	-	5,883,372
<b>Business-type activities</b>							
Water Fund	2,281,294	-	-	-	-	-	2,281,294
Stormwater Fund	133,774	-	-	-	-	-	133,774
Golf Course Fund	142,070	-	-	-	-	-	142,070
Transportation and Parking Fund	1,454,265	-	-	-	-	-	1,454,265
<b>Total Transfers In</b>	<b>\$ 4,011,403</b>	<b>\$ 1,015,844</b>	<b>\$ 6,965,316</b>	<b>\$ 6,628,985</b>	<b>\$ 25,000</b>	<b>\$ 194,751</b>	<b>\$ 18,646,548</b>

**NOTE F – SUBSCRIPTION BASED IT ARRANGEMENTS**

The City is committed under various subscription-based IT arrangements (SBITAs). At June 30, 2024, the City has 6 qualifying SBITAs that range from 2-3 years with a total asset value of \$391,481 and accumulated amortization of \$226,730. During the fiscal year, the City recognized \$170,646 and \$1,927 in principal and interest payments, respectively. Future minimum payments for these SBITA liabilities are \$51,625 and \$344 in principal and interest, respectively, all due in the coming year. The City used an interest rate of 1.89 percent based on incremental borrowing rates.

**NOTE G – CAPITAL ASSETS**

Depreciation expense was charged to functions for the year ended June 30, 2024 as follows:

<b>Governmental activities:</b>		<b>Business-type activities:</b>	
General government	\$ 3,603,768	Water	\$ 4,655,595
Public safety	484,620	Stormwater	506,285
Public works	1,045,743	Golf course	211,656
Library and recreation	1,468,006	Transportation and parking	3,432,266
<b>Total governmental activities</b>		<b>Total business-type activities</b>	
depreciation expense	<b>\$ 6,602,137</b>	depreciation expense	<b>\$ 8,805,802</b>

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE G – CAPITAL ASSETS, Continued**

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

	Balance June 30, 2023	Transfers	Additions	Deletions	Balance June 30, 2024
<b>Governmental activities:</b>					
Capital assets, not being depreciated:					
Land and water rights	\$ 243,725,614	\$ 725,000	\$ 2,000,000	\$ -	\$ 246,450,614
Construction in progress	8,743,785	-	4,082,099	(3,300,038)	9,525,846
Art	828,717	-	-	-	828,717
Total capital assets, not being depreciated	<u>253,298,116</u>	<u>725,000</u>	<u>6,082,099</u>	<u>(3,300,038)</u>	<u>256,805,177</u>
Capital assets, being depreciated:					
Right to use asset - SBITA	391,481			-	391,481
Buildings	50,286,235	525,170	-	-	50,811,405
Improvements other than building	49,854,869	-	6,002,516	(25,000)	55,832,385
Vehicles and equipment	20,152,234	-	4,289,280	(1,382,676)	23,058,838
Infrastructure	117,835,456	-	-	-	117,835,456
Intangibles	9,123,057	-	388,012	-	9,511,069
Total capital assets, being depreciated	<u>247,643,332</u>	<u>525,170</u>	<u>10,679,808</u>	<u>(1,407,676)</u>	<u>257,440,634</u>
Less accumulated depreciation for:					
Right to use asset - SBITA	(134,099)		(92,631)	-	(226,730)
Buildings	(21,379,624)	(84,246)	(1,312,960)	-	(22,776,830)
Improvements other than building	(29,236,354)	-	(1,488,787)	22,292	(30,702,849)
Vehicles and equipment	(13,533,489)	-	(1,815,445)	1,296,966	(14,051,968)
Infrastructure	(100,318,486)	-	(1,880,629)	-	(102,199,115)
Intangibles	(401,434)	-	(11,685)	-	(413,119)
Total accumulated depreciation	<u>(165,003,486)</u>	<u>(84,246)</u>	<u>(6,602,137)</u>	<u>1,319,258</u>	<u>(170,370,611)</u>
Total capital assets, being depreciated, net	<u>82,639,846</u>	<u>440,924</u>	<u>4,077,671</u>	<u>(88,418)</u>	<u>87,070,023</u>
Governmental activities capital assets, net	<u>\$ 335,937,962</u>	<u>\$ 1,165,924</u>	<u>\$ 10,159,770</u>	<u>\$ (3,388,456)</u>	<u>\$ 343,875,200</u>
<b>Business-type activities:</b>					
Capital assets, not being depreciated:					
Land and water rights	\$ 22,337,188	\$ (725,000)	\$ -	\$ -	\$ 21,612,188
Construction in progress	114,922,556	-	16,480,789	(13,246,550)	118,156,795
Art	117,850	-	-	-	117,850
Total capital assets, not being depreciated	<u>137,377,594</u>	<u>(725,000)</u>	<u>16,480,789</u>	<u>(13,246,550)</u>	<u>139,886,833</u>
Capital assets, being depreciated:					
Right to use asset	3,380,984	-	-	-	3,380,984
Buildings	40,183,170	(525,170)	268,880	-	39,926,880
Improvements other than building	124,083,890	-	13,309,940	-	137,393,830
Vehicles and equipment	45,648,383	-	2,974,962	(1,811,026)	46,812,319
Intangibles	86,455	-	-	-	86,455
Total capital assets, being depreciated	<u>213,382,882</u>	<u>(525,170)</u>	<u>16,553,782</u>	<u>(1,811,026)</u>	<u>227,600,468</u>
Less accumulated depreciation for:					
Right to use asset	(295,836)	-	(84,524)	-	(380,360)
Buildings	(11,080,786)	84,246	(876,358)	-	(11,872,898)
Improvements other than building	(64,121,404)	-	(3,919,593)	-	(68,040,997)
Vehicles and equipment	(25,901,422)	-	(3,923,506)	1,671,858	(28,153,070)
Intangibles	(79,172)	-	(1,821)	-	(80,993)
Total accumulated depreciation	<u>(101,478,620)</u>	<u>84,246</u>	<u>(8,805,802)</u>	<u>1,671,858</u>	<u>(108,528,318)</u>
Total capital assets, being depreciated, net	<u>111,904,262</u>	<u>(440,924)</u>	<u>7,747,980</u>	<u>(139,168)</u>	<u>119,072,150</u>
Business-type activities capital assets, net	<u>\$ 249,281,856</u>	<u>\$ (1,165,924)</u>	<u>\$ 24,228,769</u>	<u>\$ (13,385,718)</u>	<u>\$ 258,958,983</u>

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE H – LONG-TERM OBLIGATIONS**

The following is a summary of changes in long-term obligations for the year ended June 30, 2024:

	Beginning Balance July 1, 2023	Additions	Reductions	Amortization	Ending Balance June 30, 2024	Due Within One Year
<b>Governmental activities:</b>						
General obligation bonds:						
2013A series-principal	\$ 2,750,000	\$ -	\$ (515,000)	\$ -	\$ 2,235,000	\$ 530,000
2013A series-premium	30,615	-	-	(6,318)	24,297	-
2017 series-principal	16,495,000	-	(1,560,000)	-	14,935,000	1,625,000
2017 series-premium	1,679,275	-	-	(195,264)	1,484,011	-
2019 series-principal	36,600,000	-	(3,245,000)	-	33,355,000	3,405,000
2019 series-premium	4,850,652	-	-	(457,491)	4,393,161	-
2020 series-principal	5,150,000	-	(1,570,000)	-	3,580,000	615,000
2020 series-premium	1,025,628	-	-	(86,596)	939,032	-
Total general obligation bonds	<u>68,581,170</u>	<u>-</u>	<u>(6,890,000)</u>	<u>(745,669)</u>	<u>60,945,501</u>	<u>6,175,000</u>
Revenue bonds (Sales tax revenue):						
2014B series-principal	4,145,000	-	(640,000)	-	3,505,000	660,000
2014B series-premium	67,101	-	-	(11,241)	55,860	-
2015 refunding-principal	6,145,000	-	(795,000)	-	5,350,000	820,000
2015 refunding-premium	280,348	-	-	(40,222)	240,126	-
2017 refunding-principal	21,200,000	-	(1,965,000)	-	19,235,000	2,060,000
2017 refunding-premium	2,026,828	-	-	(225,960)	1,800,868	-
2019 refunding-principal	21,325,000	-	(1,550,000)	-	19,775,000	1,600,000
2019 refunding-premium	2,474,969	-	-	(236,359)	2,238,610	-
Total revenue bonds	<u>57,664,246</u>	<u>-</u>	<u>(4,950,000)</u>	<u>(513,782)</u>	<u>52,200,464</u>	<u>5,140,000</u>
Compensated absences	1,120,057	377,139	-	-	1,497,196	1,335,797
Contract payable - SBITA	222,271	-	(170,646)	-	51,625	51,625
Total governmental activities	<u>\$ 127,587,744</u>	<u>\$ 377,139</u>	<u>\$ (12,010,646)</u>	<u>\$ (1,259,451)</u>	<u>\$ 114,694,786</u>	<u>\$ 12,702,422</u>
<b>Business-type activities:</b>						
Revenue bonds:						
2009A wtr revenue	\$ 875,000	\$ -	\$ (125,000)	\$ -	\$ 750,000	\$ 125,000
2013A wtr revenue refunding	770,000	-	(250,000)	-	520,000	255,000
2013A wtr revenue-prem/disc.	7,222	-	-	(2,926)	4,296	-
2014 wtr revenue	4,115,000	-	-	-	4,115,000	2,350,000
2014 wtr revenue-premium	55,475	-	-	(18,695)	36,780	-
2020 wtr revenue refunding	69,120,000	-	(2,325,000)	-	66,795,000	175,000
2020 wtr revenue-premium	8,275,847	-	-	(502,442)	7,773,405	-
2021 wtr revenue refunding	63,960,000	-	(2,325,000)	-	61,635,000	2,300,000
2021 wtr revenue-premium	5,538,916	-	-	(299,823)	5,239,093	-
Total revenue bonds	<u>152,717,460</u>	<u>-</u>	<u>(5,025,000)</u>	<u>(823,886)</u>	<u>146,868,574</u>	<u>5,205,000</u>
Compensated absences	490,498	213,403	-	-	703,901	602,171
Contract payable	2,749,182	-	(149,277)	-	2,599,905	152,032
Total business-type activities	<u>\$ 155,957,140</u>	<u>\$ 213,403</u>	<u>\$ (5,174,277)</u>	<u>\$ (823,886)</u>	<u>\$ 150,172,380</u>	<u>\$ 5,959,203</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for these funds are included as part of the above totals for governmental activities. At year end \$91,476 of internal service fund compensated absences are included in the above amounts. Also, for the governmental activities compensated absences are liquidated by the general fund. The City has complied with all revenue bond covenants.

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE H – LONG-TERM OBLIGATIONS, Continued**

**Redevelopment Agency Capital Projects Funds and Bonds**

The City maintains special revenue and capital project funds for the Main Street Redevelopment Agency and the Lower Park Avenue Redevelopment Agency. For the fiscal year ended June 30, 2024, the tax increment collected by the Main Street Redevelopment Agency was \$654 and the tax contributions from other governments were \$2,188. The tax increment collected by the Lower Park Avenue Redevelopment Agency was \$1,256,990 and the tax contributions from other governments were \$4,208,183. The tax increment paid to another taxing agency by the Lower Park Avenue Redevelopment Agency was \$699,065. During the fiscal year, the Lower Park Avenue Redevelopment Agency expended \$1,453,946 for site improvements and \$44,031 for economic development. The Main Street Redevelopment Agency expended \$233,654 for site improvements, \$30,000 for economic development.

**General Obligation Bonds**

On August 28, 2013, the City issued General Obligation Bonds Series 2013A in the par amount of \$7,170,000, a premium of \$92,774 and issuance costs of \$98,614. Pursuant to a special bond election held on November 6, 2007, the proceeds of the bonds were used to acquire, construct, improve and modify pathways, roads and related improvements for use by pedestrians and cyclists. Repayments are made from property tax revenues recorded in the Park City General Obligation Debt Service Fund.

On June 6, 2017, the City issued General Obligation Bonds Series 2017 in the amount of \$25,000,000 plus a premium of \$2,863,698 and bond issuance costs of \$155,239 pursuant to a bond election held on November 8, 2016. The proceeds of the bonds were used to acquire, improve and forever preserve open space, park and recreational land located in Bonanza Flats. Repayments are made from property tax revenues recorded in the Park City General Obligation Debt Service Fund.

The debt service requirements for the bonds at June 30, 2024 were as follows:

Fiscal Year Ending	Series 2013A Dated August 28, 2013 \$7,170,000 @ 2.00% to 3.25% per annum paid semi- annually (Nov. & May)		Series 2017 Dated June 6, 2017 \$25,000,000 @ 3.00% to 5.00% per annum paid semi- annually (Feb. & Aug.)					
	June 30,	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST			
2025	\$	530,000	\$	69,938	\$	1,625,000	\$	549,350
2026		550,000		54,036		1,685,000		468,100
2027		565,000		37,538		1,755,000		383,850
2028		590,000		19,175		1,825,000		296,100
2029		-		-		1,900,000		241,350
2030		-		-		1,975,000		184,350
2031		-		-		2,055,000		125,100
2032		-		-		2,115,000		63,450
Total		2,235,000		180,687		14,935,000		2,311,650
Plus unamortized premium		24,297		-		1,484,011		-
Total	\$	<u>2,259,297</u>	\$	<u>180,687</u>	\$	<u>16,419,011</u>	\$	<u>2,311,650</u>

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE H – LONG-TERM OBLIGATIONS, Continued**

**General Obligation Bonds, Continued**

On March 5, 2019, the City issued General Obligation Bonds Series 2019 in the par amount of \$48,290,000, a premium of \$6,827,264 and issuance costs of \$215,508. Pursuant to a special bond election held on November 6, 2018, the proceeds of the bonds were used to acquire, improve and forever preserve open space, park and recreational land located in Treasure Hill and Armstrong/Snow Ranch Pasture. Additionally, the bonds currently refunded \$4,290,000 principal of the City’s General Obligation Bonds Series 2008, plus \$67,993 interest. For government-wide reporting, the gain on refunding is reported as a deferred inflow of resources and amortized over the life of the bond. Repayments are made from property tax revenues and recorded in the Park City General Obligation Debt Service Fund.

On May 6, 2020, the City issued General Obligation Bonds Series 2020 in the par amount of \$9,470,000, a premium of \$1,298,465 and issuance costs of \$83,373. Pursuant to a special bond election held on November 6, 2018, the proceeds of the bonds were used to acquire, improve and forever preserve open space, park and recreational land located in Treasure Hill and Armstrong/Snow Ranch Pasture. The 2020 Bonds were the last block of bonds to be issued from the 2018 bond election. Additionally, the bonds currently refunded \$3,730,000 and \$2,255,000 principal of the City’s General Obligation Bonds Series 2009 and Series 2010B, respectively, plus \$1,991 and \$1,562 interest, respectively. For government-wide reporting, the gain on refunding is reported as a deferred inflow of resources and amortized over the life of the bond. Repayments are made from property tax revenues and recorded in the Park City General Obligation Debt Service Fund.

The debt service requirements for the bonds at June 30, 2024 were as follows:

Fiscal Year Ending June 30,	Series 2019 Dated March 5, 2019 \$48,290,000 @ 3.00% to 5.00% per annum paid semiannually (February and August)		Series 2020 Dated May 6, 2020 \$9,470,000 @ 2.125% to 5.00% per annum paid semiannually (May and November)	
	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
	2025	\$ 3,405,000	\$ 1,478,150	\$ 615,000
2026	2,730,000	1,307,900	240,000	115,337
2027	2,870,000	1,171,400	250,000	103,338
2028	3,015,000	1,027,900	265,000	90,837
2029	3,165,000	877,150	275,000	77,588
2030	3,320,000	718,900	290,000	63,837
2031	3,490,000	552,900	305,000	49,338
2032	3,625,000	413,300	320,000	37,137
2033	3,810,000	232,050	330,000	27,538
2034	3,925,000	117,750	340,000	17,637
2035	-	-	350,000	7,445
Total	33,355,000	7,897,400	3,580,000	736,120
Plus unamortized premium	4,393,161	-	939,032	-
Total	<u>\$ 37,748,161</u>	<u>\$ 7,897,400</u>	<u>\$ 4,519,032</u>	<u>\$ 736,120</u>

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE H – LONG-TERM OBLIGATIONS, Continued**

**Sales Tax Revenue and Refunding Bonds**

On September 11, 2014, the City issued Sales Tax Revenue Bonds, Series 2014B in the amount of \$5,375,000 plus a premium of \$166,022. The proceeds from the sale of the Series 2014B Sales Tax Revenue Bonds were used for the purpose of financing the cost associated with improvements and acquisition of open space.

On May 12, 2015, the City issued Sales Tax Revenue Bonds, Series 2015 in the amount of \$11,600,000 plus a premium of \$607,524. The proceeds from the sale of the bonds were used for the purpose of financing the cost associated with improvements and acquisition of open space.

The debt service requirements for the bonds at June 30, 2024 were as follows:

Fiscal Year Ending June 30,	Series 2014B		Series 2015	
	Dated September 11, 2014		Dated May 12, 2015	
	\$5,375,000 @ 3.00% to 3.25% per annum paid semiannually (June and December)		\$11,600,000 @ 2.00% to 4.00% per annum paid semiannually (June and December)	
	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2025	\$ 660,000	\$ 108,813	\$ 820,000	\$ 180,675
2026	680,000	89,013	845,000	156,075
2027	700,000	68,613	880,000	122,275
2028	720,000	47,612	905,000	95,875
2029	745,000	24,212	930,000	68,725
2030	-	-	970,000	31,525
Total	<u>3,505,000</u>	<u>338,263</u>	<u>5,350,000</u>	<u>655,150</u>
Plus unamortized premium	<u>55,860</u>	<u>-</u>	<u>240,126</u>	<u>-</u>
Total	<u><u>\$ 3,560,860</u></u>	<u><u>\$ 338,263</u></u>	<u><u>\$ 5,590,126</u></u>	<u><u>\$ 655,150</u></u>

On November 11, 2017, the City issued Sales Tax Revenue Bonds, Series 2017 in the amount of \$31,940,000 plus a premium of \$3,287,871. The proceeds from the sale of the bonds were used for the purpose of financing the acquisition and construction of affordable housing units; land acquisition; parking, plaza and walkway improvements; road improvements; open space acquisition; and parks and community center improvements.

On February 21, 2019 the City issued Sales Tax Revenue Bonds, Series 2019 in the amount of \$26,775,000 plus a premium of \$3,495,522. The proceeds from the sale of the bonds were used for the purpose of financing a portion of the cost of a revolving program of acquiring and constructing affordable housing units, parking and plaza improvements, road improvements, open space acquisition, and park, recreation and community center improvements.



**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE H – LONG-TERM OBLIGATIONS, Continued**

**Sales Tax Revenue and Refunding Bonds, Continued**

The debt service requirements for the bonds at June 30, 2024 were as follows:

Fiscal Year Ending June 30,	Series 2017		Series 2019	
	Dated November 11, 2017		Dated February 21, 2019	
	\$31,940,000 @ 2.85% to 5.00% per annum paid semiannually (June and December)		\$26,775,000 @ 3.00% to 5.00% per annum paid semiannually (June and December)	
	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2025	\$ 2,060,000	\$ 708,778	\$ 1,600,000	\$ 811,000
2026	2,165,000	605,777	1,650,000	753,750
2027	2,275,000	497,528	1,750,000	668,750
2028	2,385,000	383,777	1,825,000	579,375
2029	2,480,000	288,378	1,925,000	485,625
2030	2,555,000	213,977	2,025,000	386,875
2031	2,620,000	147,548	2,125,000	293,750
2032	2,695,000	76,807	2,200,000	207,250
2033	-	-	2,300,000	117,250
2034	-	-	2,375,000	35,625
Total	19,235,000	2,922,570	19,775,000	4,339,250
Plus unamortized premium	1,800,868	-	2,238,610	-
Total	<u>\$ 21,035,868</u>	<u>\$ 2,922,570</u>	<u>\$ 22,013,610</u>	<u>\$ 4,339,250</u>

The Series 2014B, 2015, 2017 and 2019 Bonds are special limited obligations of the City, payable solely from and secured solely by a pledge of revenues from (1) 100 percent of the revenues received by the City from the local sales and use tax levied by the City pursuant to the Utah Local Sales and Use Tax Act, Title 59, Chapter 12, Part 2, Utah Code and (2) 100 percent of the revenues received by the City from the resort communities tax levied by the City pursuant to Title 59, Chapter 12, Part 4 of the Utah Code. The bonds do not constitute a pledge of the ad valorem taxing power or the full faith and credit of the City.

The Series 2017 and 2019 Bonds are additionally payable solely from and secured solely by a pledge of revenues from 100 percent of the revenues received by the City from the municipal transient room tax levied by the City pursuant to Title 59, Chapter 12, Part 3A, Utah Code.

In compliance with federal regulations, the City monitored and, when necessary, remitted arbitrage payments to the U.S Treasury related to excess investment earnings on tax-exempt bond proceeds. During the fiscal year 2024, the City remitted \$541,546 in arbitrage on the Series 2019 Sales Tax Bonds.

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE H – LONG-TERM OBLIGATIONS, Continued**

**Water Revenue Bonds**

On July 14, 2009, the City issued the par amount of \$2,500,000 in Taxable Water Revenue Bonds Series 2009A to finance the construction of drinking water system improvements. The bonds bear no interest and the principal payment of \$125,000 is paid annually beginning July 15, 2010 and ending July 15, 2029. Repayments on the debt are made from the net revenues of the Water Fund. The outstanding balance at June 30, 2024 is \$750,000.

**Water Revenue Refunding Bonds**

On February 21, 2013, the City issued the par amount of \$3,045,000 in Water Revenue and Refunding Bonds Series 2013 A and B plus a premium of \$37,518. The premium was deferred and amortized over the life of the bond using the effective interest method. The bond proceeds were used to refund \$3,029,000 principal of outstanding Water Revenue Bonds Series 2006 plus interest of \$63,609. The bonds incurred bond issue costs of \$74,516, which were recognized as an expense in the period incurred. Repayments on the debt are made from the net revenues of the Water Fund.

On June 25, 2014, the City issued the par amount of \$4,115,000 in Water Revenue Bonds Series 2014 plus a premium of \$223,986 to finance construction of water system infrastructure. The premium was deferred and amortized over the life of the bond on an effective interest method. The bonds incurred bond issue costs of \$93,218, which were recognized as an expense in the period incurred. Repayments on the debt are made from net revenues of the Water Fund.

The debt service requirements for the water refunding bonds at June 30, 2024 were as follows:

Fiscal Year Ending June 30,	Series 2013A Dated February 21, 2013 \$3,045,000 @ 2.00%		Series 2014 Dated June 25, 2014 \$4,115,000 @ 3.25%	
	per annum paid semiannually (June and December)		per annum paid semiannually (June and December)	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
2025	\$ 255,000	\$ 7,850	\$ 2,350,000	\$ 133,738
2026	265,000	2,650	1,765,000	57,362
Total	520,000	10,500	4,115,000	191,100
Plus unamortized premium/discount	4,296	-	36,780	-
Total	<u>\$ 524,296</u>	<u>\$ 10,500</u>	<u>\$ 4,151,780</u>	<u>\$ 191,100</u>

On June 16, 2020, the City issued the par amount of \$75,515,000 in Water Revenue Bonds Series 2020 plus a premium of \$9,802,442. The premium was deferred and amortized over the life of the bond using the effective interest method. The bond proceeds were used to refund \$8,235,000 and \$4,945,000 of outstanding Water Revenue Bonds Series 2009C and 2010, respectively plus interest of \$225,484 and \$99,449, respectively. New money in the amount of \$66,620,000 was received to finance construction of water system infrastructure. The bonds incurred bond issue costs of \$333,785, which were recognized as an expense in the period incurred. Repayments on the debt are made from net revenues of the Water Fund.

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE H – LONG-TERM OBLIGATIONS, Continued**

**Water Revenue Refunding Bonds, Continued**

On October 13, 2021, the City issued the par amount of \$66,135,000 in Water Revenue Bonds Series 2021 plus a premium of \$6,052,311. The premium was deferred and amortized over the life of the bond using the effective interest method. The bond proceeds were used to refund \$1,925,000 and \$5,525,000 of outstanding Water Revenue Bonds Series 2012 and 2012B, respectively plus interest of \$21,063 and \$62,156, respectively. New money in the amount of \$65,000,000 was received to finance construction of water system infrastructure. The bonds incurred bond issue costs of \$320,994, which were recognized as an expense in the period incurred. Repayments on the debt are made from net revenues of the Water Fund.

The debt service requirements for these bonds at June 30, 2024 were as follows:

Fiscal Year Ending June 30,	Series 2020		Series 2021	
	Dated June 16, 2020		Dated October 13, 2021	
	\$75,515,000 @ 2.125% to 5.00% per annum paid semiannually (June and December)		\$66,135,000 @ 2.00% to 5.00% per annum paid semiannually (June and December)	
	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2025	\$ 175,000	\$ 2,139,218	\$ 2,300,000	\$ 1,902,381
2026	-	2,134,844	3,280,000	1,762,882
2027	1,945,000	2,086,219	3,645,000	1,589,756
2028	2,000,000	1,987,594	3,875,000	1,401,757
2029	4,250,000	1,831,344	1,930,000	1,256,631
2030	4,475,000	1,613,219	2,020,000	1,157,882
2031	4,700,000	1,383,844	2,255,000	1,051,006
2032	4,875,000	1,193,219	2,385,000	935,006
2033	5,025,000	1,044,719	2,495,000	825,481
2034	5,175,000	891,719	2,575,000	749,831
2035	5,350,000	733,844	2,610,000	697,981
2036	5,500,000	571,094	2,675,000	645,131
2037	5,650,000	432,094	2,715,000	591,231
2038	5,775,000	314,234	2,765,000	536,431
2039	5,875,000	190,453	2,845,000	480,331
2040	6,025,000	64,014	2,880,000	421,281
2041	-	-	9,095,000	294,047
2042	-	-	9,290,000	98,706
Total	66,795,000	18,611,672	61,635,000	16,397,752
Plus unamortized premium	7,773,405	-	5,239,093	-
Total	<u>\$ 74,568,405</u>	<u>\$ 18,611,672</u>	<u>\$ 66,874,093</u>	<u>\$ 16,397,752</u>

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE H – LONG-TERM OBLIGATIONS, Continued**

**Other Debt**

The City entered into an agreement with Weber Basin Water Conservancy District for the right to share in the existing capacity in the East Canyon Water Treatment Plan and Highway 40 System. In return, the City agreed to make an annual payment of \$200,000 per year beginning January 1, 2020 through January 1, 2039. The contract payable has an effective interest rate of 1.8 percent per annum.

The debt service requirements for the contracts payable at June 30, 2024 were as follows:

Fiscal Year Ending	PRINCIPAL	INTEREST
<u>June 30,</u>	<u></u>	<u></u>
2025	\$ 152,032	\$ 47,968
2026	154,837	45,163
2027	157,693	42,307
2028	160,603	39,397
2029	163,566	36,434
2030	166,584	33,416
2031	169,657	30,343
2032	172,788	27,212
2033	175,975	24,024
2034	179,222	20,778
2035	182,529	17,471
2036	185,897	14,104
2037	189,326	10,674
2038	192,819	7,181
2039	196,377	3,623
Total	<u>\$ 2,599,905</u>	<u>\$ 400,095</u>

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE H – LONG-TERM OBLIGATIONS, Continued**

**Annual Debt Service**

The annual debt service requirements for all long-term debt outstanding as of June 30, 2024 by activity are as follows:

Fiscal Year Ending June 30,	Governmental Activities		Business-Type Activities	
	General Obligation Bonds	Revenue Bonds	Revenue Bonds	Contract Payable
Principal				
2025	\$ 6,175,000	\$ 5,140,000	\$ 5,205,000	\$ 152,032
2026	5,205,000	5,340,000	5,435,000	154,837
2027	5,440,000	5,605,000	5,715,000	157,693
2028	5,695,000	5,835,000	6,000,000	160,603
2029	5,340,000	6,080,000	6,305,000	163,566
2030-2034	25,900,000	19,865,000	36,105,000	864,226
2035-2039	350,000	-	41,760,000	946,948
2040-2042	-	-	27,290,000	-
Total	54,105,000	47,865,000	133,815,000	2,599,905
Plus unamortized premium/discount	6,840,501	4,335,464	13,053,574	-
Total	<u>\$ 60,945,501</u>	<u>\$ 52,200,464</u>	<u>\$ 146,868,574</u>	<u>\$ 2,599,905</u>
Interest				
2025	\$ 2,243,526	\$ 1,809,266	\$ 4,183,188	\$ 47,968
2026	1,945,376	1,604,616	3,957,738	45,163
2027	1,696,124	1,357,164	3,675,975	42,307
2028	1,434,013	1,106,641	3,389,350	39,397
2029	1,196,088	866,940	3,087,975	36,434
2030-2034	2,603,228	1,510,608	10,845,925	135,774
2035-2039	7,438	-	5,192,795	53,052
2040-2042	-	-	878,045	-
Total	<u>\$ 11,125,793</u>	<u>\$ 8,255,235</u>	<u>\$ 35,210,991</u>	<u>\$ 400,095</u>

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

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**NOTE I – RETIREMENT PLANS**

**General Information about the Pension Plan**

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

**Defined Benefit Plans**

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

The Systems are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Utah State Retirement Board (Board), whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. The Systems 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 Systems 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](http://www.urs.org/general/publications).

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE I – RETIREMENT PLANS, Continued**

Benefits provided: The Systems 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 System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.00% per year all years	Up to 4.00%
Contributory System	Highest 5 years	30 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.25% per year to June 1975; 2.00% per year July 1975 to present	Up to 4.00%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.50% per year up to 20 years; 2.00% per year over 20 years	Up to 2.50% or 4.00% depending upon employer
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.50% per year all years	Up to 2.50%
Tier 2 Public Safety and Firefighter System	Highest 5 years	25 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.50% per year to June 2020; 2.00% per year July 2020 to present	Up to 2.50%

\* 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.

**Contribution Rate Summary**

As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the Systems' 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.

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE I – RETIREMENT PLANS, Continued**

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

	Tier 1 – DB System			Tier 2 – DB Hybrid System				Tier 2 – 401(k) Option			
	EE	ER	ER 401(k)	Tier 2 Fund	EE	ER	ER 401(k)	Tier 2 Fund	EE	ER	ER 401(k)
<b>Contributory System</b>											
11 Local Government	6.00	13.96	-	111	-	17.77	0.18	211	-	7.95	10.00
<b>Noncontributory System</b>											
15 Local Government	-	17.97	-	111	-	16.01	0.18	211	-	6.19	10.00
<b>Public Safety System</b>											
<b>Noncontributory</b>											
43 Other Div A 2.5% COLA	-	34.04	-	122	2.59	25.83	-	222	-	11.83	14.00

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

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

System	Employer	Employee
Noncontributory System	\$ 1,502,533	\$ -
Contributory System	26,281	11,296
Public Safety System	945,893	-
Tier 2 Public Employees System	3,007,003	-
Tier 2 Public Safety and Firefighter	210,244	21,082
Tier 2 DC Public Employees Plan	263,644	-
Tier 2 DC Public Safety and Firefighter Plan	12,262	-
<b>Total Contributions</b>	<b>\$ 5,967,861</b>	<b>\$ 32,378</b>

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

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

At June 30, 2024, the City reported a net pension asset of \$0 and a net pension liability of \$6,530,515.

	<b>(Measurement Date): December 31, 2023</b>				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2022	Change (Decrease)
Noncontributory System	\$ -	\$ 2,984,586	1.2867010 %	1.2410208 %	0.0456802 %
Contributory System	-	107,894	1.3071133	1.4079842	(0.1008709)
Public Safety System	-	2,105,985	1.4725477	1.5745754	(0.1020277)
Tier 2 Public Employees System	-	1,262,980	0.6488864	0.6461891	0.0026973
Tier 2 Public Safety and Firefighter	-	69,070	0.1833582	0.1264571	0.0569011
	<b>\$ -</b>	<b>\$ 6,530,515</b>			



**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE I – RETIREMENT PLANS, Continued**

The net pension asset and liability were measured as of December 31, 2023, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2023 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer’s actual contributions to the Systems during the plan year over the total of all employer contributions to the Systems during the plan year.

For the fiscal year ended June 30, 2024, the City recognized pension expense of \$4,686,633.

At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 2,898,273	\$ 25,401
Changes in assumptions	1,853,915	2,416
Net difference between projected and actual earnings on pension plan investments	1,470,409	-
Changes in proportion and differences between contributions and proportionate share of contributions	210,315	85,898
Contributions subsequent to the measurement date	3,007,601	-
	\$ 9,440,513	\$ 113,715

\$3,007,601 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to 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:

<b>Year ended December 31,</b>	<b>Net Deferred Outflows (Inflows) of Resources</b>
2024	\$ 1,715,634
2025	1,461,310
2026	2,847,963
2027	(466,875)
2028	134,466
Thereafter	626,704

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE I – RETIREMENT PLANS, Continued**

**Noncontributory System Pension Expense, and Deferred Outflows and Inflows of Resources**

For the fiscal year ended June 30, 2024, the City recognized pension expense of \$2,076,052.

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

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 2,089,842	\$ -
Changes in assumptions	895,611	-
Net difference between projected and actual earnings on pension plan investments	970,561	-
Changes in proportion and differences between contributions and proportionate share of contributions	48,471	15,378
Contributions subsequent to the measurement date	756,634	-
	\$ 4,761,119	\$ 15,378

\$756,634 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to 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:

<b>Year ended December 31,</b>	<b>Net Deferred Outflows (Inflows) of Resources</b>
2024	\$ 1,345,277
2025	1,226,746
2026	1,824,722
2027	(407,640)
2028	-
Thereafter	-

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE I – RETIREMENT PLANS, Continued**

**Contributory System Pension Expense, and Deferred Outflows and Inflows of Resources**

For the fiscal year ended June 30, 2024, the City recognized pension expense of (\$17,742).

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

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	48,550	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	13,285	-
	\$ 61,835	\$ -

\$13,285 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to 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:

<b>Year ended December 31,</b>	<b>Net Deferred Outflows (Inflows) of Resources</b>
2024	\$ (60,319)
2025	4,497
2026	130,698
2027	(26,325)
2028	-
Thereafter	-

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE I – RETIREMENT PLANS, Continued**

**Public Safety System Pension Expense, and Deferred Outflows and Inflows of Resources**

For the fiscal year ended June 30, 2024, the City recognized pension expense of \$891,347.

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

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 366,975	\$ -
Changes in assumptions	185,055	-
Net difference between projected and actual earnings on pension plan investments	301,451	-
Changes in proportion and differences between contributions and proportionate share of contributions	3,620	41,019
Contributions subsequent to the measurement date	456,722	-
	\$ 1,313,823	\$ 41,019

\$456,722 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to 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:

<b>Year ended December 31,</b>	<b>Net Deferred Outflows (Inflows) of Resources</b>
2024	\$ 305,607
2025	52,845
2026	588,768
2027	(131,137)
2028	-
Thereafter	-

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE I – RETIREMENT PLANS, Continued**

**Tier 2 Public Employees System Pension Expense, and Deferred Outflows and Inflows of Resources**

For the fiscal year ended June 30, 2024, the City recognized pension expense of \$1,648,612.

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

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 404,522	\$ 20,686
Changes in assumptions	722,924	999
Net difference between projected and actual earnings on pension plan investments	142,619	-
Changes in proportion and differences between contributions and proportionate share of contributions	149,104	26,005
Contributions subsequent to the measurement date	1,669,901	-
	<b>\$ 3,089,070</b>	<b>\$ 47,690</b>

\$1,669,901 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to 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 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:

<b>Year ended December 31,</b>	<b>Net Deferred Outflows (Inflows) of Resources</b>
2024	\$ 118,229
2025	168,533
2026	289,908
2027	93,553
2028	127,755
Thereafter	573,507

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE I – RETIREMENT PLANS, Continued**

**Tier 2 Public Safety and Firefighter Pension Expense, and Deferred Outflows and Inflows of Resources**

For the fiscal year ended June 30, 2024, the City recognized pension expense of \$88,364.

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

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 36,934	\$ 4,715
Changes in assumptions	50,325	1,417
Net difference between projected and actual earnings on pension plan investments	7,228	-
Changes in proportion and differences between contributions and proportionate share of contributions	9,120	3,496
Contributions subsequent to the measurement date	111,059	-
	\$ 214,666	\$ 9,628

\$111,059 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to 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:

<b>Year ended December 31,</b>	<b>Net Deferred Outflows (Inflows) of Resources</b>
2024	\$ 6,840
2025	8,689
2026	13,867
2027	4,674
2028	6,711
Thereafter	53,197

**Actuarial Assumptions**

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

Inflation	2.50 percent
Salary increases	3.50 - 9.50 percent, average, including inflation
Investment rate of return	6.85 percent, net of pension plan investment expense, including inflation

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE I – RETIREMENT PLANS, Continued**

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

<b>Expected Return Arithmetic Basis</b>			
<b>Asset Class</b>	<b>Target Asset Allocation</b>	<b>Real Return Arithmetic Basis</b>	<b>Long-Term Expected Portfolio Real Rate of Return</b>
Equity securities	35.000 %	6.87 %	2.40 %
Debt securities	20.000	1.54	0.31
Real assets	18.000	5.43	0.98
Private equity	12.000	9.80	1.18
Absolute return	15.000	3.86	0.58
Cash and cash equivalents	-	0.24	0.00
Totals	100.00 %		5.45 %
	Inflation		2.50 %
	Expected arithmetic nominal return		7.95 %

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

Discount rate: The discount rate used to measure the total pension liability was 6.85 percent. 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 Systems' 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.

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE I – RETIREMENT PLANS, Continued**

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 percent, 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 percent) or 1 percentage point higher (7.85 percent) than the current rate:

<b>System</b>	<b>1% Decrease or 5.85%</b>	<b>Discount Rate of 6.85%</b>	<b>1% Increase or 7.85%</b>
Noncontributory System	\$ 15,489,844	\$ 2,984,586	\$ (7,487,719)
Contributory System	652,743	107,894	(355,954)
Public Safety System	6,608,004	2,105,985	(1,562,882)
Tier 2 Public Employees System	4,339,420	1,262,980	(1,122,798)
Tier 2 Public Safety and Firefighter System	222,544	69,070	(53,713)
<b>Total</b>	<b>\$ 27,312,555</b>	<b>\$ 6,530,515</b>	<b>\$ (10,583,066)</b>

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

**Defined Contribution Savings Plans**

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

The City participates in the following Defined Contribution Savings Plans with the Systems:

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

Employee and employer contributions to the Systems Defined Contribution Savings Plans for fiscal year ended June 30<sup>th</sup> were as follows:

	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>401(k) Plan</b>			
Employer Contributions	\$ 527,908	\$ 396,984	\$ 379,310
Employee Contributions	197,086	71,469	8,804
<b>457 Plan</b>			
Employer Contributions	-	-	-
Employee Contributions	22,845	-	-
<b>Roth IRA Plan</b>			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	28,368	16,470	15,190
<b>Traditional IRA</b>			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	800	-	-



**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

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**NOTE J - DEFINED CONTRIBUTION PLANS**

**Section 401(a) defined contribution money purchase plan**

The City sponsors a defined contribution plan under Internal Revenue Code Section 401(a) for all full-time City employees not covered by the Public Safety Retirement System for employers with Social Security coverage.

MissionSquare Retirement (MissionSquare) administers this plan. The City's total payroll in the fiscal year ended June 30, 2024 was \$42,283,889. Of that amount, \$5,030,777 was eligible to participate in this plan. The City participated at a rate of 0.50 percent, under City resolution for the year ended June 30, 2024 for employees covered by the State Contributory System retirement plan, 0.50 percent for employees covered by the State Noncontributory System retirement plan, and 18.47 percent under State Statue for a limited number of employees that are exempt from the State plan. During the year ended June 30, 2024 contributions totaling \$25,049 or 0.50 percent of covered payroll were made by the City. Employer contributions are fully vested in one year. All contributions were made by the due dates. The 401(a) defined contribution monies are not available to the City or its general creditors. Therefore, no assets or liabilities of the 401(a) defined contribution plan are reflected in the City's financial statements.

**Section 457 deferred compensation plan**

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time City employees, permits them to defer a portion of their salary until future years. Employees are eligible to voluntarily participate from the date of employment and are vested immediately upon participating. The City's total payroll in the fiscal year ended June 30, 2024 was \$42,283,889 and the City's covered payroll eligible for this plan totaled \$27,646,839. The City participates in employer benefits of \$46.15 per pay period for those employees who have chosen single health insurance coverage and match the employees' voluntary contribution amount at fifty cents on the dollar to a maximum contribution of \$900. Contributions totaling \$337,061 or 1.22 percent of covered payroll were made by the City and voluntary contributions totaling \$1,074,462 or 3.89 percent of covered payroll were made by employees. All contributions were made by the due dates.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in trust for the exclusive benefit of participants and their beneficiaries, except that expenses and taxes may be paid from the Trust. Participants' rights under the plan are equal to those of general creditors of the City in an amount equal to the fair value of the deferred account for each participant. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Investments are managed by the plan's administrator under one of seven investment options, or a combination thereof. The choice of the investment option(s) is made by the participants. All of the assets and income of the 457 Plan are held in investment fund trusts by MissionSquare for the exclusive benefit of the participants or their beneficiaries rather than as assets of the employer. As MissionSquare is the fiduciary of these assets, the City is no longer required to report the assets.

**Loans or notes between the City and the defined contribution plans**

There are no securities, loans or notes of the City included in the plans' assets.

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE K – UNAVAILABLE REVENUE**

**Fund Financial Statements**

At June 30, 2024, the following unavailable revenues were recorded in the fund financial statements as deferred inflows of resources because the funds were not available to finance expenditures of the current period.

	General	Debt Service - Park City General Obligation	Capital Projects - Capital Improvement Fund	Other Governmental Funds	Total
Notes receivable	\$ -	\$ -	\$ 246,291	\$ -	\$ 246,291
Leases receivable	10,290,865	-	-	-	10,290,865
Property tax levied- not yet collected	10,941,043	8,418,526	-	5,396,313	24,755,882
	<u>\$ 21,231,908</u>	<u>\$ 8,418,526</u>	<u>\$ 246,291</u>	<u>\$ 5,396,313</u>	<u>\$ 35,293,038</u>

**NOTE L – INTERGOVERNMENTAL REVENUES**

Intergovernmental revenues were received by governmental fund types for the year ended June 30, 2024. They consist of the following:

State of Utah Class "C" road allotments	\$ 576,539
State contributions	102,034
County contributions	1,752,675
Federal contributions	24,490
Fire District	346,997
School District	3,094,299
Total	<u>\$ 5,897,034</u>

**NOTE M – RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City purchases commercial insurance through the Utah Risk Management Mutual Association to mitigate the costs of these risks.

The City's responsibility includes payment of premiums, self-insured retention of \$275,000 per occurrence for general liability, and deductibles of \$25,000 for property claims, and \$25,000 for auto physical damage. The amount of the settlements has not exceeded insurance coverage for the past three years. Liabilities are recorded for any claim or judgment when information available prior to issuance of the financial statements indicates it is probable that an asset has been impaired or a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

**NOTE M – RISK MANAGEMENT, Continued**

The City maintains the Risk Management Fund (an internal service fund) to account for the cost of commercial insurance and to finance its risk of losses not covered by insurance. All departments of the City make payments to the Risk Management Fund based on estimates of each department's insurable risks of loss and on amounts needed to pay prior and current-year uninsured claims. The following is a reconciliation of the changes in the aggregate claim liability for the City from the prior fiscal year to the current fiscal year:

Fiscal Year	Unpaid Claims Beginning Balance	Incurred Claims	Claim Payments & Adjustments	Unpaid Claims Ending Balance
2024	\$ 57,470	\$ 482,391	\$ (420,756)	\$ 119,105
2023	301,140	274,919	(518,589)	57,470

**NOTE N – LITIGATION AND CONTINGENCIES**

The City records liabilities resulting from claims and legal actions when they become fixed or determinable in amount. The City is currently the defendant in several pending lawsuits. Legal counsel is of the opinion that potential claims against the City resulting from such litigation not covered by insurance do not pose a threat of significant liability to the City. Claims payable reported in the risk management fund at June 30, 2024 represents the City's share of pending claims not covered by insurance and incurred (or to be incurred) through June 20, 2024, including legal defense fees.

The City has received several federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to request for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based upon prior experience, the City believes such disallowances, if any, will be immaterial.

**NOTE O - COMMITMENTS AND CONTINGENCIES**

Commitments for major construction and capital improvements projects at June 30, 2024 are as follows:

Capital Projects Funds	\$ 10,545,436
Enterprise Funds	\$ 11,124,602

**NOTE P - TAXES**

Before June 15 of each year, the City sets the property tax rate for various municipal purposes. If the City intends to increase property tax revenues above the tax rate of the previous year, state law requires the City to provide public notice to property owners and hold public hearings. All property taxes levied by the City are assessed and collected by Summit and Wasatch Counties. Property taxes are levied on January 1 on real property values assessed as of the same date. Taxes are due November 30 and delinquent taxes are subject to a penalty. Unless the delinquent taxes and penalties are paid before January 15 of the following year, a lien is attached to the property and the amount of taxes and penalties bear interest from January 1 until paid.

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO BASIC FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2024**

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**NOTE P – TAXES, Continued**

If after five years, delinquent taxes have not been paid, the County sells the property at a tax sale. Tax collections are remitted to the City from the County on a monthly basis.

Sales and resort taxes are collected by the State Tax Commission and remitted to the City monthly. Franchise taxes are collected by the telephone, natural gas, electric utilities, cable television and sewer companies and remitted to the City periodically.

**NOTE Q – CONDUIT DEBT**

On May 13, 2021, the City issued \$15,670,000 of 2021 Tax-Exempt Industrial Revenue Refunding Bonds on behalf of the United States Ski and Snowboard Association (USSA), a nonprofit corporation. The bonds refunded \$15,455,766 of the 2015 Industrial Revenue Refunding Bonds issued on May 29, 2015, on behalf of USSA. The bonds bear interest at a 2.75 percent rate and mature May 1, 2036. The bonds were used to partially finance the construction of The USSA Center of Excellence, an athletic training and office facility located in Park City. The bonds are secured by a pledge of revenues under the Bond Indenture. Neither the City's General Fund nor the full faith and credit of the City are pledged for the payment of principal or interest on the bonds. Since the bonds do not constitute a debt of the City, they are not reported in the accompanying financial statements. The principal balance of outstanding bonds was \$14,624,235 at June 30, 2024.

**NOTE R – POLLUTION REMEDIATION**

GAAP addresses accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups. GASB 49 identifies the obligating events, which require the City to estimate the components of expected pollution remediation outlays and determine whether outlays for those components should be accrued as a liability or, if appropriate, capitalized when goods and services are acquired.

The United States Environmental Protection Agency (USEPA) and Utah Department of Environmental Quality have been investigating and evaluating mine sites within the Park City area since the early 1980's. In 1988, pursuant to approval of USEPA, Park City Municipal Corporation enacted the Landscaping and Maintenance of Soil Cover Ordinance for lots within the City limits. In general, the landscaping and soil maintenance cover requirements mandated a 6-inch clean topsoil cap in order to contain the underlying mine related material. The general objective of these measures was to isolate potentially contaminated material from the surface and minimize direct contact. On April 30, 2004, the City implemented an Environmental Management System (EMS) to further strengthen the Soils Ordinance Program on a long-term basis. The EMS Soils Ordinance Boundary contains pollution remediation obligations of Park City Municipal Corporation pursuant to this local ordinance, which is an obligating event pursuant to GASB 49. Park City has evaluated its property holdings and found that there exists remediation obligations. The estimated cost to remediate these properties is \$2,250,000. In addition, Park City, is responsible for assessing environmental damages through an NRDA assessment. The estimated cost for the assessment and potential damages is \$1,720,000. The total estimate of \$3,470,000 is measured at current value using the expected cash flow technique, which measures the liability as the sum of probability-weighted amounts in a range of possible estimated amounts. This technique uses all expectations about possible cash flows. The pollution remediation obligation is an estimate subject to changes resulting from price increases or reductions, technology, or changes in applicable laws and regulations.

# REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Required Supplementary Information  
Schedule of the Proportionate Share of the Net Pension Liability  
Park City Municipal Corporation, Utah  
Utah Retirement Systems  
Last 10 Calendar Years

	As of calendar year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered payroll	Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of its covered payroll
Noncontributory System	2014	1.1057757 %	\$ 4,801,538	\$ 8,969,083	53.50 %	90.20 %
	2015	1.1629907	6,580,767	8,900,339	73.94	87.80
	2016	1.1028763	7,081,816	8,404,365	84.26	87.30
	2017	1.1793561	5,167,113	8,457,558	61.09	91.90
	2018	1.2132077	8,933,726	8,284,921	107.83	87.00
	2019	1.1954718	4,505,576	7,721,132	58.35	93.70
	2020	1.0590082	543,211	6,406,630	8.48	99.20
	2021	1.0837078	(6,206,510)	6,475,027	(95.85)	108.70
	2022	1.2410208	2,125,557	7,593,684	27.99	97.50
	2023	1.2867010	2,984,586	7,991,806	37.35	96.90
Contributory System	2014	1.7202131	496,184	921,380	53.90	94.00
	2015	2.1367876	1,501,851	910,458	164.96	85.70
	2016	3.5528544	1,165,731	852,469	136.75	92.90
	2017	4.2822288	348,463	868,933	40.10	98.20
	2018	4.4140715	1,791,243	826,181	216.81	91.20
	2019	4.3953469	288,055	787,616	36.57	98.60
	2020	3.2448058	(581,540)	535,246	(108.65)	(103.90)
	2021	1.5272379	(1,105,633)	224,323	(492.87)	115.90
	2022	1.4079842	144,808	197,103	73.47	97.70
	2023	1.3071133	107,894	175,870	61.35	98.20
Public Safety System	2014	1.0325635	1,298,534	1,628,847	79.70	90.50
	2015	1.1316373	2,027,047	1,850,090	109.56	87.10
	2016	1.3348476	2,708,774	2,154,360	125.73	86.50
	2017	1.4076471	2,208,117	2,326,902	94.90	90.20
	2018	1.3792220	3,548,166	2,335,379	151.93	84.70
	2019	1.3778642	2,212,323	2,376,678	93.08	90.90
	2020	1.3794893	1,145,309	2,435,306	47.03	95.50
	2021	1.3752460	(1,116,896)	2,453,207	(45.53)	104.20
	2022	1.5745754	2,036,044	2,852,056	71.39	93.60
	2023	1.4725477	2,105,985	2,780,310	75.75	93.44
Tier 2 Public Employees System	2014	0.4811751	(14,582)	2,361,287	(0.60)	103.50
	2015	0.6083725	(1,328)	3,930,779	(0.03)	100.20
	2016	0.5779839	64,474	4,739,934	1.36	95.10
	2017	0.6412973	56,541	6,278,394	0.90	97.40
	2018	0.6795699	291,045	7,931,286	3.67	90.80
	2019	0.6951133	156,336	9,661,859	1.62	96.50
	2020	0.6133599	88,218	9,810,802	0.90	98.30
	2021	0.5734098	(242,688)	10,647,053	(2.28)	103.80
	2022	0.6461891	703,631	14,078,980	5.00	92.30
	2023	0.6488864	1,262,980	16,775,958	7.53	89.58
Tier 2 Public Safety and Firefighter System	2014	0.5580685	(8,256)	230,513	(3.60)	120.50
	2015	0.4334431	(6,333)	258,047	(2.45)	110.70
	2016	0.4276917	(3,713)	353,369	(1.05)	103.60
	2017	0.2907906	(3,365)	307,120	(1.10)	103.00
	2018	0.1535009	3,846	205,685	1.87	95.60
	2019	0.1264583	11,895	208,446	5.71	89.60
	2020	0.1177901	10,565	236,532	4.47	93.10
	2021	0.0963238	(4,868)	230,346	(2.11)	102.80
	2022	0.1264571	10,550	389,082	2.71	96.40
	2023	0.1833582	69,070	694,751	9.94	89.10

Schedule of Required Supplementary Information  
Schedule of Contributions  
Park City Municipal Corporation, Utah  
Utah Retirement Systems  
Last 10 Fiscal Years

	As of fiscal year ended June 30,	Actuarial determined contributions	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll <sup>1</sup>
Noncontributory System	2015	\$ 1,593,052	\$ 1,593,052	-	\$ 8,676,643	18.36 %
	2016	1,583,281	1,583,281	-	8,630,571	18.35
	2017	1,559,571	1,559,571	-	8,480,620	18.39
	2018	1,553,648	1,553,648	-	8,429,027	18.43
	2019	1,486,998	1,486,998	-	8,084,781	18.39
	2020	1,279,250	1,279,250	-	6,988,178	18.31
	2021	1,154,993	1,154,993	-	6,259,429	18.45
	2022	1,257,885	1,257,885	-	6,835,882	18.40
	2023	1,391,539	1,391,539	-	7,851,481	17.72
	2024	1,502,533	1,502,533	-	8,467,452	17.74
Contributory System	2015	124,015	124,015	-	857,642	14.46
	2016	126,506	126,506	-	874,871	14.46
	2017	128,811	128,811	-	890,811	14.46
	2018	121,856	121,856	-	842,711	14.46
	2019	118,253	118,253	-	817,793	14.46
	2020	98,228	98,228	-	679,310	14.46
	2021	50,519	50,519	-	349,369	14.46
	2022	30,760	30,760	-	212,723	14.46
	2023	23,410	23,410	-	167,692	13.96
	2024	26,281	26,281	-	188,262	13.96
Public Safety System	2015	487,710	487,710	-	1,613,195	30.23
	2016	602,057	602,057	-	2,018,519	29.83
	2017	703,564	703,564	-	2,326,004	30.25
	2018	696,730	696,730	-	2,306,955	30.20
	2019	703,630	703,630	-	2,321,728	30.31
	2020	741,934	741,934	-	2,438,344	30.43
	2021	738,239	738,239	-	2,427,488	30.41
	2022	811,796	811,796	-	2,590,802	31.33
	2023	874,787	874,787	-	2,740,314	31.92
	2024	945,893	945,893	-	2,971,313	31.83
Tier 2 Public Employees System <sup>2</sup>	2015	447,904	447,904	-	2,998,019	14.94
	2016	652,227	652,227	-	4,374,424	14.91
	2017	830,304	830,304	-	5,568,772	14.91
	2018	1,051,865	1,051,865	-	6,961,378	15.11
	2019	1,391,549	1,391,549	-	8,954,624	15.54
	2020	1,568,428	1,568,428	-	10,015,507	15.66
	2021	1,570,537	1,570,537	-	9,940,099	15.80
	2022	1,890,094	1,890,094	-	11,761,625	16.07
	2023	2,464,116	2,464,116	-	15,391,105	16.01
	2024	3,007,003	3,007,003	-	18,782,036	16.01
Tier 2 Public Safety and Firefighter System <sup>3</sup>	2015	46,309	46,309	-	205,361	22.55
	2016	75,876	75,876	-	337,225	22.50
	2017	79,353	79,353	-	352,678	22.50
	2018	54,182	54,182	-	240,064	22.57
	2019	47,136	47,136	-	204,142	23.09
	2020	53,529	53,529	-	231,425	23.13
	2021	57,846	57,846	-	223,947	25.83
	2022	65,258	65,258	-	252,643	25.83
	2023	140,141	140,141	-	542,551	25.83
	2024	210,244	210,244	-	813,954	25.83
Tier 2 Public Employees DC Only System <sup>4</sup>	2015	14,096	14,096	-	209,757	6.72
	2016	23,903	23,903	-	357,294	6.69
	2017	36,006	36,006	-	538,211	6.69
	2018	63,003	63,003	-	941,754	6.69
	2019	85,220	85,220	-	1,273,841	6.69
	2020	108,323	108,323	-	1,619,186	6.69
	2021	134,577	134,577	-	2,011,611	6.69
	2022	162,084	162,087	-	2,422,779	6.69
	2023	191,025	191,025	-	3,086,025	6.19
	2024	263,644	263,644	-	4,234,857	6.23
Tier 2 Public Safety and Firefighter DC Only System <sup>5</sup>	2015	3,007	3,007	-	25,417	12
	2016	6,153	6,153	-	52,009	11.83
	2017	6,895	6,895	-	58,283	11.83
	2018	7,618	7,618	-	64,392	11.83
	2019	8,158	8,158	-	68,956	11.83
	2020	9,069	9,069	-	76,665	11.83
	2021	7,531	7,531	-	63,660	11.83
	2022	9,094	9,094	-	76,869	11.83
	2023	11,013	11,013	-	93,091	11.83
	2024	12,262	12,262	-	103,650	11.83

<sup>1</sup> Contributions as a percentage of covered payroll may be different than the Board certified rate due to rounding or other administrative issues.

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

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**June 30, 2024**

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**Note 1. 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.



# **SUPPLEMENTARY INFORMATION**

# NONMAJOR GOVERNMENTAL FUNDS

**Lower Park Avenue Redevelopment Agency Capital Projects Fund** - Accounts for the acquisition or construction of capital projects in the Lower Park Avenue Redevelopment area.

**Main Street Redevelopment Agency Capital Projects Fund** - Accounts for capital projects in the Main Street Redevelopment area.

**Municipal Building Authority Capital Projects Fund** - The Municipal Building Authority is a legally separate organization that is a mechanism for financing needed City facilities. The Authority acquires and/or builds facilities by borrowing money secured by a lease agreement between the City and the Authority.

**Equipment Replacement Capital Improvements Fund** - Accounts for the accumulation of resources for the future replacement of capital assets such as computers, vehicles and heavy equipment.

**Lower Park Avenue Redevelopment Agency and Main Street Redevelopment Agency 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. These special revenue funds account for the agencies' redevelopment activities which are supported by property tax increment revenue.

**Park City Municipal Corporation**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2024**

	Capital Projects				Special Revenue		Total Nonmajor Governmental Funds
	Lower Park Avenue Redevelopment Capital Projects Fund	Main Street Redevelopment Capital Projects Fund	Municipal Building Authority Capital Projects Fund	Equipment Replacement Capital Improvements Fund	Lower Park Avenue Redevelopment Special Revenue Fund	Main Street Redevelopment Special Revenue Fund	
<b>Assets</b>							
Cash, cash equivalents and investments	\$ 4,281,616	\$ 1,913,990	\$ 494,222	\$ 1,322,225	\$ 3,724,913	\$ 1,641,292	\$ 13,378,258
Taxes receivable	-	-	-	-	5,413,956	-	5,413,956
Accounts receivable	394	218	56	-	479	151	1,298
Prepays	-	-	-	56,624	-	-	56,624
Total assets	<u>\$ 4,282,010</u>	<u>\$ 1,914,208</u>	<u>\$ 494,278</u>	<u>\$ 1,378,849</u>	<u>\$ 9,139,348</u>	<u>\$ 1,641,443</u>	<u>\$ 18,850,136</u>
<b>Liabilities</b>							
Accounts payable	\$ 81,106	\$ -	\$ -	\$ 4,457	\$ 79	\$ 703,735	\$ 789,377
Accrued liabilities	-	-	-	-	37,210	45,230	82,440
Total liabilities	<u>81,106</u>	<u>-</u>	<u>-</u>	<u>4,457</u>	<u>37,289</u>	<u>748,965</u>	<u>871,817</u>
<b>Deferred Inflows of Resources</b>							
Unavailable revenue-property tax	-	-	-	-	5,396,313	-	5,396,313
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,396,313</u>	<u>-</u>	<u>5,396,313</u>
Total liabilities and deferred inflows of resources	<u>81,106</u>	<u>-</u>	<u>-</u>	<u>4,457</u>	<u>5,433,602</u>	<u>748,965</u>	<u>6,268,130</u>
<b>FUND BALANCES</b>							
Committed							
Capital projects funds	4,200,904	1,914,208	494,278	1,374,392	-	-	7,983,782
Economic development	-	-	-	-	3,705,746	892,478	4,598,224
Total fund balances	<u>4,200,904</u>	<u>1,914,208</u>	<u>494,278</u>	<u>1,374,392</u>	<u>3,705,746</u>	<u>892,478</u>	<u>12,582,006</u>
Total liabilities and fund balances	<u>\$ 4,282,010</u>	<u>\$ 1,914,208</u>	<u>\$ 494,278</u>	<u>\$ 1,378,849</u>	<u>\$ 9,139,348</u>	<u>\$ 1,641,443</u>	<u>\$ 18,850,136</u>

**Park City Municipal Corporation**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2024**

	Capital Projects				Special Revenue		Total Nonmajor Governmental Funds
	Lower Park Avenue Redevelopment Capital Projects Fund	Main Street Redevelopment Capital Projects Fund	Municipal Building Authority Capital Projects Fund	Equipment Replacement Capital Improvements Fund	Lower Park Avenue Redevelopment Special Revenue Fund	Main Street Redevelopment Special Revenue Fund	
<b>REVENUES</b>							
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -	\$ 1,256,990	\$ 654	\$ 1,257,644
Intergovernmental	-	-	-	-	4,208,183	2,188	4,210,371
Investment income	150,257	100,513	23,365	-	150,047	48,182	472,364
Total revenues	<u>150,257</u>	<u>100,513</u>	<u>23,365</u>	<u>-</u>	<u>5,615,220</u>	<u>51,024</u>	<u>5,940,379</u>
<b>EXPENDITURES</b>							
Economic development	-	-	-	-	743,096	30,000	773,096
Capital outlay	1,453,946	233,654	-	3,061,428	-	-	4,749,028
Total expenditures	<u>1,453,946</u>	<u>233,654</u>	<u>-</u>	<u>3,061,428</u>	<u>743,096</u>	<u>30,000</u>	<u>5,522,124</u>
Excess (deficiency) of revenues over expenditures	<u>(1,303,689)</u>	<u>(133,141)</u>	<u>23,365</u>	<u>(3,061,428)</u>	<u>4,872,124</u>	<u>21,024</u>	<u>418,255</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Sale of capital assets	-	-	-	179,538	-	-	179,538
Transfers in	4,743,385	-	-	1,885,600	-	-	6,628,985
Transfers out	(2,790,840)	-	-	-	(3,092,532)	-	(5,883,372)
Total other financing sources (uses)	<u>1,952,545</u>	<u>-</u>	<u>-</u>	<u>2,065,138</u>	<u>(3,092,532)</u>	<u>-</u>	<u>925,151</u>
Net change in fund balances	648,856	(133,141)	23,365	(996,290)	1,779,592	21,024	1,343,406
Fund balances - beginning	3,552,048	2,047,349	470,913	2,370,682	1,926,154	871,454	11,238,600
Fund balances - ending	<u>\$ 4,200,904</u>	<u>\$ 1,914,208</u>	<u>\$ 494,278</u>	<u>\$ 1,374,392</u>	<u>\$ 3,705,746</u>	<u>\$ 892,478</u>	<u>\$ 12,582,006</u>

**Park City Municipal Corporation**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**Lower Park Avenue Redevelopment Capital Projects Fund**  
**For the Year Ended June 30, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>REVENUES</b>				
Investment income	\$ -	\$ 137,000	\$ 150,257	\$ 13,257
<b>EXPENDITURES</b>				
Capital outlay:				
Building renovation and construction	-	1,232,432	9,782	1,222,650
Improvements other than building	345,000	867,037	745,686	121,351
City parks and cemetery improvements	100,000	927,358	698,478	228,880
Total expenditures	445,000	3,026,827	1,453,946	1,572,881
Excess (deficiency) of revenues over expenditures	(445,000)	(2,889,827)	(1,303,689)	1,586,138
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	3,092,532	4,743,385	4,743,385	-
Transfers out	(2,790,840)	(2,790,840)	(2,790,840)	-
Total other financing sources (uses)	301,692	1,952,545	1,952,545	-
Net change in fund balances	(143,308)	(937,282)	648,856	1,586,138
Fund balances - beginning	3,552,048	3,552,048	3,552,048	-
Fund balances - ending	\$ 3,408,740	\$ 2,614,766	\$ 4,200,904	\$ 1,586,138

**Park City Municipal Corporation**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**Main Street Redevelopment Capital Projects Fund**  
**For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Investment income	\$ -	\$ 94,000	\$ 100,513	\$ 6,513
<b>EXPENDITURES</b>				
Capital outlay:				
Street and storm drain improvements	-	90,000	-	90,000
Improvements other than building	150,000	411,313	233,654	177,659
Total expenditures	150,000	501,313	233,654	267,659
Excess (deficiency) of revenues over expenditures	(150,000)	(407,313)	(133,141)	274,172
Net change in fund balances	(150,000)	(407,313)	(133,141)	274,172
Fund balances - beginning	2,047,349	2,047,349	2,047,349	-
Fund balances - ending	\$ 1,897,349	\$ 1,640,036	\$ 1,914,208	\$ 274,172

**Park City Municipal Corporation**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**Municipal Building Authority Capital Projects Fund**  
**For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Investment income	\$ -	\$ 355,000	\$ 23,365	\$ (331,635)
Net change in fund balances	-	355,000	23,365	(331,635)
Fund balances - beginning	470,913	470,913	470,913	-
Fund balances - ending	\$ 470,913	\$ 825,913	\$ 494,278	\$ (331,635)

**Park City Municipal Corporation**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**Equipment Replacement Capital Improvements Fund**  
**For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>EXPENDITURES</b>				
Capital outlay:				
Equipment	\$ 1,964,600	\$ 4,254,187	\$ 3,061,428	\$ 1,192,759
Excess (deficiency) of revenues over expenditures	(1,964,600)	(4,254,187)	(3,061,428)	1,192,759
<b>OTHER FINANCING SOURCES</b>				
Sale of capital assets	-	-	179,538	179,538
Transfers in	1,885,600	1,885,600	1,885,600	-
Total other financing sources	1,885,600	1,885,600	2,065,138	179,538
Net change in fund balances	(79,000)	(2,368,587)	(996,290)	1,372,297
Fund balances - beginning	2,370,682	2,370,682	2,370,682	-
Fund balances - ending	<u>\$ 2,291,682</u>	<u>\$ 2,095</u>	<u>\$ 1,374,392</u>	<u>\$ 1,372,297</u>



**Park City Municipal Corporation**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**Lower Park Avenue Redevelopment Special Revenue Fund**  
**For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes and special assessments	\$ 1,052,000	\$ 1,052,000	\$ 1,256,990	\$ 204,990
Intergovernmental	3,200,000	3,200,000	4,208,183	1,008,183
Investment income	-	134,000	150,047	16,047
Total revenues	<u>4,252,000</u>	<u>4,386,000</u>	<u>5,615,220</u>	<u>1,229,220</u>
<b>EXPENDITURES</b>				
Economic development	657,109	657,109	743,096	(85,987)
Excess of revenues over expenditures	<u>3,594,891</u>	<u>3,728,891</u>	<u>4,872,124</u>	<u>1,143,233</u>
<b>OTHER FINANCING USES</b>				
Transfers out	(3,092,532)	(3,092,532)	(3,092,532)	-
Total other financing uses	<u>(3,092,532)</u>	<u>(3,092,532)</u>	<u>(3,092,532)</u>	<u>-</u>
Net change in fund balances	502,359	636,359	1,779,592	1,143,233
Fund balances - beginning	1,926,154	1,926,154	1,926,154	-
Fund balances - ending	<u>\$ 2,428,513</u>	<u>\$ 2,562,513</u>	<u>\$ 3,705,746</u>	<u>\$ 1,143,233</u>

**Park City Municipal Corporation**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**Main Street Redevelopment Special Revenue Fund**  
**For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes and special assessments	\$ 2,053	\$ 2,053	\$ 654	\$ (1,399)
Intergovernmental	9,266	9,266	2,188	(7,078)
Investment income	-	44,000	48,182	4,182
Total revenues	<u>11,319</u>	<u>55,319</u>	<u>51,024</u>	<u>(4,295)</u>
<b>EXPENDITURES</b>				
Economic development	455,000	455,000	30,000	425,000
Excess (deficiency) of revenues over expenditures	<u>(443,681)</u>	<u>(399,681)</u>	<u>21,024</u>	<u>420,705</u>
Net change in fund balances	(443,681)	(399,681)	21,024	420,705
Fund balances - beginning	871,454	871,454	871,454	-
Fund balances - ending	<u>\$ 427,773</u>	<u>\$ 471,773</u>	<u>\$ 892,478</u>	<u>\$ 420,705</u>

**Park City Municipal Corporation**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**Capital Improvements Fund**  
**For the Year Ended June 30, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>REVENUES</b>				
Taxes and special assessments	\$ 16,329,673	\$ 16,329,673	\$ 17,194,424	\$ 864,751
Intergovernmental	141,649	141,649	1,566,691	1,425,042
Investment income	3,336,635	4,529,000	5,092,566	563,566
Impact fees	419,695	419,695	375,061	(44,634)
Rental and other	2,585	2,585	85,133	82,548
Miscellaneous	163,999	517,046	1,028,930	511,884
Total revenues	<u>20,394,236</u>	<u>21,939,648</u>	<u>25,342,805</u>	<u>3,403,157</u>
<b>EXPENDITURES</b>				
Capital outlay:				
Land and building acquisition	-	24,421,511	3,915,181	20,506,330
Street and storm drain improvements	6,161,130	3,079,514	1,458,416	1,621,098
Building renovation and construction	17,614,028	14,444,055	838,777	13,605,278
Improvements other than building	24,209,722	33,502,201	6,404,743	27,097,458
City parks and cemetery improvements	-	211,211	216,926	(5,715)
Equipment	690,490	3,664,563	770,166	2,894,397
Total expenditures	<u>48,675,370</u>	<u>79,323,055</u>	<u>13,604,209</u>	<u>65,718,846</u>
Excess (deficiency) of revenues over expenditures	<u>(28,281,134)</u>	<u>(57,383,407)</u>	<u>11,738,596</u>	<u>69,122,003</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Debt issuance	30,000,000	-	-	-
Sale of capital assets	-	-	445	445
Transfers in	-	1,015,844	1,015,844	-
Transfers out	(4,174,476)	(4,174,476)	(4,174,476)	-
Total other financing sources (uses)	<u>25,825,524</u>	<u>(3,158,632)</u>	<u>(3,158,187)</u>	<u>445</u>
Net change in fund balances	(2,455,610)	(60,542,039)	8,580,409	69,122,448
Fund balances - beginning	96,517,966	96,517,966	96,517,966	-
Fund balances - ending	<u>\$ 94,062,356</u>	<u>\$ 35,975,927</u>	<u>\$ 105,098,375</u>	<u>\$ 69,122,448</u>

**Park City Municipal Corporation**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**Sales Tax Revenue and Refunding Bonds Debt Service Fund**  
**For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Investment income	\$ -	\$ -	\$ 1,528,211	\$ 1,528,211
<b>EXPENDITURES</b>				
Debt service:				
Interest	2,025,316	2,566,862	2,560,945	5,917
Principal retirement	4,950,000	4,950,000	4,950,000	-
Total expenditures	<u>6,975,316</u>	<u>7,516,862</u>	<u>7,510,945</u>	<u>5,917</u>
Excess (deficiency) of revenues over expenditures	<u>(6,975,316)</u>	<u>(7,516,862)</u>	<u>(5,982,734)</u>	<u>1,534,128</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	6,965,316	6,965,316	6,965,316	-
Transfers out	-	<u>(2,666,697)</u>	<u>(2,666,697)</u>	-
Total other financing sources	<u>6,965,316</u>	<u>4,298,619</u>	<u>4,298,619</u>	-
Net change in fund balances	(10,000)	(3,218,243)	(1,684,115)	1,534,128
Fund balances - beginning	26,421,650	26,421,650	26,421,650	-
Fund balances - ending	<u>\$ 26,411,650</u>	<u>\$ 23,203,407</u>	<u>\$ 24,737,535</u>	<u>\$ 1,534,128</u>

**Park City Municipal Corporation**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**Park City General Obligation Bonds Debt Service Fund**  
**For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes and special assessments	\$ 9,478,438	\$ 9,478,438	\$ 9,478,438	\$ -
Investment income	-	-	24,504	24,504
Total revenues	<u>9,478,438</u>	<u>9,478,438</u>	<u>9,502,942</u>	<u>24,504</u>
<b>EXPENDITURES</b>				
Debt service:				
Interest	2,588,438	2,593,938	2,586,927	7,011
Principal retirement	6,890,000	6,890,000	6,890,000	-
Total expenditures	<u>9,478,438</u>	<u>9,483,938</u>	<u>9,476,927</u>	<u>7,011</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(5,500)</u>	<u>26,015</u>	<u>31,515</u>
Net change in fund balances	-	(5,500)	26,015	31,515
Fund balances - beginning	1,647,633	1,647,633	1,647,633	-
Fund balances - ending	<u>\$ 1,647,633</u>	<u>\$ 1,642,133</u>	<u>\$ 1,673,648</u>	<u>\$ 31,515</u>

# INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for the financing and operations of services provided to various City departments and other governments, on a cost-reimbursement basis. Included are:

**Fleet Services Fund:** Fleet Services Fund accounts for the cost of storage, repair and maintenance of City-owned vehicles.

**Self-Insurance Fund:** Self-Insurance Fund accounts for the establishment of a self-insurance program.

**Park City Municipal Corporation**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**June 30, 2024**

	Fleet Services Fund	Self- Insurance Fund	Total Nonmajor Internal service funds
<b>ASSETS</b>			
Current assets:			
Cash, cash equivalents and investments	\$ 1,272,372	\$ 3,039,597	\$ 4,311,969
Accounts receivable	52,581	50,501	103,082
Inventories	675,492	-	675,492
Total current assets	<u>2,000,445</u>	<u>3,090,098</u>	<u>5,090,543</u>
Noncurrent assets:			
Vehicles and equipment	47,450	-	47,450
Accumulated depreciation and amortization	(47,450)	-	(47,450)
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>2,000,445</u>	<u>3,090,098</u>	<u>5,090,543</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows of resources related to pensions	232,667	-	232,667
Total assets and deferred outflows of resources	<u>2,233,112</u>	<u>3,090,098</u>	<u>5,323,210</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	73,317	223,380	296,697
Accrued liabilities	55,008	-	55,008
Compensated absences	57,169	-	57,169
Total current liabilities	<u>185,494</u>	<u>223,380</u>	<u>408,874</u>
Noncurrent liabilities:			
Accrued liabilities	-	1,000,000	1,000,000
Net pension liability	130,074	-	130,074
Compensated absences	34,307	-	34,307
Total noncurrent liabilities	<u>164,381</u>	<u>1,000,000</u>	<u>1,164,381</u>
Total liabilities	<u>349,875</u>	<u>1,223,380</u>	<u>1,573,255</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows of resources related to pensions	1,635	-	1,635
Total liabilities and deferred inflows of resources	<u>351,510</u>	<u>1,223,380</u>	<u>1,574,890</u>
<b>NET POSITION</b>			
Unrestricted	1,881,602	1,866,718	3,748,320
Total net position	<u>\$ 1,881,602</u>	<u>\$ 1,866,718</u>	<u>\$ 3,748,320</u>

**Park City Municipal Corporation**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Internal Service Funds**  
**For the Year Ended June 30, 2024**

	Fleet Services Fund	Self- Insurance Fund	Total Internal Service Funds
<b>OPERATING REVENUES</b>			
Charges for services	\$ 3,180,800	\$ 2,397,445	\$ 5,578,245
<b>OPERATING EXPENSES</b>			
Salaries and benefits	1,322,832	-	1,322,832
Supplies, maintenance and services	661,719	1,856,697	2,518,416
Energy and utilities	845,042	-	845,042
Total operating expenses	2,829,593	1,856,697	4,686,290
Operating income	351,207	540,748	891,955
Income before contributions and transfers	351,207	540,748	891,955
Total net position - beginning	1,530,395	1,325,970	2,856,365
Total net position - ending	\$ 1,881,602	\$ 1,866,718	\$ 3,748,320



**Park City Municipal Corporation  
Statement of Cash Flows  
Internal Service Funds  
For the Year Ended June 30, 2024**

	Fleet Services Fund	Self- Insurance Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash receipts from customers	\$ 3,719,105	\$ 2,346,944	\$ 6,066,049
Payments to employees	(1,316,019)	-	(1,316,019)
Payments to suppliers	(2,231,801)	(1,704,512)	(3,936,313)
Net cash provided by operating activities	171,285	642,432	813,717
Net increase in cash and cash equivalents	171,285	642,432	813,717
Balances - beginning of year	1,101,087	2,397,165	3,498,252
Balances - end of the year	\$ 1,272,372	\$ 3,039,597	\$ 4,311,969
 <b>Reconciliation of operating income to net cash provided by operating activities:</b>			
Operating income	\$ 351,207	\$ 540,748	\$ 891,955
Adjustments to reconcile operating income to net cash provided by operating activities:			
Pension related	(44,417)	-	(44,417)
Changes in assets and liabilities:			
Accounts receivable	6,273	(50,501)	(44,228)
Inventory	(176,784)	-	(176,784)
Accounts and other payables	(16,228)	152,185	135,957
Accrued liabilities	26,156	-	26,156
Compensated absences	25,078	-	25,078
Net cash provided by operating activities	\$ 171,285	\$ 642,432	\$ 813,717

# STATISTICAL SECTION

This part of the City's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements and note disclosures says about the City's overall financial health.

## **Financial Trends**

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

## **Revenue Capacity**

These schedules contain information to help the reader assess the City's most significant local revenue source, property tax, in addition to other types of tax revenues.

## **Debt Capacity**

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

## **Demographic and Economic Information**

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

## **Operating Information**

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

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

**Schedule 1**  
**Park City Municipal Corporation, Utah**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year									
	2015	2016 (1)	2017 (1)	2018	2019 (1)	2020	2021	2022	2023 (1)	2024
<b>Governmental activities</b>										
Net investment in capital assets	\$ 159,315,342	\$ 169,437,708	\$ 182,684,418	\$ 190,028,413	\$ 198,327,763	\$ 213,716,372	\$ 228,182,259	\$ 237,974,910	\$ 246,886,924	\$ 240,616,245
Restricted	47,201 (2)	48,640 (2)	56,674 (2)	195,157 (2)	58,940 (2)	58,940 (2)	58,940 (2)	58,940 (2)	58,940	58,940
Unrestricted	38,183,384 (2)	42,502,471 (2)	39,242,238 (2)	51,507,390 (2)	59,369,908 (2)	65,383,963 (2)	74,810,843 (2)	96,208,965 (2)	114,223,689 (2)	150,478,674
<b>Total governmental activities net position</b>	<b>\$ 197,545,927</b>	<b>\$ 211,988,819</b>	<b>\$ 221,983,330</b>	<b>\$ 241,730,960</b>	<b>\$ 257,756,611</b>	<b>\$ 279,159,275</b>	<b>\$ 303,052,042</b>	<b>\$ 334,242,815</b>	<b>\$ 361,169,553</b>	<b>\$ 391,153,859</b>
<b>Business-type activities</b>										
Net investment in capital assets	\$ 61,064,884	\$ 64,172,905	\$ 91,043,049	\$ 104,256,756	\$ 113,503,024	\$ 117,863,860	\$ 15,263,564	\$ 88,280,161	\$ 92,621,212	\$ 104,440,532
Restricted	- (2)	- (2)	- (2)	- (2)	-	-	-	-	1,096,717	-
Unrestricted	29,215,116 (2)	27,577,761 (2)	26,506,386 (2)	18,602,068 (2)	14,994,253	12,098,879	123,136,277	62,281,137	69,368,108	66,569,502
<b>Total business-type activities net position</b>	<b>\$ 90,280,000</b>	<b>\$ 91,750,666</b>	<b>\$ 117,549,435</b>	<b>\$ 122,858,824</b>	<b>\$ 128,497,277</b>	<b>\$ 129,962,739</b>	<b>\$ 138,399,841</b>	<b>\$ 150,561,298</b>	<b>\$ 163,086,037</b>	<b>\$ 171,010,034</b>
<b>Primary government</b>										
Net investment in capital assets	\$ 220,380,226	\$ 233,610,613	\$ 273,727,467	\$ 294,285,169	\$ 311,830,787	\$ 331,580,232	\$ 243,445,823	\$ 326,255,071	\$ 339,508,136	\$ 345,056,777
Restricted	47,201	48,640	56,674	195,157	58,940	58,940	58,940	58,940	1,155,657	58,940
Unrestricted	67,398,500	70,080,232	65,748,624	70,109,458	74,364,161	77,482,842	197,947,120	158,490,102	183,591,797	217,048,176
<b>Total primary government net position</b>	<b>\$ 287,825,927</b>	<b>\$ 303,739,485</b>	<b>\$ 339,532,765</b>	<b>\$ 364,589,784</b>	<b>\$ 386,253,888</b>	<b>\$ 409,122,014</b>	<b>\$ 441,451,883</b>	<b>\$ 484,804,113</b>	<b>\$ 524,255,590</b>	<b>\$ 562,163,893</b>

Notes:  
(1) Restated.  
(2) Reclassified long-term debt related to net assets restricted for debt service and capital projects out of unrestricted net assets.

**Schedule 2**  
**Park City Municipal Corporation, Utah**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year									
	2015	2016 (1)	2017 (1)	2018	2019 (1)	2020	2021	2022	2023	2024
<b>Expenses</b>										
Governmental activities:										
General government	\$ 19,233,343	\$ 19,676,565	\$ 21,909,746	\$ 21,793,758	\$ 23,755,044	\$ 22,198,830	\$ 25,563,919	\$ 26,040,817	\$ 31,996,433	\$ 32,979,763
Public safety	5,270,197	5,705,960	6,254,164	6,736,639	6,747,797	7,438,463	7,114,475	7,919,533	9,325,631	9,970,439
Public works	6,967,243	7,088,647	7,263,125	7,209,164	6,929,871	6,794,406	6,615,287	7,208,853	8,838,131	8,979,789
Library and recreation	4,618,338	5,671,823	5,843,178	5,726,489	5,729,844	5,556,544	5,527,008	6,195,430	8,213,984	9,052,407
Interest on long-term debt	1,285,952	1,456,433	1,366,939	2,537,159	3,558,591	9,041,292	4,685,097	3,965,283	3,661,987	3,683,126
Total governmental activities expenses	<u>37,375,073</u>	<u>39,599,428</u>	<u>42,637,152</u>	<u>44,003,209</u>	<u>46,721,147</u>	<u>51,029,535</u>	<u>49,505,786</u>	<u>51,329,916</u>	<u>62,036,166</u>	<u>64,665,524</u>
Business-type activities:										
Water	11,870,125	12,934,161	13,086,302	13,314,440	14,305,035 (17)	17,145,476	24,406,117 (13)	21,214,590	23,626,444	23,161,952
Stormwater	-	-	1,162,202 (5)	921,138	1,470,837	1,276,945	1,054,170	1,198,846	1,048,489	1,428,065
Golf course	1,512,330	1,541,601	1,546,036	1,711,826	1,488,121	1,578,559	1,641,690	1,645,691	1,764,238	2,009,620
Transportation and parking	10,804,211	11,801,545	13,848,109	19,435,515	22,521,490	23,485,955	18,208,111 (14)	17,636,896 (17)	28,877,355	28,435,294
Total business-type activities expenses	<u>24,186,666</u>	<u>26,277,307</u>	<u>29,642,649</u>	<u>35,382,919</u>	<u>39,785,483</u>	<u>43,486,935</u>	<u>45,310,088</u>	<u>41,696,023</u>	<u>55,316,526</u>	<u>55,034,931</u>
Total primary government expenses	<u>\$ 61,561,739</u>	<u>\$ 65,876,735</u>	<u>\$ 72,279,801</u>	<u>\$ 79,386,128</u>	<u>\$ 86,506,630</u>	<u>\$ 94,516,470</u>	<u>\$ 94,815,874</u>	<u>\$ 93,025,939</u>	<u>\$ 117,352,692</u>	<u>\$ 119,700,455</u>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services										
General government	\$ 4,718,626	\$ 3,734,852	\$ 3,668,799	\$ 4,724,514	\$ 5,647,186	\$ 7,004,032	\$ 4,442,102	\$ 5,886,012	\$ 7,383,081	\$ 6,141,252
Public safety	-	3,996	9,685	2,880	10	-	6,062	4,698	5,105	5,729
Public works	224,820	200,761	174,917	189,117	129,171	113,087	-	151,778	505,568	557,387
Library and recreation	1,210,362	1,295,132	1,253,491	1,356,186	1,203,836	1,831,546	2,345,843	2,746,782	2,732,259	3,914,395
Operating grants and contributions	121,866	145,704	187,166	161,075	195,542	344,543	3,315,938	711,048	648,943	119,835
Capital grants and contributions	2,479,239	324,650	2,652,254	9,028,885	1,608,966	4,636,167	2,547,350	2,265,605	555,424	1,566,828
Total governmental activities program revenues	<u>8,754,913</u>	<u>5,705,095</u>	<u>7,946,312</u>	<u>15,462,657</u>	<u>8,784,711</u>	<u>13,929,375</u>	<u>12,657,295</u>	<u>11,765,923</u>	<u>11,830,380</u>	<u>12,305,426</u>
Business-type activities:										
Charges for services										
Water	14,176,728	15,205,729	17,237,175	17,924,616	18,606,759	18,538,414	21,117,232	20,169,220	20,737,127	23,977,559
Stormwater	-	-	979,419 (5)	1,277,767	1,572,044	1,437,517	1,480,432	1,755,631	1,801,575	1,882,321
Golf course	1,105,882	1,139,839	1,153,794	1,203,560	1,131,283	1,232,521	1,922,248	1,922,752	1,966,555	2,248,565
Transportation and parking	4,255,752	4,497,989	5,227,316	9,789,087	11,113,961	8,210,423	4,441,511 (14)	7,148,954	5,298,210	4,376,724
Operating grants and contributions	1,602,990	-	2,813,864	2,307,083	-	5,586,097	10,654,184	5,661,227	9,620,080 (18)	5,359,920 (18)
Capital grants and contributions	4,186,198	1,956,426	14,612,633	2,439,682	6,524,981	2,286,289	5,835,341	2,431,291	10,397,791 (18)	6,212,334 (18)
Total business-type activities program revenues	<u>25,327,550</u>	<u>22,799,983</u>	<u>42,024,201</u>	<u>34,941,795</u>	<u>38,949,028</u>	<u>37,291,261</u>	<u>45,450,948</u>	<u>39,089,075</u>	<u>49,821,338</u>	<u>44,057,423</u>
Total primary government program revenues	<u>\$ 34,082,463</u>	<u>\$ 28,505,078</u>	<u>\$ 49,970,513</u>	<u>\$ 50,404,452</u>	<u>\$ 47,733,739</u>	<u>\$ 51,220,636</u>	<u>\$ 58,108,243</u>	<u>\$ 50,854,998</u>	<u>\$ 61,651,718</u>	<u>\$ 56,362,849</u>
<b>Net (expense)/revenue</b>										
Governmental activities	\$ (28,620,160)	\$ (33,894,333)	\$ (34,690,840)	\$ (28,540,552)	\$ (37,936,436)	\$ (37,100,160)	\$ (36,848,491)	\$ (39,563,993)	\$ (50,205,786)	\$ (52,360,098)
Business-type activities	1,140,884	(3,477,324)	12,381,552	(441,124)	(836,455)	(6,195,674)	140,860	(2,606,948)	(5,495,188)	(10,977,508)
Total primary government net expense	<u>\$ (27,479,276)</u>	<u>\$ (37,371,657)</u>	<u>\$ (22,309,288)</u>	<u>\$ (28,981,676)</u>	<u>\$ (38,772,891)</u>	<u>\$ (43,295,834)</u>	<u>\$ (36,707,631)</u>	<u>\$ (42,170,941)</u>	<u>\$ (55,700,974)</u>	<u>\$ (63,337,606)</u>

**Schedule 2, Continued**  
**Park City Municipal Corporation, Utah**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year									
	2015	2016 (1)	2017 (1)	2018	2019 (1)	2020	2021	2022	2023	2024
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes										
Property tax, levied for gen. purposes	\$ 12,809,892	\$ 14,755,299	\$ 14,350,265	\$ 14,686,693	\$ 15,499,965	\$ 17,445,636	\$ 17,977,155	\$ 18,496,739	\$ 16,783,697	\$ 18,199,884
Property tax, levied for debt service	5,321,592	3,723,453	4,220,158	6,432,184	6,036,374	9,281,384	9,506,281	9,509,688	9,509,688	9,478,438
General sales and use tax	4,731,904	5,180,094	5,620,687	5,915,331	6,403,710	6,389,540	7,161,106	9,234,210	9,598,138	9,818,123
Franchise tax	3,061,207	3,185,820	3,194,392	3,147,847	3,230,881	3,161,759	3,253,431	3,526,042	4,368,710	4,096,926
Resort tax	10,066,040	11,154,870	12,253,267	14,491,767	16,741,000	16,460,084	18,004,460	24,934,554	26,043,857	26,798,263
Investment earnings	261,735	434,588	582,208	1,122,856	2,297,088	2,041,844	739,741	651,862	5,381,810	8,634,838 (19)
Miscellaneous	804,286	492,730	4,856,960	1,776,504	2,963,178	2,938,083	4,170,268	3,622,380	4,638,111	3,993,529
Gain/Loss on sale of capital assets	-	1,328,784	-	-	74,891	69,494	(786,184)	64,291	93,513	272,593
Transfers	715,000	715,000	(7,534,613)	715,000	715,000	715,000	715,000	715,000	715,000	1,051,810
Total governmental activities	<u>37,771,656</u>	<u>40,970,638</u>	<u>37,543,324</u>	<u>48,288,182</u>	<u>53,962,087</u>	<u>58,502,824</u>	<u>60,741,258</u>	<u>70,754,766</u>	<u>77,132,524</u>	<u>82,344,404</u>
Business-type activities:										
General sales and use tax	4,398,879	4,877,098	5,233,194	5,617,865	6,128,331	7,560,305	8,448,444	14,888,043	15,887,737	16,242,826
Investments earnings	367,709	327,289	402,924	372,627	581,900	243,778	358,905	374,145	2,705,144	3,277,179
Miscellaneous	506,817	458,603	456,419	475,021	468,998	562,355	171,514	120,470	137,151	322,791
Gain on sale of capital assets	-	-	-	-	10,679 (17)	9,698	32,379	100,747 (17)	4,895	110,519
Transfers	(715,000)	(715,000)	7,534,613	(715,000)	(715,000)	(715,000)	(715,000)	(715,000)	(715,000)	(1,051,810)
Total business-type activities	<u>4,558,405</u>	<u>4,947,990</u>	<u>13,627,150</u>	<u>5,750,513</u>	<u>6,474,908</u>	<u>7,661,136</u>	<u>8,296,242</u>	<u>14,768,405</u>	<u>18,019,927</u>	<u>18,901,505</u>
Total primary government	<u>\$ 42,330,061</u>	<u>\$ 45,918,628</u>	<u>\$ 51,170,474</u>	<u>\$ 54,038,695</u>	<u>\$ 60,436,995</u>	<u>\$ 66,163,960</u>	<u>\$ 69,037,500</u>	<u>\$ 85,523,171</u>	<u>\$ 95,152,451</u>	<u>\$ 101,245,909</u>
<b>Change in Net Position</b>										
Governmental activities	\$ 9,151,496	\$ 7,076,305 (2)	\$ 2,852,484 (6)	\$ 19,747,630 (9)	\$ 16,025,651	\$ 21,402,664 (11)	\$ 23,892,767	\$ 31,190,773 (16)	\$ 26,926,738	\$ 29,984,306
Adj. to governmental activities net position	-	7,366,587 (4)	7,142,027 (8)	-	-	-	-	-	-	-
Business-type activities	5,699,289	1,470,666 (3)	26,008,702 (7)	5,309,389 (10)	5,638,453	1,465,462 (12)	8,437,102 (15)	12,161,457	12,524,739	7,923,997
Adj. to business-type activities net position	-	-	(209,933) (8)	-	-	-	-	-	-	-
Total primary government	<u>\$ 14,850,785</u>	<u>\$ 15,913,558</u>	<u>\$ 35,793,280</u>	<u>\$ 25,057,019</u>	<u>\$ 21,664,104</u>	<u>\$ 22,868,126</u>	<u>\$ 32,329,869</u>	<u>\$ 43,352,230</u>	<u>\$ 39,451,477</u>	<u>\$ 37,908,303</u>

Notes:

- (1) Restated.
- (2) Decrease in governmental activities net position is due to increased expenses in general government and decreases in capital grants and contributions.
- (3) Decrease in business-type activities net position is due to increased expenses in water and transportation and decreases in operating and capital grants and contributions.
- (4) Fiscal year 2017 - Capital asset adjustment, required restatement of fiscal year 2016.
- (5) Stormwater fund was added in fiscal year 2017.
- (6) Decrease in governmental activities net position is due to increased capital outlay.
- (7) Increase in business-type activities net position is due to increases in capitalizable grants and contributions.
- (8) Fiscal year 2018 - Capital asset adjustment, required restatement of fiscal year 2017.
- (9) Increase in governmental activities net position is due to increases in capitalizable grants and contributions and increases in tax revenues.
- (10) Decrease in business-type activities net position is due to decreases in capitalizable grants and contributions.
- (11) Increase in governmental activities net position due to increases in capitalizable grants and contributions.
- (12) Decrease in business-type activities net position is due to decreases in charges for services and increases in expenses.
- (13) Increase in Water expenses due to non-capitalizable expenses related to current construction projects.
- (14) Decrease in Transportation and parking revenue and expenses due to a reduction in major events due to COVID-19 and a moratorium on parking fees.
- (15) Increase in business-type activities net position due to increases in capitalizable grants and contributions.
- (16) Increase in governmental activities net position due to an increase in general sales and use and resort taxes which was in line with the City's rebound in tourism from COVID-19.
- (17) Reclassified the loss on sale of assets to an expense in the identifiable activity.
- (18) Large transportation federal grants were received in fiscal year 2023 and not repeated in fiscal year 2024.
- (19) Increase in interest earnings due to higher than usual interest rates.

**Schedule 3**  
**Park City Municipal Corporation, Utah**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year									
	2015	2016 (1)	2017 (1)	2018	2019 (1)	2020 (1)	2021 (2)	2022	2023	2024
General fund										
Nonspendable										
Prepays	\$ -	\$ -	\$ -	\$ -	\$ 494,360	\$ 24,011	\$ 27,801	\$ 281,485	\$ 97,144	\$ 94,818
Interfund loan	-	-	-	86,867	55,761	24,107	-	-	-	-
Inventory	-	-	-	50,719	30,226	40,468	27,686	31,400	87,092	75,819
Leases	-	-	-	-	-	-	-	212,961	293,566	372,968
Unassigned	6,836,193	6,779,674	7,497,277	7,730,233	8,705,419	7,811,877	13,640,848	14,145,271	15,936,018	15,556,589
Restricted - Drug & tobacco enforcement	47,201	48,640	59,674	57,571	58,940	58,940	58,940	58,940	58,940	58,940
Total general fund	<u>\$ 6,883,394</u>	<u>\$ 6,828,314</u>	<u>\$ 7,556,951</u>	<u>\$ 7,925,390</u>	<u>\$ 9,344,706</u>	<u>\$ 7,959,403</u>	<u>\$ 13,755,275</u>	<u>\$ 14,730,057</u>	<u>\$ 16,472,760</u>	<u>\$ 16,159,134</u>
Restricted for:										
Capital projects	\$ 12,779,745	\$ 7,872,086	\$ 7,545,300	\$ 12,804,288	\$ 31,699,288	\$ 33,778,218	\$ 32,526,314	\$ 32,602,991	\$ 33,015,194	\$ 30,194,111
Debt service	88,037	2,496	3,816	11,900	652,977	490,581	702,267	599,256	621,324	1,083,956
Committed:										
Capital projects funds	29,882,740	34,849,188	28,665,290	38,875,896	47,456,335	58,162,066	68,180,079	84,757,785	96,919,910	106,463,015
Debt service funds	2,236,514	1,816,767	1,778,077	1,856,470	2,129,030	2,429,496	2,222,710	2,347,208	2,471,813	1,752,258
Economic development	-	516,758	785,600	1,591,335	2,517,207	2,322,093	2,198,209	2,729,112	2,797,608	4,598,224
Total all other governmental funds	<u>\$ 44,987,036</u>	<u>\$ 45,057,295</u>	<u>\$ 38,778,083</u>	<u>\$ 55,139,889</u>	<u>\$ 84,454,837</u>	<u>\$ 97,182,454</u>	<u>\$ 105,829,579</u>	<u>\$ 123,036,352</u>	<u>\$ 135,825,849</u>	<u>\$ 144,091,564</u>

Notes:

- (1) Restated
- (2) Utah Code 10-6-116 increased maximum general fund balance allowed.

**Schedule 4**  
**Park City Municipal Corporation, Utah**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Revenues</b>										
Taxes and special assessments	\$ 33,269,379	\$ 35,194,462	\$ 36,830,205	\$ 41,592,343	\$ 44,639,055	\$ 49,004,820	\$ 52,100,408	\$ 61,520,667	\$ 62,988,245	\$ 64,365,480
Licenses and permits	3,025,886	2,462,374	2,464,561	3,390,668	3,899,003	5,776,248	3,350,157	4,670,531	5,719,878	5,559,413
Intergovernmental	5,346,423	3,288,064	4,044,959	6,214,905	4,345,873	8,693,506	8,754,272	7,015,004	4,584,972	5,897,034
Charges for services	2,071,230	2,119,339	2,115,794	2,225,204	2,837,729	2,687,766	3,031,107	3,652,733	3,752,249	4,068,811
Fines and forfeitures	14,206	26,902	42,834	35,327	23,108	22,313	25,900	28,843	44,171	54,069
Investment income	261,735	434,588	582,208	1,122,856	2,297,089	2,041,844	739,741	651,866	5,381,810	8,634,838
Impact fees	817,666	425,365	308,786	432,381	620,441	456,053	386,843	285,385	604,147	375,061
Rental and other miscellaneous	2,873,179	1,546,004	5,041,320	2,496,363	1,500,515	1,305,612	2,194,018	1,506,745	2,020,280	1,538,963
Total revenues	<u>47,679,704</u>	<u>45,497,098</u>	<u>51,430,667</u>	<u>57,510,047</u>	<u>60,162,813</u>	<u>69,988,162</u>	<u>70,582,446</u>	<u>79,331,774</u>	<u>85,095,752</u>	<u>90,493,669</u>
<b>Expenditures</b>										
General government	13,653,938	14,604,316	15,005,872	16,235,727	16,175,897	18,616,889	19,264,758	20,762,811	23,851,112	25,654,848
Public safety	4,953,544	5,349,433	5,970,451	6,392,525	6,360,284	6,998,527	6,698,058	7,527,330	8,811,048	9,464,264
Public works	4,718,959	4,878,647	5,194,880	5,648,653	5,935,423	5,782,998	5,694,072	6,342,372	7,752,671	7,938,515
Library and recreation	3,495,302	3,824,435	4,080,211	4,237,835	4,367,960	4,273,728	4,327,567	5,028,537	5,457,652	7,536,657
Economic development	405,435	951,268	864,697	870,588	878,578	861,560	916,602	936,374	945,308	773,096
Debt Service										
Principal retirement	18,086,533	5,118,024	4,850,000	8,625,000	6,905,000	9,275,000	10,885,000	10,820,000	11,325,000	11,840,000
Interest	1,528,829	1,788,808	1,615,725	2,827,016	3,745,578	6,169,326	6,070,488	5,644,104	5,134,453	5,147,872
Bond issuance costs	503,979	-	155,239	223,553	529,457	118,027	-	-	-	-
Capital outlay	26,614,261	11,953,996	51,844,299	39,052,752	70,133,504	17,207,904	6,901,426	7,023,060	11,842,705	18,353,237
Total expenditures	<u>73,960,780</u>	<u>48,468,927</u>	<u>89,581,374</u>	<u>84,113,649</u>	<u>115,031,681</u>	<u>69,303,959</u>	<u>60,757,971</u>	<u>64,084,588</u>	<u>75,119,949</u>	<u>86,708,489</u>
Revenues (under) expenditures	<u>(26,281,076)</u>	<u>(2,971,829)</u>	<u>(38,150,707)</u>	<u>(26,603,602)</u>	<u>(54,868,868)</u>	<u>684,203</u>	<u>9,824,475</u>	<u>15,247,186</u>	<u>9,975,803</u>	<u>3,785,180</u>
<b>Other financing sources (uses)</b>										
Debt issuance	16,975,000	-	25,000,000	31,940,000	70,775,000	4,000,000	-	-	-	-
Refunding bonds issued	10,110,000	-	-	-	4,290,000	5,470,000	-	-	-	-
Payment to refunded bondholders	-	-	-	-	(4,675,000)	(7,245,000)	-	-	-	-
Premium on debt issuance	773,546	-	2,863,698	3,287,871	9,840,127	1,206,669	-	-	-	-
Premium on refunding bonds	673,841	-	-	-	482,659	91,796	-	-	-	-
Sale of capital assets	23,811	755,648	2,363,887	5,553,794	241,682	4,434,799	1,918,675	9,078	758,933	180,506
Subscription-base IT arrangement	-	-	-	-	-	-	-	-	391,481	-
Transfers in	19,728,745	11,965,394	36,237,414	44,274,635	75,835,185	20,581,027	15,916,383	18,740,940	18,431,893	18,621,548
Transfers out	(17,617,211)	(9,734,034)	(33,864,867)	(41,722,453)	(73,186,521)	(17,881,180)	(13,216,536)	(15,815,649)	(15,025,910)	(14,635,145)
Total other financing sources	<u>30,667,732</u>	<u>2,987,008</u>	<u>32,600,132</u>	<u>43,333,847</u>	<u>83,603,132</u>	<u>10,658,111</u>	<u>4,618,522</u>	<u>2,934,369</u>	<u>4,556,397</u>	<u>4,166,909</u>
Net change in fund balances	\$ <u>4,386,656</u>	\$ <u>15,179</u>	\$ <u>(5,550,575)</u>	\$ <u>16,730,245</u>	\$ <u>28,734,264</u>	\$ <u>11,342,314</u>	\$ <u>14,442,997</u>	\$ <u>18,181,555</u>	\$ <u>14,532,200</u>	\$ <u>7,952,089</u>
Debt Service as a percentage of noncapital expenditures	38.3% (1)	16.9% (1)	15.9% (1)	24.4% (1)	22.5%	27.9%	29.5%	27.8%	23.9%	23.6%

Notes:  
(1) Restated.

**Schedule 5**  
**Park City Municipal Corporation, Utah**  
**General Government Tax Revenues by Source (1)**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Sales and Use Tax</b>	<b>Franchise Tax</b>	<b>Resort Tax (2)</b>	<b>Transient Room Tax (3)</b>	<b>Total</b>
2015	\$ 14,590,197	\$ 4,731,904	\$ 3,061,207	\$ 10,066,041	\$ -	\$ 32,449,349
2016	14,832,024	5,180,094	3,185,820	11,154,870	-	34,352,808
2017	14,953,711	5,620,687	3,194,392	12,253,266	-	36,022,056
2018	17,107,856	5,915,331	3,147,847	12,899,048	1,592,720	40,662,802
2019	17,336,112	6,403,710	3,230,881	14,007,916	2,733,084	43,711,703
2020	21,869,486	6,389,540	3,161,759	13,767,415	2,692,669	47,880,869
2021	22,515,259	7,161,106	3,253,431	15,262,710	2,741,751	50,934,257
2022	22,619,601	9,234,210	3,526,042	20,444,391	4,490,163	60,314,407
2023	21,902,989	9,598,138	4,368,710	21,530,232	4,513,625	61,913,694
<b>2024</b>	<b>22,394,524</b>	<b>9,818,123</b>	<b>4,096,926</b>	<b>22,190,071</b>	<b>4,608,192</b>	<b>63,107,836</b>

Change:

2015-2024	53.5%	107.5%	33.8%	120.4%	65.4%	94.5%
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Note:

- (1) Includes general fund, capital improvement fund and debt service funds.
- (2) Restated in 2022 to include the 0.50 percent Additional Resort Communities Sales and Use Tax.
- (3) The 1.0 percent Municipal Transient Room Tax was implemented on January 1, 2018.



**Schedule 6**  
**Park City Municipal Corporation, Utah**  
**Assessed Value of Taxable Property Excluding Fee-In-Lieu**  
**Summit and Wasatch Counties Combined**  
**Last Ten Calendar Years**  
**(in thousands of dollars)**

<u>Calendar Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Miscellaneous Property</u>	<u>Total Assessed Value</u>	<u>Market Value of Taxable Property</u>	<u>Total Direct Tax Rate</u>
2014	\$ 6,274,164	\$ 679,149	\$ 389,160	\$ 7,342,473	\$ 8,215,313	0.002067 %
2015	6,740,782	689,374	390,248	7,820,404	8,748,413	0.001972
2016	7,112,582	739,074	376,177	8,227,833	9,195,067	0.001884
2017	7,491,154	780,964	375,229	8,647,347	9,658,862	0.002059
2018	8,380,192	857,857	89,161	9,327,210	10,436,645	0.001934
2019	9,197,865	814,250	91,437	10,103,552	11,331,385	0.002125
2020	9,584,752	857,017	98,257	10,540,026	11,942,032	0.002076
2021	10,603,628	987,945	109,659	11,701,232	13,291,359	0.001898
2022	14,124,930	1,344,268	112,723	15,581,921	17,825,627	0.001392
<b>2023</b>	<b>19,410,085</b>	<b>2,045,774</b>	<b>150,961</b>	<b>21,606,819</b>	<b>24,651,527</b>	<b>0.001018</b>

Source: Utah State Tax Commission, Property Tax Division

**Schedule 7**  
**Park City Municipal Corporation, Utah**  
**Assessed Value of Taxable Property Including Fee-In-Lieu**  
**Summit and Wasatch Counties Combined**  
**Last Ten Calendar Years**  
**(in thousands of dollars)**

<u>Calendar Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Miscellaneous Property</u>	<u>Fee-In-Lieu Value</u>	<u>Total Assessed Value</u>
2014	\$ 6,274,164	\$ 679,149	\$ 389,160	\$ 14,560	\$ 7,357,033
2015	6,740,782	689,374	390,248	14,252	7,834,656
2016	7,112,582	739,074	376,177	14,809	8,242,642
2017	7,491,154	780,964	375,229	14,814	8,662,161
2018	8,380,192	857,857	89,161	17,484	9,344,694
2019	9,197,865	814,250	91,437	15,657	10,119,209
2020	9,584,752	857,017	98,257	16,308	10,556,334
2021	10,603,628	987,945	109,659	18,505	11,719,737
2022	14,124,930	1,344,268	112,723	15,908	15,597,829
<b>2023</b>	<b>19,410,085</b>	<b>2,045,774</b>	<b>150,961</b>	<b>13,739</b>	<b>21,620,558</b>

Source: Utah State Tax Commission, Property Tax Division

**Schedule 8**  
**Park City Municipal Corporation, Utah**  
**Taxable Retail Sales by Category**  
**Last Ten Calendar Years**  
**(in thousands of dollars)**

	Calendar Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Apparel stores	\$ 25,777	\$ 35,245	\$ 34,510	\$ 65,299	\$ 67,912	\$ 72,213	\$ 60,445	\$ 68,108	\$ 63,815	\$ 65,728
Food stores	57,809	60,862	64,630	67,490	65,618	70,454	79,901	79,750	83,232	84,079
Sporting goods, hobby, book and music	40,524	43,363	45,380	47,282	48,461	51,007	44,294	55,007	58,639	56,415
Home furnishings and appliances	12,730	12,735	14,806	12,250	17,707	14,500	11,750	17,000	15,250	11,000
Building materials and farm tools	3,652	5,695	6,199	4,750	5,000	6,000	5,000	6,000	5,750	6,250
Miscellaneous retail stores	29,162	30,691	31,403	13,044	16,331	29,821	28,848	34,906	33,738	37,611
All other outlets	4,329	4,283	5,240	1,989	3,314	3,875	4,250	5,845	5,750	5,250
<b>Total</b>	<b>\$ <u>173,983</u></b>	<b>\$ <u>192,874</u></b>	<b>\$ <u>202,168</u></b>	<b>\$ <u>212,104</u></b>	<b>\$ <u>224,343</u></b>	<b>\$ <u>247,870</u></b>	<b>\$ <u>234,488</u></b>	<b>\$ <u>266,616</u></b>	<b>\$ <u>266,174</u></b>	<b>\$ <u>266,333</u></b>
City direct sales tax rate	2.90 %	2.90 %	2.90 %	3.15 %	3.15 %	3.15 %	3.15 %	3.15 %	3.15 %	3.15 %

Source: Utah State Tax Commission website: Taxable Sales by Major City

**Schedule 9**  
**Park City Municipal Corporation, Utah**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Calendar Years**

Calendar Year	City Direct Rates			Overlapping Rates						Total Levy for Park City Residents
	Basic Rate	General Obligation Debt Service	Total Direct	Summit County Levy	State Assessment/Collecting	Weber Basin Water	Park City Fire	Park City School	Summit Co. Mosquito Abatement	
2014	0.001248	0.000819	0.002067	0.000826	0.000222	0.000199	0.000907	0.004770	0.000038	0.009029
2015	0.001362	0.000610	0.001972	0.000767	0.000205	0.000199	0.000841	0.004461	0.000035	0.008480
2016	0.001304	0.000580	0.001884	0.000726	0.000191	0.000187	0.000793	0.004220	0.000033	0.008034
2017	0.001237	0.000822	0.002059	0.000680	0.000183	0.000174	0.000742	0.003951	0.000031	0.007820
2018	0.001202	0.000732	0.001934	0.000831	0.000169	0.000164	0.000726	0.004408	0.000030	0.008262
2019	0.001107	0.001018	0.002125	0.000756	0.000155	0.000153	0.000667	0.004411	0.000027	0.008294
2020	0.001079	0.000997	0.002076	0.000730	0.000150	0.000146	0.000641	0.004308	0.000026	0.008077
2021	0.001000	0.000898	0.001898	0.000619	0.000104	0.000167	0.000443	0.003829	0.000018	0.007078
2022	0.000737	0.000655	0.001392	0.000482	0.000082	0.000200	0.000343	0.003484	0.000014	0.005997
<b>2023</b>	<b>0.000542</b>	<b>0.000476</b>	<b>0.001018</b>	<b>0.000491</b>	<b>0.000114</b>	<b>0.000196</b>	<b>0.000350</b>	<b>0.003701</b>	<b>0.000014</b>	<b>0.005884</b>

Source: Summit County property tax notices

Note: The City's basic property tax rate may be increased only by a majority vote of the City's residents. Rates for debt service are set based on each year's requirements.

**Schedule 10**  
**Park City Municipal Corporation, Utah**  
**Direct and Overlapping Sales Tax Rates**  
**Last Ten Calendar Years**

<u>Calendar Year (5)</u>	<u>City Direct Rate</u>	<u>Summit County</u>	<u>State of Utah</u>	<u>Total</u>
2015	2.90 %	0.35 %	4.70 %	7.95 %
2016	2.90	0.35	4.70	7.95
2017	3.15 (1)	0.60 (2)	4.70	8.45
2018	3.15	0.85 (3)	4.70	8.70
2019	3.15	1.05 (4)	4.85	9.05
2020	3.15	1.05	4.85	9.05
2021	3.15	1.05	4.85	9.05
2022	3.15	1.05	4.85	9.05
2023	3.15	1.05	4.85	9.05
<b>2024</b>	<b>3.15</b>	<b>1.05</b>	<b>4.85</b>	<b>9.05</b>

Source: Utah State Tax Commission

Notes:

- (1) Includes 0.25 percent Additional Mass Transit Tax implemented in calendar year 2017.
- (2) Includes 0.25 percent County Option Transportation Tax implemented in calendar year 2017.
- (3) Includes 0.25 percent County Transportation Infrastructure Tax implemented in calendar year 2018.
- (4) Includes 0.20 percent County Option for Public Transit Tax implemented in calendar year 2019.
- (5) The Utah State Tax Commission releases updated sales tax rate data quarterly for the subsequent quarter.

**Schedule 11**  
**Park City Municipal Corporation, Utah**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Talisker Empire Pass Hotel LLC (Montage)	\$ 223,810,497	1	1.87 %	\$ 285,499,000	1	3.48 %
TCFS Leaseco LLC	163,751,622	2	1.37	-	-	-
Marriott Ownership Resorts	129,066,836	3	1.08	114,504,078	2	1.39
Deer Valley Resort Company LLC	106,994,378	4	0.89	-	-	-
Deer Valley Development Company	88,243,363	5	0.73	-	-	-
DVP LLC	44,972,777	6	0.37	30,892,906	4	0.38
Deer Valley Resort Company	44,832,254	7	0.37	-	-	-
Yarrow Hotel Owner LLC	38,719,758	8	0.32	-	-	-
Deer Valley Resort Company LLC	38,383,068	9	0.32	-	-	-
DC Park City 1 Property LLC	32,330,561	10	0.27	-	-	-
VR CPC Holdings Inc	-	-	-	33,505,743	3	0.41
Silver Lake Development Corp.	-	-	-	19,540,360	7	0.24
Chateaux at Silver Lake	-	-	-	21,521,376	6	0.26
United Park City Mines	-	-	-	28,098,000	5	0.34
Residences at the Chateaux	-	-	-	16,000,000	8	0.19
Wasatch Retreat LLC	-	-	-	14,780,000	9	0.18
Wintzer Wolfe Properties	-	-	-	14,120,394	10	0.17
<b>Totals</b>	<b>\$ 911,105,114</b>		<b>7.58 %</b>	<b>\$ 578,461,857</b>		<b>7.04 %</b>

Source: Summit County Treasurer and Park City Finance Department

Schedule 12  
 Park City Municipal Corporation, Utah  
 City Tax Revenue Collected by County  
 Last Ten Calendar Years

Tax Year End 12/31	Collected Within the Year of the Levy				Percent of Adjusted Levy	Collections in Subsequent Years	Total Collections to Date	
	Original Levy (1)	Adjusted Levy	Amount (2)	Percent of Net Levy			Amount (2)	Percent of Net Levy
<b>Summit County</b>								
2014	\$ 14,451,389	\$ 14,602,592	\$ 13,714,698	93.92 %	\$ 879,744	\$ 14,594,442	99.94 %	
2015	14,747,175	14,862,169	14,731,910	99.12	111,730	14,843,640	99.88	
2016	14,856,934	14,971,746	14,908,200	99.58	49,384	14,957,584	99.91	
2017	17,140,149	17,267,351	17,167,415	99.42	96,674	17,264,089	99.98	
2018	17,403,473	17,509,024	17,342,944	99.05	147,545	17,490,489	99.89	
2019	20,759,599	20,866,783	19,523,979	93.56	1,317,668	20,841,647	99.88	
2020	21,213,526	21,105,471	19,827,759	93.95	1,241,812	21,069,571	99.83	
2021	21,555,702	21,435,158	20,269,497	94.56	1,120,205	21,389,702	99.79	
2022	21,204,980	21,062,689	20,099,040	95.42	866,449	20,965,490	99.54	
<b>2023</b>	<b>21,749,284</b>	<b>21,530,956</b>	<b>20,496,118</b>	<b>95.19</b>	<b>-</b>	<b>20,496,118</b>	<b>95.19</b>	
<b>Wasatch County</b>								
2014	\$ 611,098	\$ 611,098	\$ 611,098	100.00 %	\$ - (3)	\$ 611,098	100.00 %	
2015	588,597	580,842	580,842	100.00	- (3)	580,842	100.00	
2016	582,082	581,989	570,597	98.04	- (3)	570,597	98.04	
2017	639,263	640,331	633,356	98.91	- (3)	633,356	98.91	
2018	626,749	624,919	608,868	97.43	- (3)	608,868	97.43	
2019	729,099	739,991	737,765	99.70	- (3)	737,765	99.70	
2020	711,496	711,748	697,471	97.99	- (3)	697,471	97.99	
2021	343,124	343,124	334,750	97.56	- (3)	334,750	97.56	
2022	299,652	299,652	286,261	95.53	- (3)	286,261	95.53	
<b>2023</b>	<b>225,106</b>	<b>225,106</b>	<b>213,717</b>	<b>94.94</b>	<b>- (3)</b>	<b>213,717</b>	<b>94.94</b>	

Source: Summit and Wasatch County Annual Financial Reports

Notes:

- (1) Excludes redevelopment agencies valuation.
- (2) Total collection amounts do not include any fee-in-lieu payments.
- (3) Prior year collection data not available for Wasatch County.

**Schedule 13**  
**Park City Municipal Corporation, Utah**  
**Property Tax Levies and Collections (1)**  
**Last Ten Calendar Years**

<u>Calendar Year Ended December 31,</u>	<u>Taxes Levied for the Calendar Year</u>	<u>Collected within the Calendar Year of the Levy</u>			<u>Collections in Subsequent Years</u>	<u>Total Collections to Date</u>	
		<u>Amount</u>	<u>Percentage of Levy</u>			<u>Amount</u>	<u>Percentage of Levy</u>
2014	\$ 15,213,690	\$ 14,325,796	94.16 %	\$	879,744	\$ 15,205,540	99.95 %
2015	15,443,011	15,312,752	99.16		111,730	15,424,482	99.88
2016	15,553,735	15,478,797	99.52		49,384	15,528,181	99.84
2017	17,907,682	17,800,771	99.40		96,674	17,897,445	99.94
2018	18,133,943	17,951,812	99.00		147,545	18,099,357	99.81
2019	21,606,774	20,261,744	93.78		1,317,668	21,579,412	99.87
2020	21,817,219	20,525,230	94.08		1,241,812	21,767,042	99.77
2021	21,778,282	20,604,247	94.61		1,120,205	21,724,452	99.75
2022	21,362,341	20,385,301	95.43		866,449	21,251,751	99.48
<b>2023</b>	<b>21,756,062</b>	<b>20,709,835</b>	<b>95.19</b>		<b>-</b>	<b>20,709,835</b>	<b>95.19</b>

Source: Summit and Wasatch County Annual Financial Reports, and Park City Finance Department

Notes:

(1) Includes general fund and debt service funds.



**Schedule 14**  
**Park City Municipal Corporation, Utah**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities			Business-type Activities		Total Primary Government	Percentage of Personal Income (2)	Per Capita (2)
	General Obligation Bonds (1)	Sales Tax Increment Bonds (1)	Contracts Payable	Water Bonds (1)	Contracts Payable			
2015	\$ 29,298,159	\$ 24,334,866	\$ 93,024	\$ 45,184,477	\$ -	\$ 98,910,526	3.21 %	\$ 12,275
2016	26,009,111	22,393,581	-	42,041,117	-	90,443,809	4.19	11,127
2017	50,485,922 (3)	20,715,393	-	38,797,758	-	109,999,073	3.74	13,254
2018	45,273,366	52,003,833 (4)	-	35,419,397	-	132,696,597	3.30	15,839
2019	91,632,655 (5)	78,605,090 (6)	-	31,906,489	-	202,144,235	2.73	24,414
2020	89,738,177 (7)	73,389,583	-	100,237,316 (8)	3,180,985 (9)	266,546,063	2.39	31,403
2021	82,962,508	67,946,810	-	97,009,196	3,039,674	250,958,188	2.65	29,469
2022	75,916,839	62,913,028	-	158,336,346 (10)	2,895,756	300,061,969	2.22	34,553
2023	68,581,170	57,664,246	222,271 (11)	152,717,460	2,749,182	281,934,329	2.81	32,195
<b>2024</b>	<b>60,945,501</b>	<b>52,200,464</b>	<b>51,625</b>	<b>146,868,574</b>	<b>2,599,905</b>	<b>262,666,069</b>	<b>3.70</b>	<b>30,489</b>

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

(1) Presented net of original issuance discounts and premiums.

(2) See Schedule 20 for personal income and population data.

(3) The City issued GO Bonds Series 2017 for \$27.8 million in fiscal year 2017.

(4) The City issued Sales Tax Bonds Series 2017 for \$31.9 million, in fiscal year 2018.

(5) The City issued GO Bonds Series 2019 for \$48.3 million in fiscal year 2019.

(6) The City issued Sales Tax Bonds Series 2019 for \$26.8 million, in fiscal year 2019.

(7) The City issued GO Bonds Series 2020 for \$9.5 million in fiscal year 2020.

(8) The City issued Water Revenue Bonds Series 2020 for \$75.5 million in fiscal year 2020.

(9) The City entered into an agreement with Weber Basin Water Conservancy District for \$3.2 million in fiscal year 2020.

(10) The City issued Water Revenue Bonds Series 2021 for \$66.1 million in fiscal year 2022.

(11) The City implemented GASB Statement No. 96 *Subscription-based IT Arrangements*. This contract payable is related to current year SBITAs.

**Schedule 15**  
**Park City Municipal Corporation, Utah**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>General Obligation Bonds (1)</u>	<u>Percentage of Actual Property Value (2)</u>	<u>Per Capita (3)</u>
2015	\$ 29,298,159	0.36 %	\$ 3,636
2016	26,009,111	0.30	3,200
2017	50,485,922	0.55	6,083
2018	45,273,366	0.47	5,404
2019	91,632,655	0.88	11,067
2020	89,738,177	0.79	10,572
2021	82,962,508	0.69	9,742
2022	75,916,839	0.57	8,742
2023	68,581,170	0.38	7,832
<b>2024</b>	<b>60,945,501</b>	<b>0.25</b>	<b>7,074</b>

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

- (1) Presented net of original issuance discounts and premiums.
- (2) See Schedule 6 for property value data.
- (3) See Schedule 20 for population and personal income data.

Schedule 16  
**Park City Municipal Corporation, Utah**  
**Direct and Overlapping Governmental Activities Debt (2)**  
**As of June 30, 2024**

<u>Governmental Unit</u>	<u>Net Debt Outstanding</u>	<u>Estimated Percentage Applicable to Park City (1)</u>	<u>Estimated Amount Applicable to Park City</u>
<b>Debt repaid with property taxes</b>			
Snyderville Basin Recreation District Tax District	\$ 18,140,000	16.31 %	\$ 2,958,634
Wasatch County	4,095,000	3.18	130,221
Wasatch County School District	217,615,158	3.18	6,920,162
Weber Basin Water Conservancy District	7,825,000	14.63	1,144,798
<b>Other debt</b>			
Summit County	41,816,000	56.95	23,814,212
Wasatch County	3,795,000	3.18	120,681
Subtotal, overlapping debt			35,088,708
City direct debt			<u>113,197,590</u>
Total direct and overlapping			<u>\$ 148,286,298</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Utah State Tax Commission. Debt outstanding data provided by each governmental unit.

Notes:

- (1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another government unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.
- (2) 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 Park City. 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.

**Schedule 17**  
**Park City Municipal Corporation, Utah**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit	\$ 293,698,934	\$ 312,816,159	\$ 329,113,324	\$ 345,893,884	\$ 373,088,393	\$ 404,142,080	\$ 421,601,040	\$ 468,049,280	\$ 623,276,859	\$ <b>864,272,763</b>
Total net debt applicable to limit	<u>29,298,159</u>	<u>26,009,111</u>	<u>50,485,922</u>	<u>45,273,366</u>	<u>91,632,655</u>	<u>89,738,177</u>	<u>82,962,508</u>	<u>75,916,839</u>	<u>68,581,170</u>	<u><b>60,945,501</b></u>
Legal debt margin	<u>\$ 264,400,775</u>	<u>\$ 286,807,048</u>	<u>\$ 278,627,402</u>	<u>\$ 300,620,518</u>	<u>\$ 281,455,738</u>	<u>\$ 314,403,903</u>	<u>\$ 338,638,532</u>	<u>\$ 392,132,441</u>	<u>\$ 554,695,689</u>	<u><b>\$ 803,327,262</b></u>
Total net debt applicable to the limit as a percentage of debt limit	9.98%	8.31%	15.34%	13.09%	24.56%	22.20%	19.68%	16.22%	11.00%	<b>7.05%</b>

**Legal Debt Margin Calculation for Fiscal Year 2024**

Total assessed value	<u><b>\$ 21,606,819,080</b></u>
Debt limit - 4.0% of total assessed value	<b>\$ 864,272,763</b>
Amount of debt applicable to debt limits:	
General Obligation Bonds 2013A, 2017, 2019 and 2020	<b>60,945,501</b>
Less: Amount available for repayment of general obligation bonds	<u>-</u>
Total net debt applicable to limit	<u><b>60,945,501</b></u>
Legal debt margin	<u><b>\$ 803,327,262</b></u>

Notes: Under Utah State Law, Park City's outstanding general obligation debt should not exceed 4.0 percent of total assessed property value. The general obligation debt subject to the limitation may be offset by resources set aside for the repayment of the principal that are externally restricted.

**Schedule 18**  
**Park City Municipal Corporation, Utah**  
**Pledged-Revenue Coverage**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Sales Tax Increment Bonds</u>				<u>Coverage</u>
	<u>Sales Tax Increment</u>	<u>Debt Service</u>			
		<u>Principal</u>	<u>Interest</u>		
2015	\$ 14,797,945	\$ 8,350,000	\$ 383,012	1.7	
2016	16,334,964	1,810,000	782,290	6.3	
2017	17,873,953	1,550,000	705,380	7.9	
2018	18,814,379	3,680,000	1,351,082	3.7	
2019	20,411,626	3,240,000	2,110,324	3.8	
2020	20,156,955	4,625,000	2,792,440	2.7	
2021	22,423,816	4,855,000	2,576,365	3.0	
2022	29,678,601	4,520,000	2,432,215	4.3	
2023	31,128,370	4,735,000	2,223,790	4.5	
<b>2024</b>	<b>32,008,194</b>	<b>4,950,000</b>	<b>2,005,316</b>	<b>4.6</b>	

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements. See Schedule 19 for information on water revenue bond coverage.

Schedule 19  
Park City Municipal Corporation, Utah  
Water Fund Refunding and Revenue Bonds  
Schedule of Net Revenues to Aggregate Debt Service  
As of June 30, 2024

		<u>Coverage Ratio</u>	
		<u>Actual</u>	<u>Minimum</u>
<b>Net revenues (change in net position)</b>	<b>\$ 1,983,019</b>		
Add			
Excluded transfer to general fund	2,281,294		
Noncapital improvements	4,135,687		
Depreciation and amortization	4,655,595		
Bond interest expense	4,366,363 (1)		
<b>Revenues pledged to debt</b>	<b>17,421,958</b>	<b>1.86</b>	<b>1.20</b>
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009A Water Bonds-DEQ	\$ 125,000	\$ -	\$ 125,000
2013A Water Revenue	250,000	12,900	262,900
2014 Water Revenue Bonds	-	133,738	133,738
2020 Water Revenue Bonds	2,325,000	2,201,719	4,526,719
2021 Water Revenue Bonds	2,325,000	2,018,006	4,343,006
	<u>\$ 5,025,000</u>	<u>\$ 4,366,363</u>	<u>\$ 9,391,363</u>
Less water development fees and capital contributions collected in fiscal year 2024		(1,009,338)	
<b>Net revenues less development fees and capital contributions</b>		<b><u>\$ 16,412,620</u></b>	<b>1.75 1.00</b>

<u>Year</u>	<u>Net Revenue (Loss)</u>	<u>Gross Revenues (Less Development Fees) Available for Debt Service</u>	<u>Total Debt Service (1)</u>	<u>Coverage</u>	<u>Gross Revenue Available for Debt Service</u>	<u>Debt</u>	<u>Coverage</u>
2015	\$ 5,862,508	\$ 7,781,536	\$ 4,254,867	1.83	\$ 11,530,762	\$ 4,254,867	2.71
2016	3,074,564	7,474,148	4,247,871	1.76	8,657,335	4,247,871	2.04
2017	4,972,598	9,821,604	4,245,164	2.31	10,912,626	4,245,164	2.57
2018	5,484,037	10,299,731	4,245,644	2.43	11,555,071	4,245,644	2.72
2019	6,190,191	10,256,385	4,399,869	2.33	12,345,168	4,399,869	2.81
2020	2,599,792	6,990,691	4,453,990	1.57	8,767,845	4,453,990	1.97
2021	45,434	3,414,339	2,910,430	1.17	7,128,699	2,910,430	2.45
2022	(309,495)	7,552,733	5,805,691	1.30	8,813,246	5,805,691	1.52
2023	(1,364,750)	10,910,412	9,393,188	1.16	11,795,461	9,393,188	1.26
<b>2024</b>	<b>1,983,019</b>	<b>16,412,620</b>	<b>9,391,363</b>	<b>1.75</b>	<b>17,421,958</b>	<b>9,391,363</b>	<b>1.86</b>

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

(1) Amount is less current year bond premium amortization

**Schedule 20**  
**Park City Municipal Corporation, Utah**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income (thousands of dollars) (1)</u>	<u>Per Capita Personal Income (1)</u>	<u>Median Age</u>	<u>School Enrollment</u>	<u>Unemployment Rate (1)</u>
2015	8,058	\$ 3,177,339	\$ 82,558	38.8	4,739	3.2 %
2016	8,128	3,784,040	96,766	38.5	4,763	3.4
2017	8,299	4,110,805	102,053	40.4	4,891	3.1
2018	8,378	4,380,364	108,675	40.6	4,780	2.9
2019	8,280	5,518,624	131,606	40.3	4,816	2.7
2020	8,488	6,377,651	152,310	39.3	4,757	9.8
2021	8,516	6,652,663	156,537	40.0	4,696	2.4
2022	8,684	6,652,663	156,537	41.2	4,592	1.7
2023	8,757	7,927,922	183,972	41.1	4,350	2.4
<b>2024</b>	<b>8,615</b>	<b>9,725,951</b>	<b>225,996</b>	<b>41.9</b>	<b>4,246</b>	<b>2.8</b>

Sources:

Utah Department of Workforce Services  
Park City School District  
Park City Chamber & Visitors Bureau  
Bureau of Economic Analysis

Notes:

(1) Applies to Summit County.

**Schedule 21**  
**Park City Municipal Corporation, Utah**  
**Principal Employers**  
**Current Year and Nine Years Ago**

Employer	2024				2015			
	Yearly Maximum Employees	Yearly Minimum Employees	Rank	Percentage of Total City Employment (1)	Yearly Maximum Employees	Yearly Minimum Employees	Rank	Percentage of Total City Employment (1)
Park City Municipal Corporation	1787	1,095	1	6.52 %	541	464	5	4.24 %
Royal Street of Utah ET AL (Deer Valley Resort)	999	500	2	3.65	2790	784	2	21.86
Stein Eriksen Lodge	999	500	3	3.65	541	529	4	4.24
Park City School District	806	661	4	2.94	710	666	3	5.56
Montage Hotels & Resorts, LLC	499	250	5	1.82	499	250	7	3.91
IHC/Park City Surgical Center	499	250	6	1.82	499	250	6	3.91
Park City Mountain Resort	499	250	7	1.82	2844	1026	1	22.28
Promontory Development	499	250	8	1.82	-	-	-	-
St Regis Resort	499	250	9	1.82	-	-	-	-
Park Meadows Country Club	249	100	10	0.91	-	-	-	-
Hotel Park City	-	-	-	-	249	100	9	1.95
All Seasons Resort	-	-	-	-	499	250	8	3.91
Resort Express	-	-	-	-	249	100	10	1.95
United States Ski & Snowboard Association	-	-	-	-	249	100	11	1.95
Fresh Market (Albertson's)	-	-	-	-	249	100	12	1.95
Jan's Mountain Outfitters	-	-	-	-	249	100	13	1.95
<b>Total</b>	<b>7,335</b>	<b>4,106</b>		<b>26.80 %</b>	<b>10,168</b>	<b>4,719</b>		<b>79.65 %</b>

Source: Utah Department of Workforce Services

Notes:  
(1) Percentage is based on the maximum number of employees in the range divided by the total labor force of Summit County.



**Schedule 22**  
**Park City Municipal Corporation, Utah**  
**Full-time Equivalent City Government Employees by Function**  
**Last Ten Fiscal Years**

<b>Function</b>	<b>Fiscal Year</b>									
	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
	<b>Full-time Equivalent Employees</b>									
<b>General government</b>										
Executive	4.0	4.0	4.1	4.6	6.0 (3)	6.0	6.0	7.5	7.5	<b>7.0</b>
Finance	6.7	6.7	6.7	6.6	6.2	6.7	6.3	7.0	7.6	<b>7.7</b>
Human resources	5.1	5.1	5.1	5.1	6.3	6.3	4.7	4.7	5.7	<b>6.7</b>
Budget, debt and grants	3.3	3.3	3.3	3.3	3.5	3.1	3.1	4.0	4.0	<b>5.0</b>
Planning	9.0	9.2	9.7	10.0	10.2	10.2	9.0	10.0	10.0	<b>11.0</b>
Building	15.0	16.0	17.3	17.6	19.2	20.2	19.0	19.0	19.0	<b>19.0</b>
Engineering	2.8	4.0	4.3	4.8	5.5	5.5	4.3	4.8	5.8	<b>8.8</b> (10)
Legal	7.0	7.0	7.0	7.0	7.1	7.1	7.9	8.9	8.9	<b>8.0</b>
Sustainability	11.3	11.3	12.3	13.8	12.8	13.8	13.8	16.8 (6)	18.5	<b>17.5</b>
I.T.	9.5	9.5	9.5	8.5	8.5	8.5	8.4	9.4	11.4 (8)	<b>12.4</b>
Other	6.0	6.0	6.0	6.0	7.5	9.9 (4)	13.4 (5)	11.8	14.0 (9)	<b>14.0</b>
<b>Public safety</b>										
Police	34.0	34.0	36.5	41.1	41.3	43.6	43.6	46.5	49.5	<b>48.5</b>
Communication center	10.4	10.4	10.4	2.5	-	-	-	-	-	<b>-</b>
Other	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	<b>1.5</b>
<b>Public works</b>										
Transit	77.2	75.6	75.7	107.8 (2)	123.8 (2)	124.6	118.6	86.3 (7)	95.5	<b>111.6</b> (11)
Fleet services	9.4	9.8	9.8	9.9	10.1	9.9	10.0	10.0	10.0	<b>10.0</b>
Parking	8.0	8.2	8.2	10.5	12.5	10.7	10.2	11.7	12.7	<b>13.5</b>
Street maintenance	17.3	17.0	14.8	15.3	15.3	17.2	16.8	17.8	19.8	<b>20.1</b>
Parks and cemetery	18.6	19.0	19.0	19.0	19.0	19.3	18.7	18.7	18.8	<b>20.1</b>
Other	9.0	9.0	9.0	9.0	9.0	8.5	8.5	8.5	8.5	<b>8.5</b>
<b>Library and recreation</b>										
Library	11.4	11.9	12.3	13.0	13.5	13.5	13.5	13.5	13.5	<b>15.0</b>
Golf	6.0	6.0	7.8	7.8	8.1	8.1	8.1	8.1	8.1	<b>9.2</b>
Recreation	28.2	28.2	29.3	27.8	27.0	27.0	25.0	25.3	26.2	<b>27.2</b>
Tennis	4.7	4.7	4.7	5.2	2.9	2.9	2.4	3.6	3.8	<b>7.8</b> (12)
Ice	11.4	11.3	12.3	11.3	11.3	11.6	10.9	10.9	12.2	<b>15.2</b> (13)
<b>Water</b>										
Water operations	23.0	24.4	26.5	27.5	29.5	29.2	29.2	32.2	33.0	<b>33.0</b>
<b>Stormwater</b>										
Stormwater operations	-	-	6.1 (1)	6.6	6.6	5.9	5.9	5.9	5.9	<b>5.9</b>
<b>Total</b>	<b>349.8</b>	<b>353.1</b>	<b>369.2</b>	<b>403.1</b>	<b>424.2</b>	<b>430.8</b>	<b>418.8</b>	<b>404.4</b>	<b>431.3</b>	<b>464.0</b>

Source: Park City Budget Department

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation). Full-time equivalent employment is calculated by dividing total labor hours by 2,080.

- (1) In 2017 the Stormwater Operations Department was created.
- (2) Significant increase in transit operators and total route miles.
- (3) McPolin Barn FTE transferred from Recreation to Executive.
- (4) In 2020 the Social Equity position was created.
- (5) In 2021 the Affordable Housing positions were created.
- (6) In 2022 the Trails department expanded and several Trails positions were created.
- (7) Significant decrease in transit operators and total route miles due to separation with Summit County.
- (8) In 2023 the IT department expanded its help desk and several new positions were created.
- (9) Significant increase in other is due to an increase in existing and creation of new building maintenance positions.
- (10) In 2024, 2 contract positions were absorbed and converted to FTE positions by the Engineering department.
- (11) In 2024, the Richardson Flat route was added and the City increased the frequency / provided higher levels of service for existing routes.
- (12) In 2024, several contract positions were converted to FTE positions in the Tennis department.
- (13) In 2024, Ice increased seasonal FTE hours to accommodate youth programs and instruction

**Schedule 23**  
**Park City Municipal Corporation, Utah**  
**Population Statistics**

<b>Census:</b>	<b>Calendar Year</b>	<b>Park City Population</b>	<b>Percent Change from Prior Period</b>	<b>Summit County Population</b>	<b>Percent Change from Prior Period</b>
	1980	2,823	136.63 %	10,198	73.46 %
	1990	4,430	56.93	15,518	52.17
	2000	6,500	46.73	29,736	91.62
	2010	7,596	(4.81)	40,451	36.03
	2020	8,516	0.33	42,400	0.61
	2021	8,684	1.97	42,655	0.60
	2022	8,757	0.84	43,563	2.13
	<b>2023</b>	<b>8,615</b>	<b>(1.62)</b>	<b>42,759</b>	<b>(1.85)</b>

**Age distribution of population per the U.S. Census 5 year estimates:**

<b>Age</b>	<b>Number</b>	<b>Percent</b>
Under 5 Years	261	3.03 %
5-14	964	11.19
15-24	1,154	13.40
25-34	1,050	12.19
35-44	1,200	13.93
45-54	965	11.20
55-64	1,473	17.10
65-74	1,051	12.20
75 and over	497	5.76
	<b>8,615</b>	<b>100.00 %</b>

Median age: 41.9

**Sources:**

- U.S. Census Bureau, ACS Demographic and Housing Estimates
- Utah Department of Workforce Services
- Park City Chamber & Visitors Bureau

**Schedule 24**  
**Park City Municipal Corporation, Utah**  
**Transient Room Capacity as a Percentage of Population**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Transient Room Capacity</u>		<u>Park City Population</u>	<u>Resort Percentage</u>
2015	28,275		8,058	351 %
2016	28,275		8,128	348
2017	23,119		8,299	279
2018	27,422		8,378	327
2019	27,422	(1)	8,280	331
2020	28,670		8,488	338
2021	28,670	(2)	8,516	337
2022	32,669		8,684	376
2023	32,669	(3)	8,757	373
<b>2024</b>	<b>32,669</b>	<b>(4)</b>	<b>8,615</b>	<b>379</b>

Sources:  
Park City Chamber/Visitor Bureau

Note:

- (1) Beginning in 2019, the City used Park City Chamber/Visitor Bureau data for room capacity and restated all previous year's data for consistency.
- (2) Park City Chamber/Visitor Bureau did not report any data for FY2021. Data from the last report available used.
- (3) Park City Chamber/Visitor Bureau did not report any data for FY2023. Data from the last report available used.
- (4) Park City Chamber/Visitor Bureau did not report any data for FY2024. Data from the last report available used.

**Schedule 25**  
**Park City Municipal Corporation, Utah**  
**Historical Pledged Taxes**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Pledged Sales &amp; Use Taxes</b>	<b>% Change From Prior Year</b>	<b>Pledged Resort Tax</b>	<b>% Change From Prior Year</b>	<b>Municipal Transient Room Tax</b>	<b>% Change From Prior Year</b>	<b>Total Pledged Taxes</b>	<b>% Change From Prior Year</b>
2015	\$ 4,731,904	8.8 %	\$ 12,158,993	9.8 %	\$ -	n/a %	\$ 16,890,897	9.6 %
2016	5,180,094	9.5	13,472,260	10.8	-	n/a	18,652,354	10.4
2017	5,620,687	8.5	14,695,621	9.1	-	n/a	20,316,308	8.9
2018	5,915,331	5.2	15,576,576	6.0	1,592,720 (1)	n/a	23,084,627	13.6
2019	6,403,710	8.3	16,915,887	8.6	2,733,084	71.6	26,052,681	12.9
2020	6,389,540	(0.2)	16,624,398	(1.7)	2,692,669	(1.5)	25,706,607	(1.3)
2021	7,161,106	12.1	18,431,079	10.9	2,741,751	1.8	28,333,936	10.2
2022	9,234,210	28.9	24,687,643	33.9	4,490,163	63.8	38,412,016	35.6
2023	9,598,138	3.9	25,998,773	5.3	4,513,625	0.5	40,110,536	4.4
<b>2024</b>	<b>9,818,123</b>	<b>2.3</b>	<b>26,795,589</b>	<b>3.1</b>	<b>4,608,192</b>	<b>2.1</b>	<b>41,221,904</b>	<b>2.8</b>

Notes:

(1) The 1.0 percent Municipal Transient Room Tax was implemented on January 1, 2018.

**Schedule 26**  
**Park City Municipal Corporation, Utah**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years**

Function	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Police</b>										
Physical arrests	516	506	449	426	318	255	256	300	275	243
Parking citations	282	236	291	129	132	214	219	348	358	248
Traffic citations	454	966	712	697	608	761	1,410	578	599	917
<b>Public works</b>										
Street resurfacing (tons of asphalt)	5,526	6,034	5,486	6,500	6,000	8,200	5,523	5,819	8,500	8,838
Potholes repaired	210	380	400	200	800	1,100	850	780	1,750	1,800
<b>Water</b>										
Number of customers	5,226	5,230	5,276	5,331	5,450	5,502	5,563	5,570	5,617	5,672
New connections	42	56	56	75	82	100	35	44	45	47
Water main breaks	15	25	12	14						
Average daily consumption (Tgal)	4,430	4,647	4,890	3,475	3,475	4,326	4,726	4,445	4,955	3,807
Peak daily consumption (Tgal)	7,786	7,767	8,660	5,839	5,839	8,669	7,599	8,104	7,923	8,730
Average monthly billings (3/4" meter)	88	83.32	105.87	90.63	111.32	100.44	118.29	105.54	103.80	99.28
Residential billing rates										
Base rate (per 3/4" meter)	44	44.07	44.95	47.65	49.08	50.55	52.07	53.63	55.24	55.24
Base rate (per 1" meter)	59	59.49	60.68	64.32	66.25	68.24	70.29	72.40	74.57	74.57
Base rate (per 1-1/2" meter)	71	70.55	71.96	76.28	78.57	80.93	83.36	85.86	88.44	88.44
Rate per Tgal (winter months only)	8	7.72	5.60	5.94	6.12	6.30	6.49	6.68	6.88	6.88
Commercial billing rates										
Base rate (per 3/4" meter)	57	57.29	58.44	61.95	63.61	65.52	67.49	69.51	71.60	85.92
Base rate (per 1" meter)	97	96.94	98.88	104.81	107.95	111.19	114.53	117.97	121.51	145.81
Base rate (per 1-1/2" meter)	207	207.08	211.22	223.89	230.61	237.53	244.66	252.00	259.56	311.47
Base rate (per 2" meter)	432	431.84	440.48	466.91	480.92	495.35	510.21	525.52	541.29	649.25
Base rate (per 3" meter)	1,124	1,123.75	1,146.23	1,215.15	1,251.60	1,289.15	1,327.82	1,367.65	1,408.68	1,690.30
Base rate (per 4" meter)	2,040	2,040.32	2,081.13	2,206.00	2,272.18	2,340.35	2,410.56	2,482.88	2,557.37	3,068.84
Base rate (per 6" meter)	3,846	3,846.10	3,923.02	4,158.40	4,283.15	4,411.64	4,543.99	4,680.31	4,820.72	5,784.86
Base rate (per 8" meter)	6,623	6,623.31	6,755.78	7,161.13	7,375.96	7,597.24	7,825.16	8,059.91	- (8)	-
Rate per 1,000 gallons	8	7.72	7.87	8.34	8.59	8.85	9.12	9.39	9.67	9.08
<b>Building activity</b>										
Building permits issued	1,289	1,102	999	1,422	1,252	1,575	1,331	1,438	1,389	1,644
Number of residential units	119	57	54	66	132	39	56	56	42	44
Residential value (in thousands)	64,102	30,826	36,092	48,420	97,683	68,878	105,888	95,755	74,177	110,280
Commercial value (in thousands)	17,951	3,663	8,912	40,266	46,236	125,390	11,915	14,614	88,928	55,480
<b>Parks and recreation</b>										
Racquet club passes	7,893	7,922	7,067	7,415	7,859	8,476	12,218	17,582	18,060	21,421
Golf rounds	29,269	29,537	30,731	29,484	27,382	30,085	38,036	34,806	34,702	33,817
<b>Library</b>										
Total volumes borrowed	54,262	98,930 (1)	111,388	155,683 (2)	193,795 (2)	115,463	392,488 (5)	388,329	494,801	385,762
Circulation per capita	7	12	13	13	14	14	14	14	17	19
<b>Transit</b>										
Total route miles	986,500	1,065,755	1,141,405	1,924,148 (3)	2,159,537	1,942,609 (4)	1,311,564 (4)	910,646 (6)	1,122,097 (7)	1,369,469 (9)
Passengers	1,701,758	1,798,482	2,100,455	2,288,730 (3)	2,659,826	2,394,311 (4)	1,185,629 (4)	1,541,419	1,118,663 (7)	1,741,238 (9)

Sources: Various City departments

Notes: Indicators are not available for the general government function.

- (1) Significant increase in Library total volumes borrowed and circulation per capita was due to the completion of the Library renovation.
- (2) Significant increase in Library total volumes borrowed due to a change in how electronic material was tracked (count now includes number of units instead of number of titles).
- (3) Significant increase in total route miles in 2018 was due to the addition of several new routes including the Kamas circulator.
- (4) Significant decrease is due to the COVID-19 pandemic. The City cut back on Transit routes and limited passenger numbers.
- (5) Significant increase is due the library joining a consortium that gives full access to statewide materials collections in digital format.
- (6) Significant decrease is due to the City no longer running routes in the County. High Valley Transit District now services those areas.
- (7) Significant increase is due to adding Micro Transit routes.
- (8) Beginning in fiscal year 2023, Park City no longer bills for 8" meters.
- (9) Increase is due to the addition of the Richardson Flat route and an increase in frequency/higher level of service for existing routes.

**Schedule 27**  
**Park City Municipal Corporation, Utah**  
**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**

Function	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
City Area (sq. miles)	20	20	20	20	20	20	20	22	22	<b>22</b>
Police station	1	1	1	1	1	1	1	1	1	<b>1</b>
Transit buses	37	37	38	39	47	41	41	38 (7)	46 (8)	<b>41</b>
Public works										
Streets (lane miles)	126	126	126	126	128	128	130	130	130	<b>133</b>
Street lights	712	712	964	985	985	985	970	970	970	<b>970</b>
Water										
Fire hydrants	1,081	1,090	1,091	1,104	1,131	1,137	1,141	1,140	1,147	<b>1,147</b>
Water mains (miles)	137	140	142	142	142	142	144	144	144	<b>144</b>
Storage capacity (Tgal)	13,650	13,650	13,650	18,250	18,250	18,250	18,250	14,946	14,946	<b>14,946</b>
Recreation and culture										
Acreage	223	223	1,536 (1)	1,580	1,675 (3)	1,625 (4)	1,625	1,626	1,626	<b>1,653 (10)</b>
Parks	40	40	42	42	42	42	42	43	43	<b>43</b>
Covered picnic areas	4	4	6	6	6	6	6	7	7	<b>7</b>
Tennis courts	14	14	14	14	14	14	14	14	14	<b>14</b>
Soccer fields	6	6	6	6	6	6	6	6	6	<b>6</b>
Baseball diamonds	10	10	10	10	10	10	10	10	10	<b>10</b>
Library	1	1	1	1	1	1	1	1	1	<b>1</b>
Volumes in library	97,160	126,999	117,482	155,683 (2)	193,795 (2)	115,463 (5)	392,488 (6)	388,329	494,801 (9)	<b>385,762</b>
Golf course	1	1	1	1	1	1	1	1	1	<b>1</b>
Ice Rink	1	1	1	1	1	1	1	1	1	<b>1</b>

Sources: Various City departments

Notes: Fire protection is provided by the Park City Fire District.

(1) Bonanza Flat (1,350 acres) open space was purchased in fiscal year 2017.

(2) The Library changed the way they track electronic material, resulting in a more accurate number in fiscal year 2018 and 2019.

(3) Treasure Hill (105 acres) open space was purchased in fiscal year 2019.

(4) Bonanza Flat (55 acres) sold to Salt Lake City Corporation in fiscal year 2020. Armstrong Property (5 acres) purchased in fiscal year 2020.

(5) Significant decrease is due to the COVID-19 pandemic. Additionally, the library switched to curbside delivery for several months.

(6) Significant increase is due to joining a library consortium that gives full access to statewide materials collections in digital format.

(7) Decrease in buses is due to the City no longer servicing all of the County.

(8) Increase in buses is due to the City holding onto older buses longer while sticking to the replacement schedule.

(9) Increase in library volumes is due to an increase in digital volumes by the State which can fluctuate year-to-year.

(10) Increase in recreational acreage is due to the purchase of the Red Maple property.

Schedule 28  
Park City Municipal Corporation, Utah  
Five-Year Financial Summaries  
Last Five Fiscal Years

	Fiscal Year Ended June 30				
	2024	2023	2022	2021	2020
<b>ASSETS</b>					
Cash, cash equivalents and investments held by city	\$ 184,022,451	\$ 173,456,023	\$ 149,676,414	\$ 110,483,787	\$ 91,143,933
Cash, cash equivalents and investments held by fiscal agent	35,157,538	39,056,082	62,902,204	37,681,751	71,929,505
Restricted cash, cash equivalents and investments, other	6,619,142	11,035,765	9,438,370	9,470,859	10,856,824
Receivables:					
Taxes	31,682,068	30,666,328	31,510,573	30,870,614	28,481,976
Accounts	8,207,562	16,128,542	7,559,093	10,915,585	15,297,972
Notes receivable	246,291	249,477	252,387	258,161	263,386
Inventories	1,892,027	1,648,843	1,462,526	1,064,127	935,683
Prepays	1,070,208	1,443,591	1,932,728	1,788,013	2,066,110
Lease receivable	10,663,833	10,731,865	10,800,780	-	-
Capital assets not being depreciated:					
Land and water rights	268,062,802	266,062,802	266,062,802	266,062,802	266,062,802
Construction in progress	127,682,641	123,666,341	105,532,708	65,717,025	51,527,332
Art	946,567	946,567	946,567	926,239	917,603
Capital assets (net of accumulated depreciation):					
Right to use asset	3,165,375	3,342,530	3,169,673	3,254,198	3,338,722
Buildings	56,088,557	58,008,995	59,912,541	62,002,012	50,598,244
Improvements other than buildings	94,482,369	80,581,001	83,228,324	86,770,848	77,590,523
Vehicles and equipment	27,666,119	26,365,706	20,774,073	23,553,590	23,505,583
Infrastructure	15,636,341	17,516,970	19,287,123	21,176,661	21,566,939
Intangibles	9,103,412	8,728,906	8,540,614	8,554,756	8,571,769
Net pension assets	-	-	8,676,595	581,540	-
<b>Total assets</b>	<b>882,395,303</b>	<b>869,636,334</b>	<b>851,666,095</b>	<b>741,132,568</b>	<b>724,654,906</b>
<b>Deferred outflows of resources</b>					
Deferred outflows of resources related to pensions	9,440,513	6,664,309	4,314,061	3,200,339	3,315,414
<b>LIABILITIES</b>					
Accounts payable	4,497,158	14,437,708	8,991,484	8,760,571	6,992,699
Accrued liabilities	18,493,066	13,543,834	11,117,507	7,251,284	7,210,548
Long-term debt due within one year:					
Compensated absences	1,937,968	1,381,561	1,033,464	945,902	992,375
Contracts payable	192,797	319,924	146,573	143,918	141,311
General obligation bonds	6,175,000	6,890,000	6,590,000	6,300,000	6,030,000
Revenue bonds	10,345,000	9,975,000	9,530,000	7,315,000	7,530,000
Long-term debt due in more than one year:					
Compensated absences	263,129	228,994	254,059	282,541	368,788
Contracts payable	2,458,733	2,651,529	2,749,183	2,895,756	3,039,674
General obligation bonds	54,770,501	61,691,170	69,326,839	76,662,508	83,708,177
Revenue bonds	188,724,038	200,406,706	211,719,374	157,641,006	166,096,899
Net pension liability	6,530,515	5,020,590	-	1,787,303	7,174,185
<b>Total liabilities</b>	<b>294,387,905</b>	<b>316,547,016</b>	<b>321,458,483</b>	<b>269,985,789</b>	<b>289,284,656</b>
<b>Deferred inflows of resources</b>					
Property taxes	24,755,882	24,641,351	25,384,115	25,035,612	24,703,651
Deferred gain on refunding	123,556	294,874	480,573	488,747	704,659
Deferred inflows of resources related to pensions	113,715	123,513	13,265,041	7,370,876	4,155,340
Deferred inflows of resources - leases	10,290,865	10,438,299	10,587,831	-	-
<b>Total deferred inflows of resources</b>	<b>35,284,018</b>	<b>35,498,037</b>	<b>49,717,560</b>	<b>32,895,235</b>	<b>29,563,650</b>
<b>NET POSITION</b>					
Net investment in capital assets	345,056,777	339,730,407	326,255,071	243,445,823	331,580,232
Restricted for:					
Capital projects	-	1,096,717	-	(1)	-
Other	58,940	58,940	58,940	58,940	58,940
Unrestricted	217,048,176	183,369,526	158,490,102	197,947,120	77,482,842
<b>Total net position</b>	<b>\$ 562,163,893</b>	<b>\$ 524,255,590</b>	<b>\$ 484,804,113</b>	<b>\$ 441,451,883</b>	<b>\$ 409,122,014</b>

Source: Information extracted from the City's fiscal years ended June 30, 2020 through 2024 general purpose financial statements.

Notes:

(1) Restated.

**PARK CITY MUNICIPAL CORPORATION, UTAH**

Compliance Reports  
and Utah State Audit Compliance  
**For the Year Ended June 30, 2024**



# PARK CITY MUNICIPAL CORPORATION, UTAH

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COMMITTED. EXPERIENCED. TRUSTED.

PARTNERS

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

*Independent Auditor's Report*

To the Mayor and Members of the City Council  
Park City Municipal Corporation, Utah

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Park City Municipal Corporation, 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 December 11, 2024.

***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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies, therefore, material weaknesses or significant deficiencies may

exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses.

***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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*, as item UT2024-1 in the Schedule of Findings and Responses, as required by the *Utah State Audit Compliance Guide*.

***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

***ABME, LLC***

December 11, 2024



COMMITTED. EXPERIENCED. TRUSTED.

PARTNERS

- MICHAEL L. SMITH, CPA
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**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE AND  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
AS REQUIRED BY THE *STATE COMPLIANCE AUDIT GUIDE***

To the Mayor and Members of the City Council  
Park City Municipal Corporation, Utah

***Report on Compliance***

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

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

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

***Opinion on Compliance***

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

***Basis for Opinion***

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

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

### ***Responsibilities of Management on Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

***Other Matter***

The results of our auditing procedures disclosed an instance of noncompliance or other matter, which is required to be reported in accordance with the *State Compliance Audit Guide* and which is described in the accompanying Schedule of Findings and Responses as items UT2024-1. Our opinion on compliance is not modified with respect to this matter.

The City’s response to the noncompliance finding identified in our audit is described in the accompanying Schedule of Findings and Responses. The City’s response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

***Report on Internal Control Over Compliance***

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

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

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

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

***ABMC, LLC***

December 11, 2024

**PARK CITY MUNICIPAL CORPORATION, UTAH**  
**Schedule of Findings and Responses**  
**For the Year Ended June 30, 2024**

**CURRENT YEAR FINDING**

**UT2024-1 Budgetary Compliance**

*Repeat Finding from Prior Year(s):* Yes

*Condition:* For the year ended June 30, 2024, we noted in the Library and Recreation department that actual expenditures exceeded final appropriated expenditures by \$177,615.

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

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

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

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

*Management's Response:* Management will monitor the status of expenditures throughout the year and will amend the budget as necessary to ensure compliance with State Code.