



Sandy City, Utah

Annual Comprehensive Financial Report

**The Fiscal Year Ended
June 30, 2025**

Sandy City

10000 Centennial Parkway

Sandy, Utah 84070

Annual Comprehensive Financial Report

For the fiscal year ended June 30, 2025

Prepared by:

Division of Finance of the Department of Administrative Services

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INTRODUCTORY SECTION



February 25, 2026

Honorable Mayor,
Members of the City Council, and
Citizens of Sandy:

The Annual Comprehensive Financial Report (ACFR) of Sandy City for the fiscal year ended June 30, 2025, is submitted herewith. Utah State law requires first-class cities to "present to the governing body an annual financial report prepared in conformity with generally accepted accounting principles (GAAP), as prescribed in the Uniform Accounting Manual for Utah Cities." This report, which fulfills this requirement, presents a comprehensive financial picture covering all funds and financial transactions for the year.

This ACFR has been prepared by the city's Finance Department. Responsibility for the accuracy of the presented data and for the completeness and fairness of the presentation, including all disclosures and supplementary information, rests with the city's management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present the financial position and results of operations of the city's various funds completely and fairly. All disclosures necessary to enable the reader to gain an understanding of Sandy City's financial activities have been included. Likewise, the "Notes to the Financial Statements" are an integral part of this report and should be read for a more complete understanding of the financial statements and information presented.

City management is also responsible for establishing and maintaining an internal control structure designed to ensure that the city's assets are protected from loss, theft, or misuse, and that adequate accounting data are compiled to allow the preparation of financial statements in conformity with GAAP. The City's internal control structure is designed to provide reasonable, rather than 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 required by Utah state law, an annual audit was conducted by independent certified public accountants. The Independent Auditor's Report, prepared by Eide Bailly LLP, is included in the Financial Section of this report. The independent audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, evaluating the appropriateness of the accounting policies used and the reasonableness of the significant estimates made by management, and evaluating the overall presentation of the financial statements. Based on the audit, the independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended June 30, 2025, are fairly presented, in all material respects, 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). The 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.

Profile of the Government

Since 1979, the city has operated under the council-mayor form of government. The City Council, composed of seven elected members, serves as the city's governing authority. The elected mayor, with no voting rights on the City Council, has administrative

and veto powers. The mayor appoints the Chief Administrative Officer, Cabinet Officers, and other positions, including the City Treasurer, the City Recorder, and the City Engineer. The City Council enacts city ordinances, approves the budget, and ratifies the appointment of City Officials. The City Council is authorized to issue bonds, incur short-term debt, and levy property taxes, and it is not dependent on any other unit of local government.

The city provides the full range of municipal services typically offered by municipalities. In brief, the general governmental functions include police and fire protection; park construction and maintenance; street construction and maintenance; public improvements; engineering; building inspection; planning and zoning; administrative services; recreation services; storm drain system construction and maintenance; and street light system installation and maintenance. The city also operates water, waste collection, and the River Oaks Golf Course as enterprise funds. Blended component units, although legally separate entities, are, in substance, part of the primary government's operations and are included as part of the primary government. Accordingly, the Sandy Redevelopment Agency (RDA) and Sandy Arts Guild are reported as special revenue funds, and the Alta Canyon Recreation Special Service District is reported as an enterprise fund.

Comprehensive annual budgets are an essential element for Sandy City's financial planning and control. Therefore, the City Council annually adopts budgets (required by Utah state law) for all funds, except debt service funds, used to account for special assessments. Utah state law also requires: 1) a balanced budget for each individual fund; however, redevelopment agencies are allowed to incur debt prior to triggering the tax increment revenue, thus allowing an unbalanced budget, 2) department expenditures to conform with departmental appropriations, and 3) individual fund appropriations to be overspent only in "emergencies" (natural disasters). Once the budgets are approved, the City Council may amend them from time to time, provided it follows the required procedures. Budget and actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted. For the general fund, storm water fund, and RDA fund, this comparison begins on page 44 as part of the basic financial statements for the governmental funds. For the other governmental funds with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts on page 99.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when viewed from the broader perspective of the specific environment in which Sandy City operates.

Local Economy. Sandy's local economic development efforts have made significant progress this past year, focusing on job creation, affordable housing, business communication, and community engagement. Sandy City has welcomed a variety of new businesses, which have contributed to job creation and enhanced the city's commercial landscape.

Sandy City is the eighth-largest city in Utah. The nearby Wasatch Mountains provide water, recreational opportunities, and a scenic backdrop. The I-15 corridor and the TRAX light rail line on the city's west side provide access to downtown Salt Lake City (approximately 15 miles to the north) and position Sandy as a commercial center for the south end of the valley. The city is home to several cultural, recreational, and entertainment venues. In 2025, it also became the headquarters of Smith Entertainment Group, which includes facilities for Mammoth Hockey and the Utah Jazz. In 2025, Sandy City was also awarded \$75 million in tax increment funding over 45 years from the Utah State Housing and Transit Reinvestment Zone to enhance housing options, walkability, transit, and infrastructure, while attracting economic development. Continued commercial growth fuels a strong economy and tax base and provides job opportunities for residents.

The city has experienced tremendous growth in land area and population over the past few decades. Annexation of previously unincorporated land has increased the city's area from 6.6 square miles in 1970 to more than 24 square miles today. Together with new construction, annexations have driven population growth from 6,438 to about 93,000 over the same period. To guide responsible, thoughtful growth, Sandy City officially adopted its new long-range vision, Pace of Progress: Sandy General Plan 2050, in January 2025. The plan was more than five years in the making, with extensive public input and research. The American Planning Association (APA) recognized the city's efforts with the "Outstanding Plan Award."

With Sandy as the gateway to world-class skiing, many winter visitors enjoy “The Greatest Snow on Earth” at nearby Alta, Snowbird, Brighton, and Solitude resorts, increasing hotel stays. Community spending in Sandy is rising, as is participation in the city’s many entertainment and recreational venues. Sandy is home to America First Field, the home of Major League Soccer team Real Salt Lake, and the Mountain America Exposition Center, which hosts conventions and shows that draw many visitors. Additionally, Hale Centre Theatre attracts over 600,000 patrons each year—approximately half of whom come from outside Salt Lake County—to enjoy world-class theatrical entertainment in Sandy City.

As we continue to develop The Cairns, our City Center, we are advancing the larger goal of building healthy economies and communities with a stable tax base and a vibrant quality of life. The Cairns offers new housing options for those who want to be close to TRAX and amenities, supporting a true live-work-shop-and-play experience. Our City Center includes a Medically Vulnerable Population (MVP) transitional housing facility that provides interim housing and medical services to seniors, veterans, and the medically frail who are experiencing homelessness.

Despite current financial and market challenges, Sandy remains actively engaged in economic development efforts. The city fosters the growth of high-paying jobs, affordable housing options, and a diverse range of businesses. Despite economic headwinds, the city remains committed to ongoing projects and development to create a prosperous and thriving community.

Additional information about economic factors can be found on page 32 in MD&A.

Long-Term Financial Planning. Our One Sandy vision is to create an active, vibrant, and prosperous community where people can flourish and feel a sense of belonging. We are committed to being responsible stewards and to providing high-quality services, focusing on safe neighborhoods, thoughtful planning, environmental preservation, and economic diversity. The fiscal year 2025 budget reflects our core values of caring for what we have and investing wisely to build a strong future.

The fiscal year 2025 budget appropriations build on the work done in fiscal year 2025 by residents, city staff, and elected officials to improve the quality of life in the city and deliver excellent service during a period of rapid inflation without a tax increase. Sandy City’s top priorities include: 1) attracting and retaining high-caliber employees with competitive compensation; 2) replacing fleet vehicles, with an emphasis on those used by our firefighters and police officers; 3) creating a new community recreation center to replace the failing Alta Canyon Sports Center; and 4) adequate funding for waste collection, including the Bulk Waste Program.

As ongoing market pressures persist, it is critical that the city maintain a competitive compensation plan. The fiscal year 2025 budget plan includes a modest 1.0 percent cost-of-living adjustment, with a regular step-and-grade increase for public safety employees and performance-based increases for civil employees. The \$1.47 million proposed is designed to maintain our commitment to competitive pay and is a symbolic gesture of appreciation for work dutifully and skillfully rendered.

The fiscal year 2025 budget also allocates \$2.5 million (\$1.5 million in ongoing and \$1 million in one-time funding) to replace General Fund fleet vehicles and savings for the future purchase of a fire engine. This includes a \$480,000 investment to replace problematic police vehicles. Meanwhile, the city pays for frequent maintenance to keep these vehicles in service. A lack of fleet reliability may directly affect officers’ and firefighters’ ability to perform at their best in emergencies and negatively impact public safety.

Additional priorities are funded in the fiscal year 2025 budget, including allocations for hazardous concrete repair and street reconstruction, new equipment for pothole filling, upgraded traffic signals throughout the city, and addressing future mandates for critical radio communication upgrades, which are essential to public safety, public works, and utilities.

Relevant financial policies. The city takes pride in maintaining its pay-as-you-go strategy and in using reasonable long-term financing to keep the debt burden low. Sandy City seeks the most practical and cost-efficient financing available. Following this policy has allowed the City to achieve a “AAA” bond rating for its sales tax revenue bonds, transient room tax revenue bonds, and

general obligation bonds, as well as a “AA+” rating for its water revenue bonds. For further information on long-term liabilities, please refer to pages 31-32 of the MD&A and pages 69-74 of the notes to the financial statements.

While the city’s long-term goals and objectives guide what the budget accomplishes, how that is accomplished is based on the following guiding principles:

- Sandy City exists solely to serve its citizens’ needs.
- Sandy City strives to provide basic services with economy, efficiency, and effectiveness.
- Sandy City strives for generational fairness.
- Sandy City should finance services rendered to the general public from revenues imposed on the general public, such as property and sales taxes. Special services rendered to specific groups of citizens should be financed by user fees, impact fees, license and permit fees, or special assessments.
- Sandy City should balance all budgets annually, in accordance with Utah law (Section 10-6-110, U.C.A. and 10-6-117, U.C.A.).
- Sandy City should allow for a reasonable surplus (fund balance) to provide sufficient working capital, provide a cushion to absorb emergencies, cover unavoidable shortfalls in revenues, secure the City’s debt and its bond rating, accumulate funding for planned capital expenditures, and meet reserve requirements for liabilities already incurred but not yet paid as is the case with the Risk Management Fund.

Major initiatives. A thriving economy is essential to a city’s prosperity, and a strong tax base is the cornerstone of that success. The city has seen a decline in retail sales growth over the past few decades. Once outpacing statewide sales growth by a factor of three, Sandy City’s retail growth has slowed.

Compounding this challenge is the rise of online shopping, which often bypasses local sales tax collection, reducing crucial revenue for cities. To address these issues, the City is implementing a two-pronged strategy focused on enhancing retail experiences and expanding housing options. Central to this effort is the revitalization of Sandy City’s aging commercial areas and the development of The Cairns District, which will prioritize improving both the quality and quantity of retail options to attract more visitors and elevate the shopping experience. Additionally, recognizing that 50% of sales tax revenue is distributed based on population, the City is advancing housing initiatives. These efforts aim to increase the city center’s population, creating a vibrant, dynamic community that drives local spending and boosts sales tax revenue. By combining innovative retail development with strategic housing growth, Sandy City is positioning itself for long-term economic resilience and sustainability.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the city a Certificate of Achievement for Excellence in Financial Reporting for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2024. This was the thirty-eighth consecutive year the city has received this prestigious award. In order to be awarded a Certificate of Achievement, the city must publish an easily readable and efficiently organized ACFR. This report must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current ACFR continues to meet the Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The city also received the GFOA’s Distinguished Budget Presentation Award for its annual budget document for fiscal years 2025 and 2026. To qualify for the Distinguished Budget Presentation Award, the government’s budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device. This is the twenty-first consecutive year the city has received this esteemed award.

The preparation of the ACFR was made possible by the dedicated service of the entire staff of the Finance Division of the Administrative Services Department. Each member of the division has our sincere appreciation for the contributions made in the

preparation of this report. In closing, without the leadership and support of the governing body of Sandy City, preparation of this report would not have been possible.

Respectfully submitted,

Handwritten signature of Shane Pace in blue ink.

Shane Pace
Chief Administrative Officer

Handwritten signature of Brian Kelley in blue ink.

Brian Kelley
Administrative Services Director

SANDY CITY

Principal Officials

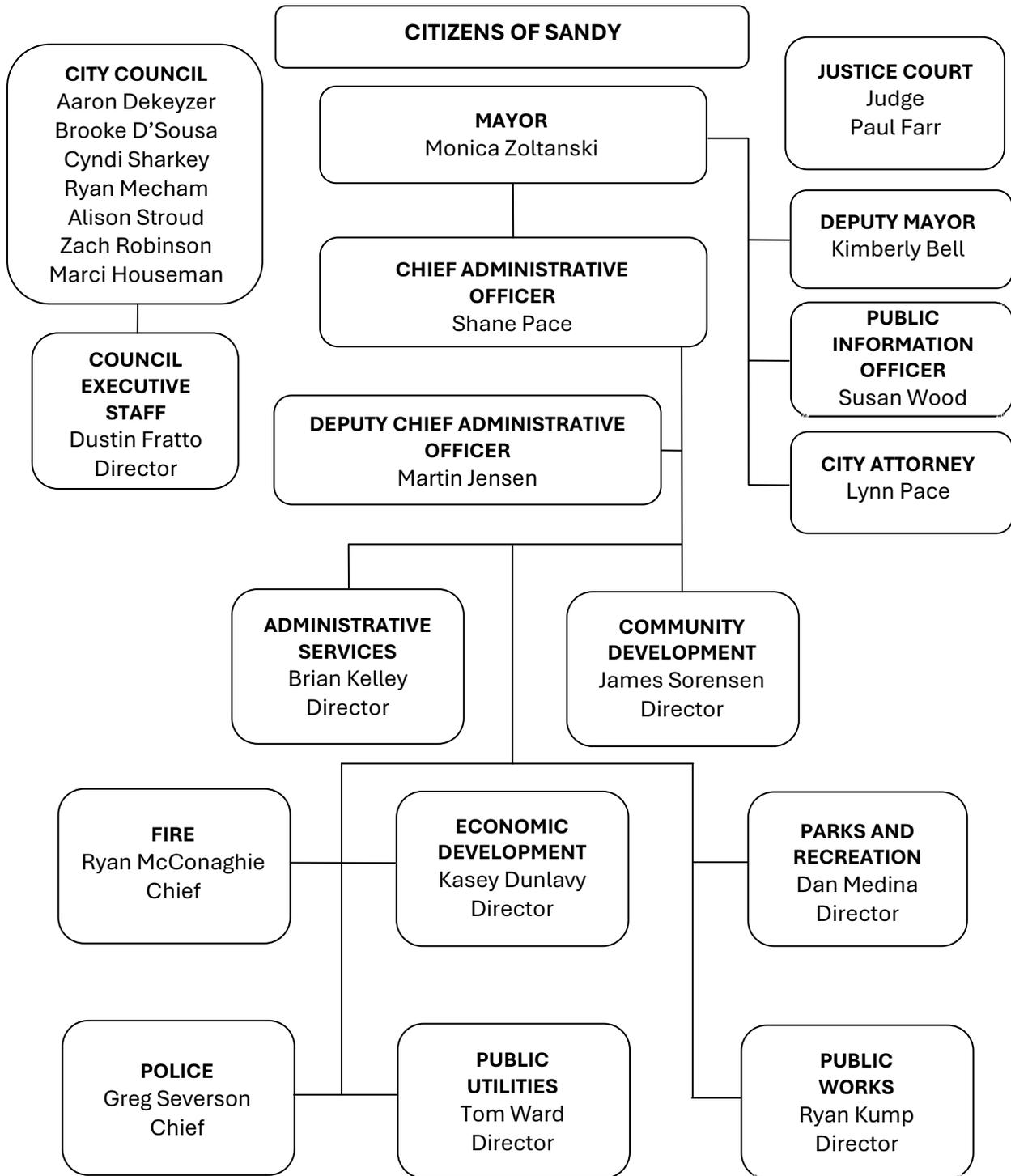
Elected Officials

Mayor.....	Monica Zoltanski
City Council - At Large.....	Aaron Dekeyzer
City Council - At Large.....	Brooke D’Sousa
City Council - At Large.....	Cyndi Sharkey
City Council - District 1	Ryan Mecham
City Council - District 2	Alison Stroud
City Council - District 3	Zach Robinson
City Council - District 4	Marci Houseman

Appointed Officials

City Council Executive Staff Director	Dustin Fratto
Chief Administrative Officer	Shane Pace
Deputy Chief Administrative Officer.....	Martin Jensen
Deputy Mayor	Kimberly Bell
Public Information Officer	Susan Wood
City Attorney.....	Lynn Pace
Fire Chief.....	Ryan McConaghie
Police Chief	Greg Severson
Administrative Services Director.....	Brian Kelley
Community Development Director	James Sorensen
Economic Development Director.....	Kasey Dunlavy
Parks and Recreation Director	Dan Medina
Public Utilities Director	Tom Ward
Public Works Director	Ryan Kump

SANDY CITY ORGANIZATIONAL STRUCTURE





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Sandy City
Utah**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION



Independent Auditor's Report

To the Members of the City Council
City of Sandy, Utah

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Sandy City (the City) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2025 and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the general and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the investment in Trans-Jordan Cities, which represents \$12,877,176, and \$851,888, respectively, of the assets, and revenues of the waste fund and business-type activities as of June 30, 2025. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for Trans-Jordan Cities, are based solely on the report of the other auditors.

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 (*Government Auditing Standards*). 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 Sandy 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.

Correction of Error

As discussed in Note 23 to the financial statements, certain errors resulting in an overstatement of amounts previously reported for accounts payable and understatement of amounts previously recorded for revenues as of June 30, 2024, were discovered by management of the City during the current year. Accordingly, a restatement has been made to the general fund balance and governmental activities net position as of July 1, 2024, to correct the error. Our opinions are not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City’s ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, the modified approach for infrastructure, proportionate share of the net pension liability and schedule of contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 statements and budgetary comparison schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund statements and budgetary comparison schedules as listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 24, 2026 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

The image shows a handwritten signature in cursive script that reads "Eide Bailly LLP". The signature is written in black ink and is positioned to the left of the typed text below it.

Lehi, Utah
February 24, 2026

Management's Discussion and Analysis

As management of Sandy City, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information we have furnished in our letter of transmittal, which starts on page 9 of this report.

Financial Highlights

- The assets plus deferred outflows of the City exceeded its liabilities plus deferred inflows at the close of fiscal year 2025 by \$817,111,074 (net position). Of this amount, \$66,425,393 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased \$21,393,330 or 2.8 percent. This, in part, is due to an increase in capital assets by \$37,035,727 with the construction of water infrastructure, Monroe Street, and Fire Station #31. This was accompanied by small increases in revenue from government taxes of \$2,578,905 and an increase in operating grants and contributions of \$1,226,034.
- As of the close of fiscal year 2025, the City's governmental funds reported combined ending fund balances of \$104,056,687, a decrease of \$24,604,938 over fiscal year 2024 caused primarily by the expenditure of the bond proceeds of \$13,179,612 for the Fire Station and of \$6,839,742 for Monroe Street expansion.
- At the end of fiscal year 2025, unassigned fund balance of the general fund was \$9,631,648, or 12.4 percent of total general fund expenditures.
- The City's total long-term debt decreased by \$9,249,296 for regularly scheduled debt service payments.

Overview of the Financial Statements

This discussion and analysis serves as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements

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

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

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and

expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, highways and streets, storm water, street lighting, economic development, culture and recreation, and parks (including landscapes and cemeteries). The business-type activities of the City include water, waste collection, River Oaks Golf Course, and Alta Canyon Sports Center (Alta Canyon or the Sports Center).

Although Alta Canyon Sports Center is a legally separate entity from the City (known as the primary government), the Sports Center provides services that almost exclusively benefit the City. Alta Canyon functions for all practical purposes as a department of the City, and therefore has been included as an integral part of the primary government (see more information about the Sports Center on page 50).

The government-wide financial statements can be found on pages 36-39 of this report.

Fund financial statements

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

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

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

The City maintains 10 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the debt service fund, the capital projects fund, the storm water fund (a special revenue fund), and the Redevelopment Agency (RDA) fund, all of which are considered major funds. Data from the other five funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* starting on page 99.

The City adopts an annual appropriated budget for its general fund as well as the storm water and RDA funds. Budgetary comparison statements are provided for these funds to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 40-46 of this report.

Proprietary funds: The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water utility, waste services, Alta Canyon Sports Center, and River Oaks Golf Course. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet of vehicles, information technology, risk management, payroll management, and equipment management. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The proprietary fund financial statements provide separate information for the water utility, waste services, Alta Canyon Sports Center, and River Oaks Golf Course, all of which are considered major funds of the City. Conversely, internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining* statements starting on page 117 of this report.

The proprietary fund financial statements can be found on pages 47-49 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are located on pages 50-92 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the modified approach for infrastructure as well as the City's pension obligations. Required supplementary information begins on page 95 of this report.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 99-124 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Sandy City, assets plus deferred outflows exceeded liabilities plus deferred inflows by \$817,111,074 at the close of fiscal year 2025.

By far the largest portion of the City's net position (87.6 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related outstanding debt used 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.

SANDY CITY
Summary of Net Position
June 30, 2025 and 2024

	Governmental		Business-Type		Total	
	2024		2025	2024	2024	
	2025	As Restated			2025	As Restated
Current and other assets	\$ 199,555,165	\$ 225,105,377	\$ 43,723,629	\$ 38,084,187	\$ 243,278,794	\$ 263,189,564
Capital assets	632,102,472	597,477,400	143,910,236	141,490,581	776,012,708	738,967,981
Total assets	831,657,637	822,582,777	187,633,865	179,574,768	1,019,291,502	1,002,157,545
Total deferred outflows of resources	15,095,762	15,134,676	1,009,698	1,029,707	16,105,460	16,164,383
Long-term liabilities	111,775,360	119,659,045	11,258,765	12,530,165	123,034,125	132,189,210
Other liabilities	30,949,006	25,252,922	6,425,740	4,678,257	37,374,746	29,931,179
Total liabilities	142,724,366	144,911,967	17,684,505	17,208,422	160,408,871	162,120,389
Total deferred inflows of resources	57,352,992	59,934,203	533,027	549,592	57,886,019	60,483,795
Net Position:						
Net Investment in Capital Assets	561,307,698	541,105,567	132,469,975	128,777,517	693,777,673	669,883,084
Restricted	56,327,789	50,969,770	580,220	557,249	56,908,009	51,527,019
Unrestricted	29,049,555	40,795,946	37,375,838	33,511,695	66,425,393	74,307,641
Total Net Position	\$ 646,685,041	\$ 632,871,283	\$ 170,426,032	\$ 162,846,461	\$ 817,111,074	\$ 795,717,744

An additional portion of the City’s net position at the close of fiscal year 2025 (8.8 percent) represents resources that are subject to external restrictions on how they may be used, all of which is from governmental activities. The remaining balance of *unrestricted net position* (\$29,049,555) may be used to meet the government’s ongoing obligations to its citizens and creditors.

At the end of fiscal year 2025, 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.

Restricted net position for governmental activities and business-type activities increased 10.5 percent (\$5,358,019) and increased 4.1 percent (\$22,971) respectively during fiscal year 2025. These changes were due to the increases in net pension assets and other economic and redevelopment activity.

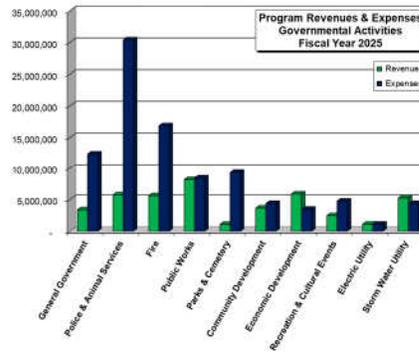
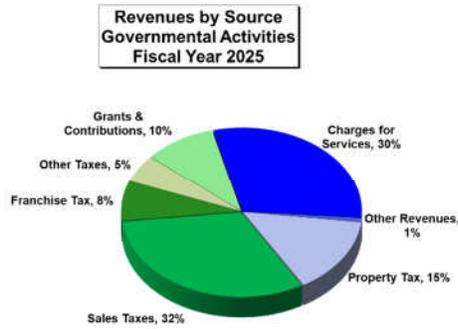
SANDY CITY
Change in Net Position
For the Years Ended June 30, 2025 and 2024

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
	as restated				as restated	
Revenues						
Program Revenues:						
Charges for Services	\$ 32,060,774	\$ 32,121,069	\$ 43,361,914	\$ 37,862,745	\$ 75,422,688	\$ 69,983,814
Operating Grants and Contributions	10,354,640	9,128,606	77,051	478,054	10,431,691	9,606,660
Capital Grants and Contributions	-0-	-0-	703,732	1,580,277	703,732	1,580,277
General Revenues:						
Property Taxes	15,501,038	14,051,175	382,615	382,459	15,883,653	14,433,634
Sales Taxes	33,712,951	32,537,190	-0-	-0-	33,712,951	32,537,190
Franchise Taxes	8,143,255	8,336,810	-0-	-0-	8,143,255	8,336,810
Motor Vehicle Taxes	631,813	728,105	19,036	21,013	650,849	749,118
Transient Room Taxes	5,164,101	4,919,152	-0-	-0-	5,164,101	4,919,152
Interest Income (Loss)	7,612,799	8,395,489	979,846	930,651	8,592,645	9,326,140
Sundry Revenue	766,142	779,824	-0-	-0-	766,142	779,824
Total Revenues	113,947,513	110,997,420	45,524,194	41,255,199	159,471,707	152,252,619
Expenses						
Governmental						
General Government	13,753,496	11,936,177	-0-	-0-	13,753,496	11,936,177
Police and Animal Services	30,401,170	27,606,427	-0-	-0-	30,401,170	27,606,427
Fire	16,874,201	17,544,559	-0-	-0-	16,874,201	17,544,559
Public Works	8,419,943	13,405,529	-0-	-0-	8,419,943	13,405,529
Parks and Cemetery	9,283,907	8,770,877	-0-	-0-	9,283,907	8,770,877
Community Development	4,378,686	4,048,918	-0-	-0-	4,378,686	4,048,918
Economic Development	3,477,868	2,681,451	-0-	-0-	3,477,868	2,681,451
Recreation and Cultural Events	4,761,736	5,450,437	-0-	-0-	4,761,736	5,450,437
Street Lighting	1,123,248	1,330,494	-0-	-0-	1,123,248	1,330,494
Storm Water Utility	4,379,412	4,046,764	-0-	-0-	4,379,412	4,046,764
Interest on Long-Term Debt	3,180,133	2,689,461	-0-	-0-	3,180,133	2,689,461
Business-Type						
Alta Canyon Sports Center	-0-	-0-	2,394,761	2,008,185	2,394,761	2,008,185
Water	-0-	-0-	25,129,444	24,313,679	25,129,444	24,313,679
Waste	-0-	-0-	8,011,246	6,875,440	8,011,246	6,875,440
Golf Course	-0-	-0-	2,509,126	2,158,522	2,509,126	2,158,522
Total Expenses	100,033,800	99,511,094	38,044,577	35,355,826	138,078,377	134,866,920
Increase in Net Position Before Transfers:	13,913,713	11,486,326	7,479,617	5,899,373	21,393,330	17,385,699
Transfers	(99,955)	(575,000)	99,955	575,000	-0-	-0-
Increase in Net Position	13,813,758	10,911,326	7,579,572	6,474,373	21,393,330	17,385,699
Beginning Net Position	632,871,283	620,620,634	162,846,461	156,372,088	795,717,744	776,992,722
Adjustment (Note 23)	-0-	1,339,323	-0-	-0-	-0-	1,339,323
Beginning Net Position, as restated	632,871,283	621,959,957	162,846,461	156,372,088	795,717,744	778,332,045
Ending Net Position	\$ 646,685,041	\$ 632,871,283	\$ 170,426,033	\$ 162,846,461	\$ 817,111,074	\$ 795,717,744

Governmental activities

Governmental activities increased the City's net position \$13,913,758 during fiscal year 2025. Key elements are as follows:

- The City received 10.3 percent (\$1,449,860) more in property taxes and 3.6 percent (\$1,175,761) in sales taxes.

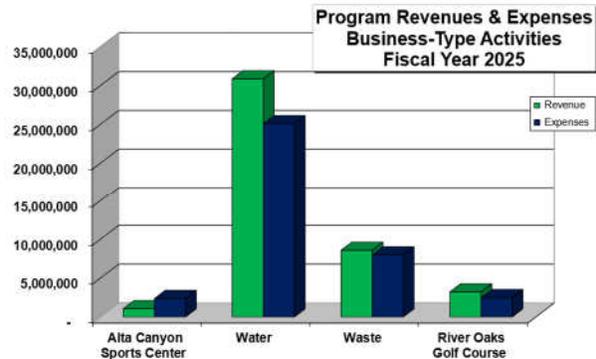
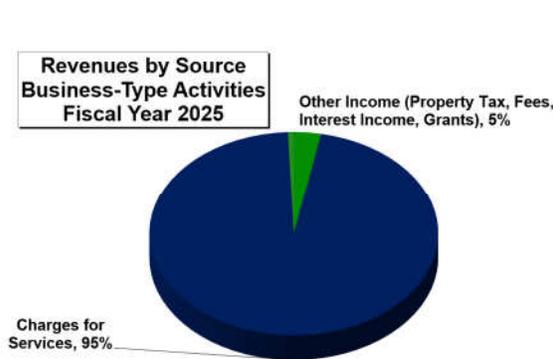


The 2024 governmental activities net position was restated due to an overstatement in the amounts previously reported for payroll liabilities.

Business-type Activities

Business-type activities increased the City’s net position \$7,579,572 during fiscal year 2025. Key elements are as follows:

- Due to the overall increase in water usage, the charges for sales and services increased revenues by 17.8 percent (\$4,668,766) in fiscal year 2025.
- The waste fund collected \$868,699 in new revenue resulting from adding the bulk waste environmental fee to help fund bulk waste program costs including State compliance and code enforcement.



Financial Analysis of the Government’s Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds: The focus of Sandy City’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City Council, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City Council.

As of the end of fiscal year 2025, the City's governmental funds reported combined ending fund balances of \$104,056,687, a decrease of \$24,604,938 over fiscal year 2024 caused primarily by the use of the general obligation bond proceeds from fiscal year 2024 of \$13,179,612 for Fire Station #31 and use of the bond proceeds from fiscal year 2024 of \$6,703,896 for the expansion of Monroe Street. Of the total amount, \$39,570 is non-spendable, \$75,077,354 is restricted, \$18,809,228 is committed by the City Council for capital projects and debt service, and \$498,887 is assigned. The remainder of governmental fund balance, \$9,631,648 (9.2 percent), is unassigned, and is therefore available for spending at the City's discretion.

The general fund is the chief operating fund of the City. At the end of fiscal year 2025, fund balance of the general fund was \$10,170,105 of which \$39,570 has been paid for future services (prepaid assets) and is therefore non-spendable. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance (\$9,631,648) and total fund balance to total fund expenditures. Unassigned fund balance represents 14.2 percent of the total general fund expenditures.

The fund balance of the City's general fund decreased \$662,409. The general fund transferred \$1,666,230 to the equipment management fund for capital equipment needs which in turn transferred out \$455,670 to the capital projects fund for future projects.

The storm water fund balance decreased by \$1,655,633 after increasing capital expenses from the prior year by \$2,027,551 due to the beginning of one-time projects and purchases, leaving a \$5,037,289 fund balance.

An new funding source for the general obligation bond of property taxes (\$1,590,115) and the new debt payments for Monroe Street Reconstruction bond (\$500,000) and Fire Station #31 bond (\$610,000) resulted in the debt service fund increasing its fund balance by \$683,174 during the fiscal year resulting in a final fund balance of \$3,083,634, which is committed by City Council for debt service.

Fund balance in the capital projects fund decreased by \$27,402,552 during fiscal year 2025 leaving an ending fund balance of \$31,891,579. Of which, \$16,165,984 is restricted for roads and capital projects while the remaining \$15,725,594 is committed to certain projects by City Council.

The Redevelopment Agency (RDA) ended the fiscal year with a fund balance of \$49,880,683, reflecting an increase of \$4,082,483 in fiscal year 2025. The RDA received \$664,101 more in transient room tax and \$870,730 in interest earnings than budgeted.

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

The City's enterprise funds experienced a cumulative increase of \$7,176,558 in net position amounting to total net position of \$143,936,350 for the water fund, \$15,223,423 for the waste fund, \$654,425 for Alta Canyon Sports Center, and \$7,594,822 for River Oaks Golf Course. Total net position from all internal service funds is \$20,221,705.

Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

Because of the City's commitment not to raise taxes, the fiscal year 2025 budget utilizes all funding available through natural revenue growth. Unfortunately, significant revenue gains, such as gas franchise tax, are offset by an expected decline in sales tax revenues due to economic conditions. We are also benefitting from reduced expenses from the sunset of the Mt. Jordan Theater Bonds and the Justice Court Bonds.

Utah's unemployment rate of 3.3 percent is among the lowest in the nation and the fight to get the best qualified and talented candidates in the hiring pool is more competitive than ever before. Our safety and quality of life depends on the work that our outstanding city employees provide. Our employees are our most valuable asset. In the current workforce climate, it is critical to maintain a competitive compensation plan that recognizes work well done and provides incentives to continue achieving new levels of service.

The budget included a modest one percent cost-of-living adjustment, with a regular step and grade increase for public safety and performance-based increases for civil employees in fiscal year 2025. The \$1.47 million proposed is designed to maintain our commitment to competitive pay and is a symbolic gesture of appreciation for the work dutifully and skillfully rendered.

Capital Assets and Debt Administration

Capital assets: The City's investment in capital assets for its governmental and business-type activities as of June 30, 2025 are water rights and capacity, water system, land, buildings, improvements other than buildings, machinery and equipment, vehicles, infrastructure (roadway system), street light system, storm drain system, subscription-based information technology arrangements (software subscriptions), and right-to-use assets (leases). The net increase in the City's investment in capital assets for fiscal year 2025 was \$15,526,406 (2.3 percent increase and 2.4 percent increase for governmental activities and business-type activities, respectively).

Major capital asset events during fiscal year 2025 included the following:

- The City added \$429,456 in 2-ton leaf trucks with \$116,622 currently in progress of completion.
- The City added \$8,579,127 in construction in progress for the Public Works Facility, \$14,429,405 in construction in progress for Fire Station #31, \$1,033,285 in construction in progress at Alta Canyon Sports Center, and \$8,974,641 in construction in progress for Monroe Street extension.
- The fleet fund replaced ten police interceptors and two AEV Ambulances totaling \$601,036 and \$809,385, respectively.
- The Public Utilities Department completed \$5,386,195 in main line projects during fiscal year 2025 and 574,699 in Ford F-150 in trucks.
- Governmental funds completed building improvement projects amounting to \$2,847,962 during the fiscal year including \$499,663 in amphitheater improvements, \$762,078 in municipal building improvements, and \$117,636 on improvements to the Council Chambers.

SANDY CITY
Capital Assets
June 30, 2025

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Capital Assets not Being Depreciated						
Land	\$ 249,055,239	\$ 247,945,691	\$ 8,114,564	\$ 8,114,564	\$ 257,169,803	\$ 256,060,255
Infrastructure	179,114,190	175,904,880	-0-	-0-	179,114,190	175,904,880
Construction in Progress	25,024,500	6,153,360	-	596,477	25,024,500	6,749,837
Water Rights and Capacity	-0-	-0-	41,897,425	41,519,709	41,897,425	41,519,709
Capital Assets, Net of Depreciation						
Buildings and Systems	128,176,577	120,002,203	88,363,765	86,595,295	216,540,342	206,597,498
Improvement Other Than Buildings	33,826,072	33,979,003	1,859,330	2,038,934	35,685,402	36,017,937
Vehicles	10,190,121	9,965,079	2,605,709	1,803,434	12,795,830	11,768,513
Machinery and Equipment	2,093,548	2,303,493	793,465	468,033	2,887,013	2,771,526
IT Subscription	3,776,029	279,048	32,742	86,576	3,808,771	365,624
Right-to-Use	846,196	944,643	243,236	267,559	1,089,432	1,212,202
Total	\$ 632,102,472	\$ 597,477,400	\$ 143,910,236	\$ 141,490,581	\$ 776,012,708	\$ 738,967,981

Because many infrastructure assets may reasonably be expected to continue to function indefinitely if they are adequately preserved and maintained, GAAP allows a government to forego reporting depreciation in connection with networks or subsystems of infrastructure assets. A government choosing this option must commit to maintain those particular infrastructure assets at a predetermined condition level of its own choosing and must establish an asset management system adequate for that purpose. The City has established a policy to maintain at least 80 percent of its roadway system in a good or better condition and have no more than 10 percent in substandard condition. For the fiscal year ended June 30, 2025, the City has increased secondary and collectors in good or better condition by 3.6 percent and 3.5 percent, respectively. The focus for Public Work has been on the lower volume roadways. Thus, the streets division has continued planned improvements on the secondary network in fiscal year 2025. Work in fiscal year 2026 will continue to shift towards secondary roadways as time and budget allows, while continuing a slurry and crack seal program for residential streets. The projected needed amount of \$5,795,847 compared to the actual amount spent of (\$6,045,832) reflects careful prioritization to maintain road infrastructure in good or better conditions. More detailed information on this subject can be found in the section of note 1 titled "Modified Approach" on page 57 in the notes to the financial statements and in the Required Supplementary Information section on page 95.

Additional information on the City's capital assets can be found in note 10 of the notes to the financial statements beginning on page 66 of this report.

Long-term debt: At the end of fiscal year 2025, the City had total long-term obligations outstanding of \$112,760,737. The City's bonded debt (\$77,988,000) represents bonds secured solely by specified revenue sources (i.e. revenue bonds). The City's long-term obligations outstanding also include long-term loans payable, lease liabilities, contracts payable and compensated absences totaling \$34,772,737.

SANDY CITY

Outstanding Debt

As of June 30, 2025 and 2024

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
General Obligation Bonds	\$ 18,690,000	\$ 19,300,000	\$ -0-	\$ -0-	\$ 18,690,000	\$ 19,300,000
Revenue Bonds	54,178,000	59,460,000	5,120,000	6,185,000	59,298,000	65,645,000
Other Note Payables	17,197,274	18,550,233	-0-	-0-	17,197,274	18,550,233
Lease Liabilities	3,580,597	1,169,260	286,556	355,234	3,867,153	1,524,494
Compensated Absences	8,175,470	7,410,655	-0-	-0-	8,175,470	7,410,655
Long-Term Contract Payable	-0-	-0-	5,532,840	6,277,320	5,532,840	6,277,320
Total Outstanding Debt	\$ 101,821,341	\$ 105,890,148	\$ 10,939,396	\$ 12,817,554	\$ 112,760,737	\$ 118,707,702

The City’s total long-term debt decreased \$5,946,965 (5.0 percent) during fiscal year 2025 for regularly scheduled debt service payments.

The City’s sales tax revenue bonds and transient room tax refunding bonds are rated “AAA” and water refunding bonds are rated “AA+” by Standard and Poor’s. Because the Series 2017 Water Revenue Bonds were privately placed, they were not rated.

Utah state statute limits the amount of general obligation debt a governmental entity may issue to eight percent of the “reasonable fair cash value” of property. Of this percentage, a maximum of four percent may be used for general purposes. The remaining four percent and any unused portion of the four percent available for general purposes, up to the maximum eight percent, may be utilized for water and/or sewer purposes. The current debt limitation for the City’s general-purpose debt and for the City as a whole is \$1,960,195,137. The City currently has \$18,690,000 general obligation debt.

Additional information on the City’s long-term debt can be found in note 11 on pages 69-74 of this report.

Economic Factors and Next Year’s Budgets and Rates

In an economy experiencing continued high prices for goods and services as well as higher compensation costs, financial pressures continue to impact the City’s budget. Key economic indicators driving decisions such as deferring long-term projects include Utah’s inflation rate from last year, which was 2.8 percent), Utah’s 3.3 percent unemployment rate, the rising cost of energy and construction, and competition in the marketplace for skilled employees.

The realities of the current economy are felt by households and cities alike. Revenue growth in fiscal year 2026 is expected to be modest, while costs have increased substantially. However, we are not passing on the burden of increased costs on to residents. There are no tax increases in this year’s budget. Instead, we have taken the responsible steps to preserve services that matter most while positioning our city for long-term sustainability and success by cutting over \$1 million in ongoing appropriations for the fiscal year 2025 budget – money that has been reallocated where needed most.

After two years of research and public input, Sandy’s General Plan was officially adopted, providing a roadmap for community building and quality growth. Through careful preparation, the City has prioritized our values: protecting our people, connecting our residents and businesses, and creating opportunities for the future. The City’s budget reflects those commitments and is built on long-term planning and appropriately investing in ongoing improvements to Sandy’s infrastructure.

Requests for Information

This financial report is designed to provide a general overview of Sandy City's finances for everyone with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Sandy City Finance Division, 10000 Centennial Parkway, Sandy, Utah 84070.

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Basic Financial Statements

SANDY CITY
Statement of Net Position
June 30, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash, Cash Equivalents, and Investments	\$ 106,361,453	\$ 18,562,025	\$ 124,923,478
Receivables, Net	28,092,038	6,860,432	34,952,470
Lease Receivable	43,637,025	157,349	43,794,374
Intergovernmental Receivable	1,269,722	-0-	1,269,722
Internal Balances	(3,017,011)	3,017,011	-0-
Inventories	-0-	1,669,416	1,669,416
Prepaid Assets	120,134	-0-	120,134
Net Pension Asset	7,593,727	580,220	8,173,947
Restricted Cash, Cash Equivalents, and Investments:			
Road Funds	4,644,481	-0-	4,644,481
Capital Projects	10,862,596	-0-	10,862,596
Investment in Joint Venture	-0-	12,877,176	12,877,176
Capital Assets Not Being Depreciated			
Land	249,055,239	8,114,564	257,169,803
Infrastructure	179,114,190	-0-	179,114,190
Construction in Progress	25,024,500	-0-	25,024,500
Water Rights and Capacity	-0-	41,897,425	41,897,425
Capital Assets, Net of Accumulated Depreciation			
Buildings and Systems	128,176,577	88,363,765	216,540,342
Improvements Other Than Buildings	33,826,072	1,859,330	35,685,402
Vehicles	10,190,121	2,605,709	12,795,830
Machinery and Equipment	2,093,548	793,465	2,887,013
Right-to-Use Assets	846,196	243,236	1,089,432
Subscription IT Assets	3,776,029	32,742	3,808,771
Total Assets	<u>831,666,637</u>	<u>187,633,865</u>	<u>1,019,300,502</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charge on Refunding	168,212	-0-	168,212
Deferred Amounts Relating to Pensions	14,927,550	1,009,698	15,937,248
Total Deferred Outflows of Resources	<u>15,095,762</u>	<u>1,009,698</u>	<u>16,105,460</u>

The accompanying notes are an integral part of this statement.

	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Accounts Payable	\$ 7,637,183	\$ 3,620,297	\$ 11,257,480
Salaries and Benefits Payable	2,412,293	327,049	2,739,342
Accrued Interest Payable	1,083,650	93,867	1,177,517
Claims and Judgments Payable	1,197,843	-0-	1,197,843
Intergovernmental Payable	410,154	2,767	412,921
Unearned Revenue	3,500	44,960	48,460
Customer Deposits	10,028,913	984,376	11,013,289
Noncurrent Liabilities:			
Compensated Absenses:			
Due within One Year	2,459,828	-0-	2,459,828
Due in More Than One Year	5,715,642	-0-	5,715,642
Bonds, Notes, Leases and Other Payables:			
Due within One Year	8,191,093	1,352,424	9,543,517
Due in More Than One Year			
Bonds Payable	66,296,000	4,565,000	70,861,000
Unamortized Bond Premium	6,091,667	500,865	6,592,532
Other Long-Term Payable - LT	15,808,742	4,754,520	20,563,262
Lease Liability	815,579	267,452	1,083,031
Subscription IT Liability	2,534,457	-0-	2,534,457
Net Pension Liability	12,037,822	1,170,928	13,208,750
Total Liabilities	<u>142,724,366</u>	<u>17,684,505</u>	<u>160,408,871</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	15,759,484	377,368	16,136,852
Deferred Amounts Relating to Pensions	298,724	12,090	310,814
Deferred Amounts Relating to Leases	41,294,784	143,569	41,438,353
Total Deferred Inflows of Resources	<u>57,352,992</u>	<u>533,027</u>	<u>57,886,019</u>
NET POSITION			
Net Investment in Capital Assets	561,307,697	132,469,975	693,777,672
Restricted for:			
Capital Projects	2,589,940	-0-	2,589,940
Road Funds	1,883,031	-0-	1,883,031
Storm Water	5,037,289	-0-	5,037,289
RDA	35,230,403	-0-	35,230,403
Recreation	136,938	-0-	136,938
Sandy Arts Guild	1,059,404	-0-	1,059,404
Street Lighting	1,905,958	-0-	1,905,958
Operating Grants	891,099	-0-	891,099
Net Pension Asset	7,593,727	580,220	8,173,947
Unrestricted	29,049,555	37,375,838	66,425,393
Total Net Position	<u>\$ 646,685,041</u>	<u>\$ 170,426,033</u>	<u>\$ 817,111,074</u>

SANDY CITY
Statement of Activities
For the Year Ended June 30, 2025

Functions/Programs:	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	\$ 13,753,496	\$ 3,398,089	\$ -0-	\$ -0-
Police and Animal Services	30,401,170	4,590,828	1,159,632	-0-
Fire	16,874,201	4,681,050	935,499	-0-
Public Works	8,419,943	1,398,718	6,770,623	-0-
Parks and Cemetery	9,283,907	628,345	468,320	-0-
Community Development	4,378,686	3,274,727	379,940	-0-
Economic Development	3,477,868	5,878,883	-0-	-0-
Recreation and Cultural Events	4,761,736	1,826,780	640,626	-0-
Street Lighting	1,123,248	1,124,260	-0-	-0-
Storm Water Utility	4,379,412	5,259,094	-0-	-0-
Interest on Long-Term Debt	3,180,133	-0-	-0-	-0-
Total Governmental Activities	<u>100,033,800</u>	<u>32,060,774</u>	<u>10,354,640</u>	<u>-0-</u>
Business-Type Activities:				
Alta Canyon Sports Center	2,394,761	1,081,915	74,580	-0-
Water	25,129,444	30,423,873	2,471	703,732
Waste	8,011,246	8,605,507	-0-	-0-
Golf Course	2,509,126	3,250,619	-0-	-0-
Total Business-Type Activities	<u>38,044,577</u>	<u>43,361,914</u>	<u>77,051</u>	<u>703,732</u>
Total Primary Government	<u>\$ 138,078,377</u>	<u>\$ 75,422,688</u>	<u>\$ 10,431,691</u>	<u>\$ 703,732</u>
General Revenues:				
Property Taxes				
Sales Taxes				
Franchise Taxes				
Motor Vehicle Taxes				
Transient Room Taxes				
Interest Income (Loss)				
Sundry Revenue				
Transfers				
Total General Revenues and Transfers				
Change in Net Position				
Beginning Net Position, as previously reported				
Adjustment (Note 23)				
Beginning Net Position, as restated				
Ending Net Position				

The accompanying notes are an integral part of this statement.

Net (Expenses) Revenues and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (10,355,407)	\$ -0-	\$ (10,355,407)
(24,650,710)	-0-	(24,650,710)
(11,257,652)	-0-	(11,257,652)
(250,602)	-0-	(250,602)
(8,187,242)	-0-	(8,187,242)
(724,019)	-0-	(724,019)
2,401,015	-0-	2,401,015
(2,294,330)	-0-	(2,294,330)
1,012	-0-	1,012
879,682	-0-	879,682
(3,180,133)	-0-	(3,180,133)
(57,618,386)	-0-	(57,618,386)
-0-	(1,238,266)	(1,238,266)
-0-	6,000,632	6,000,632
-0-	594,261	594,261
-0-	741,493	741,493
-0-	6,098,120	6,098,120
(57,618,386)	6,098,120	(51,520,266)
15,501,038	382,615	15,883,653
33,712,951	-0-	33,712,951
8,143,255	-0-	8,143,255
631,813	19,036	650,849
5,164,101	-0-	5,164,101
7,612,799	979,846	8,592,645
766,142	-0-	766,142
(99,955)	99,955	-0-
71,432,144	1,481,452	72,913,596
13,813,758	7,579,572	21,393,330
631,531,960	162,846,461	794,378,421
1,339,323	-0-	1,339,323
632,871,283	162,846,461	795,717,744
\$ 646,685,041	\$ 170,426,033	\$ 817,111,074

SANDY CITY
Balance Sheet
Governmental Funds
June 30, 2025

	General Fund	Storm Water	Debt Service	Capital Projects	RDA	Non-major Funds	Governmental Funds Total
ASSETS							
Cash, Cash Equivalents, and Investments	\$ 9,477,229	\$ 5,605,094	\$ 3,983,222	\$ 21,944,876	\$ 48,605,841	\$ 4,344,629	\$ 93,960,891
Receivables, net	20,251,582	463,423	1,858,119	573,729	1,321,412	312,656	24,780,921
Lease Receivable, net	7,939,344	-0-	34,741,212	956,469	-0-	-0-	43,637,025
Due from other Governments	1,167,265	-0-	-0-	-0-	-0-	102,456	1,269,721
Due From Other Funds	-0-	-0-	-0-	4,186	-0-	-0-	4,186
Prepaid Assets	39,570	-0-	-0-	-0-	-0-	2,651	42,221
Restricted Cash, Cash Equivalents, and Investments:							
Road Funds	-0-	-0-	-0-	4,644,481	-0-	-0-	4,644,481
Capital Projects	-0-	-0-	-0-	10,862,596	-0-	-0-	10,862,596
Total Assets	<u>\$ 38,874,990</u>	<u>\$ 6,068,517</u>	<u>\$ 40,582,553</u>	<u>\$ 38,986,336</u>	<u>\$ 49,927,253</u>	<u>\$ 4,762,392</u>	<u>\$ 179,202,040</u>
LIABILITIES							
Accounts Payable	\$ 890,473	\$ 955,004	\$ -0-	\$ 3,771,546	\$ 31,332	\$ 180,169	\$ 5,828,524
Salaries and Benefits Payable	2,169,330	76,225	-0-	-0-	15,239	80,525	2,341,319
Due to Other Governments	15	-0-	-0-	-0-	-0-	410,139	410,154
Due to Other Funds	-0-	-0-	-0-	-0-	-0-	4,186	4,186
Unearned Revenue	3,500	-0-	-0-	-0-	-0-	-0-	3,500
Deposits	4,615,537	-0-	2,855,000	2,464,403	-0-	93,973	10,028,913
Total Liabilities	<u>7,678,855</u>	<u>1,031,229</u>	<u>2,855,000</u>	<u>6,235,949</u>	<u>46,571</u>	<u>768,992</u>	<u>18,616,596</u>
DEFERRED INFLOWS OF RESOURCES							
Property Taxes	13,753,373	-0-	1,480,600	-0-	-0-	-0-	15,233,973
Leases	7,272,657	-0-	33,163,318	858,809	-0-	-0-	41,294,784
Total Deferred Inflows of Resources	<u>21,026,030</u>	<u>-0-</u>	<u>34,643,918</u>	<u>858,809</u>	<u>-0-</u>	<u>-0-</u>	<u>56,528,757</u>
FUND BALANCES							
Nonspendable:							
Prepaid Assets	65,170	-0-	-0-	-0-	-0-	-0-	65,170
Restricted for:							
Storm Water	-0-	5,037,289	-0-	-0-	-0-	-0-	5,037,289
Capital Projects	-0-	-0-	-0-	10,911,095	-0-	-0-	10,911,095
Roads	-0-	-0-	-0-	5,254,889	-0-	-0-	5,254,889
RDA	-0-	-0-	-0-	-0-	49,880,682	-0-	49,880,682
Recreation	-0-	-0-	-0-	-0-	-0-	136,938	136,938
Sandy Arts Guild	-0-	-0-	-0-	-0-	-0-	1,059,404	1,059,404
Street Lighting	-0-	-0-	-0-	-0-	-0-	1,905,958	1,905,958
Special Purpose	-0-	-0-	-0-	-0-	-0-	891,099	891,099
Committed for:							
Capital Projects	-0-	-0-	-0-	15,725,594	-0-	-0-	15,725,594
Debt Service	-0-	-0-	3,083,634	-0-	-0-	-0-	3,083,634
Assigned	711,558	-0-	-0-	-0-	-0-	-0-	711,558
Unassigned	9,393,377	-0-	-0-	-0-	-0-	-0-	9,393,377
Total Fund Balances	<u>10,170,105</u>	<u>5,037,289</u>	<u>3,083,634</u>	<u>31,891,578</u>	<u>49,880,682</u>	<u>3,993,399</u>	<u>104,056,687</u>
Total Liabilities and Fund Balances	<u>\$ 38,874,990</u>	<u>\$ 6,068,518</u>	<u>\$ 40,582,552</u>	<u>\$ 38,986,336</u>	<u>\$ 49,927,253</u>	<u>\$ 4,762,391</u>	<u>\$ 179,202,040</u>

The accompanying notes are an integral part of this statement.

SANDY CITY**Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2025**

Fund Balances - Governmental Funds (page 40) \$ 104,056,687

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

Capital Assets used in governmental activities are not financial resources, and therefore, are not reported in governmental funds. Those assets consist of:

Land	\$ 249,055,239	
Buildings and Systems	128,176,577	
Improvements Other Than Buildings	33,745,616	
Machinery and Equipment	1,154,116	
Infrastructure	179,114,190	
Right-to-Use Assets	846,196	
Construction in Progress	<u>24,437,330</u>	
Net Investment in Capital Assets		616,529,264

Net pension assets are not available to pay for current period expenditures and, therefore, are either deferred or not applicable to funds.

Net pension assets	7,217,228
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Deferred Outflows of resources are not available to pay for current period expenditures, and, therefore are not reported in the governmental funds.

Deferred outflows - pension related	14,578,143
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Other assets used in governmental activities are not available to pay current period expenditures, and therefore are not reported in governmental funds.

2,811,494

A portion of the excess revenue collected by the internal service funds in the current fiscal year must be returned to the business-type activities.

(3,017,011)

Internal services funds are used by the City to charge the costs of the fleet operations, information services, risk management, equipment and employee benefits to the individual funds. The assets and liabilities of the internal service funds are included in the statement of net position.

20,221,706

Long-term liabilities, including bonds payable, accrued interest and lease liabilities, are not due and payable in the current period, and therefore are not reported in governmental funds.

Governmental Bonds and Notes	(89,901,691)	
Net Pension Liabilities	(11,584,131)	
Net Lease Liability	(900,688)	
Accrued Interest Payable	(1,087,244)	
Unamortized Bond Premiums and Discounts	(6,091,667)	
Deferred Charge on Refunding	168,212	
Compensated Absences - Noncurrent	<u>(6,111,765)</u>	
		(115,508,974)

Deferred inflows of resources related to pensions and leases are applicable to future periods and, therefore, are not reported in the governmental funds.

Deferred inflows - pension related	<u>(203,496)</u>
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Net Position of Governmental Activities (page 37)

<u>\$ 646,685,041</u>

The accompanying notes are an integral part of this statement.

SANDY CITY
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

	General	Storm Water	Debt Service	Capital Projects	RDA	Non-major Funds	Governmental Funds Total
Revenues:							
Taxes	\$ 53,686,664	\$ -0-	\$ 1,590,115	\$ 2,853,272	\$ 10,576,391	\$ -0-	\$ 68,706,442
Innkeeper Fees	604,570	-0-	-0-	-0-	-0-	-0-	604,570
Licenses and Permits	2,958,476	-0-	-0-	-0-	-0-	-0-	2,958,476
Intergovernmental	6,322,129	-0-	900,000	1,534,464	-0-	1,020,566	9,777,159
Fines and Forfeitures	1,127,718	-0-	-0-	-0-	-0-	-0-	1,127,718
Cell Tower and Land Lease	997,866	-0-	-0-	124,953	-0-	-0-	1,122,819
Fees from Developers	-0-	482,588	(1)	174,621	-0-	-0-	657,208
Charges for Sales and Services	5,735,188	4,288,627	1,877,266	-0-	14,563	2,679,960	14,595,604
Sponsors	-0-	-0-	-0-	25,536	-0-	221,433	246,969
Interest Income	916,053	290,588	1,462,788	2,501,784	2,275,419	166,167	7,612,799
Miscellaneous	177,244	26,778	2,500	197,962	-0-	1,371,398	1,775,882
Total Revenues	72,525,908	5,088,581	5,832,668	7,412,592	12,866,373	5,459,524	109,185,646
Expenditures:							
Current							
General Government	10,180,825	-0-	-0-	-0-	-0-	21,898	10,202,723
Police and Animal Services	25,369,744	-0-	-0-	-0-	-0-	525,966	25,895,710
Fire	15,422,443	-0-	-0-	-0-	-0-	482,044	15,904,487
Public Works	5,650,533	-0-	-0-	-0-	-0-	21,223	5,671,756
Parks and Cemetery	6,944,695	-0-	-0-	-0-	-0-	4,161	6,948,856
Community Development	3,914,630	-0-	-0-	-0-	-0-	379,940	4,294,570
Economic Development	-0-	-0-	-0-	-0-	1,373,298	-0-	1,373,298
Recreation and Cultural Events	-0-	-0-	-0-	-0-	-0-	4,538,453	4,538,453
Street Lighting	-0-	-0-	-0-	-0-	-0-	788,663	788,663
Storm Water Utility	-0-	2,294,210	-0-	-0-	-0-	-0-	2,294,210
Capital Outlays	-0-	3,988,903	-0-	36,058,459	2,542,111	-0-	42,589,473
Debt Service:							
Principal	-0-	-0-	7,117,832	-0-	-0-	-0-	7,117,832
Interest	-0-	-0-	3,895,145	-0-	-0-	-0-	3,895,145
Bond Issuance Cost and Trustee Fees	-0-	-0-	18,351	-0-	-0-	-0-	18,351
Total Expenditures	67,482,870	6,283,113	11,031,328	36,058,459	3,915,409	6,762,348	131,533,527
Excess (Deficiency) of Revenues Over (Under)							
Expenditures	5,043,038	(1,194,532)	(5,198,660)	(28,645,867)	8,950,964	(1,302,824)	(22,347,881)
Other Financing Sources (Uses):							
Contributions from Developers	-0-	-0-	-0-	-0-	452,029	-0-	452,029
Transfers In	91,667	-0-	5,881,835	1,379,070	-0-	1,652,821	9,005,393
Transfers Out	(5,797,114)	(461,100)	-0-	(135,755)	(5,320,510)	-0-	(11,714,479)
Total Other Financing Sources (Uses)	(5,705,447)	(461,100)	5,881,835	1,243,315	(4,868,481)	1,652,821	(2,257,057)
Net Change in Fund Balances	(662,409)	(1,655,632)	683,175	(27,402,552)	4,082,483	349,997	(24,604,938)
Beginning Fund Balances, as previously reported	9,493,192	6,692,921	2,400,459	59,294,131	45,798,200	3,643,403	127,322,306
Adjustment (Note 23)	1,339,323	-0-	-0-	-0-	-0-	-0-	1,339,323
Beginning Fund Balances, as restated	10,832,515	6,692,921	2,400,459	59,294,131	45,798,200	3,643,403	128,661,629
Ending Fund Balances	\$ 10,170,106	\$ 5,037,289	\$ 3,083,634	\$ 31,891,579	\$ 49,880,682	\$ 3,993,400	\$ 104,056,687

The accompanying notes are an integral part of this statement.

SANDY CITY

**Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2025**

Net Change in Fund Balances - Total Governmental Funds (page 42) \$ (24,604,938)

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 and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation. 34,828,341

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (312,070)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt and issuance of note receivables consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. 7,381,784

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.

Accrued Interest on Long-term Debt	678,211
Compensated Absences	(915,597)
Pension Expense	(2,885,161)

Internal service funds are used by the City to charge the costs of various activities to individual funds. A portion of the internal service funds net revenues is reported with governmental activities. (356,812)

Change in Net Position of Governmental Activities (page 39) \$ 13,813,758

The accompanying notes are an integral part of this statement.

SANDY CITY**General Fund****Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2025**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Taxes:			
Property Taxes	\$ 14,013,540	\$ 14,051,917	\$ 38,377
Sales and Use Taxes	29,750,000	30,859,679	1,109,679
Franchise Taxes	8,545,300	8,143,255	(402,045)
Motor Vehicle Fee	725,000	631,813	(93,187)
Total Taxes	<u>53,033,840</u>	<u>53,686,664</u>	<u>652,824</u>
Innkeeper Fees	552,000	604,570	52,570
Licenses and Permits	2,877,000	2,958,476	81,476
Intergovernmental	5,224,553	6,322,129	1,097,576
Fines and Forfeitures	1,196,000	1,127,718	(68,282)
Cell Tower and Land Lease	1,164,715	997,866	(166,849)
Charges for Sales and Services	5,075,663	5,735,188	659,525
Interest Income	800,000	916,053	116,053
Miscellaneous	227,000	177,244	(49,756)
Total Revenues	<u>70,150,771</u>	<u>72,525,908</u>	<u>2,375,137</u>
Expenditures:			
General Government:			
Mayor	724,457	715,725	8,732
City Administrator	1,514,626	832,176	682,450
City Council	1,041,461	914,587	126,874
City Attorney	1,937,958	1,886,576	51,382
Court Services	1,764,555	1,735,756	28,799
Administrative Services	2,566,551	2,551,956	14,595
Non-Departmental	1,573,056	1,544,051	29,005
Total General Government	<u>11,122,664</u>	<u>10,180,827</u>	<u>941,837</u>
Public Safety:			
Police and Animal Services	25,472,465	25,369,744	102,721
Fire	15,481,782	15,422,441	59,341
Total Public Safety	<u>40,954,247</u>	<u>40,792,185</u>	<u>162,062</u>
Public Works	5,991,238	5,650,533	340,705
Parks and Cemetery	6,979,868	6,944,695	35,173
Community Development	3,986,282	3,914,630	71,652
Total Expenditures	<u>69,034,299</u>	<u>67,482,870</u>	<u>1,551,429</u>
Excess of Revenues Over Expenditures	<u>1,116,472</u>	<u>5,043,038</u>	<u>3,926,566</u>
Other Financing Sources (Uses):			
Transfers In	275,000	91,667	(183,333)
Transfers Out	(1,743,639)	(5,797,114)	(4,053,475)
Total Other Financing Sources (Uses)	<u>(1,468,639)</u>	<u>(5,705,447)</u>	<u>(4,236,808)</u>
Net Change in Fund Balance	(352,167)	(662,409)	(310,242)
Beginning Fund Balance	9,493,192	9,493,192	-0-
Adjustment (Note 23)	-0-	1,339,323	1,339,323
Beginning Fund Balances, as restated	-0-	10,832,515	10,832,515
Ending Fund Balance	<u>\$ 9,141,025</u>	<u>\$ 10,170,106</u>	<u>\$ 10,522,273</u>

The accompanying notes are an integral part of this statement.

SANDY CITY**Storm Water Fund****Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for Sales and Services	\$ 4,205,000	\$ 4,205,000	\$ 4,288,627	\$ 83,627
Fees from Developers	210,000	210,000	482,588	272,588
Interest Income	234,000	234,000	290,588	56,588
Miscellaneous	4,439,000	6,000	26,778	20,778
Total Revenues	9,088,000	4,655,000	5,088,581	433,581
Expenditures:				
Salaries and Benefits	1,405,806	1,405,806	1,457,663	(51,857)
Materials and Supplies	257,434	257,434	199,156	58,278
Contracted Services	125,000	125,000	27,025	97,975
Internal Charges	549,949	655,150	306,461	348,689
Administrative Charges	273,574	273,574	270,174	3,400
Cost of Goods Sold	20,800	20,800	33,731	(12,931)
Capital Outlays	2,693,510	6,297,637	3,988,903	2,308,734
Total Expenditures	5,326,073	9,035,401	6,283,113	2,752,288
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,761,927	(4,380,401)	(1,194,532)	3,185,869
Other Financing Sources (Uses):				
Transfers Out	(461,100)	(461,100)	(461,100)	-0-
Total Other Financing Sources (Uses)	(461,100)	(461,100)	(461,100)	-0-
Net Change in Fund Balance	3,300,827	(4,841,501)	(1,655,632)	3,185,869
Beginning Fund Balance	6,692,921	6,692,921	6,692,921	-0-
Ending Fund Balance	\$ 9,993,748	\$ 1,851,420	\$ 5,037,289	\$ 3,185,869

The accompanying notes are an integral part of this statement.

SANDY CITY**Redevelopment Agency (RDA)****Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$ 5,438,000	\$ 5,438,000	\$ 5,412,290	\$ (25,710)
Charges for Services	6,000	6,000	14,563	8,563
Transient Room Taxes	4,500,000	4,500,000	5,164,101	664,101
Interest Income	1,302,700	1,302,700	2,275,419	972,719
Total Revenues	<u>11,246,700</u>	<u>11,246,700</u>	<u>12,866,373</u>	<u>1,619,673</u>
Expenditures:				
Salaries and Benefits	479,815	479,815	490,478	(10,663)
Materials and Supplies	67,419	67,419	51,590	15,829
Contracted Services	286,300	502,970	265,699	237,271
Administrative Charges	565,531	565,531	565,531	-0-
Capital Outlays	47,468,407	47,400,672	2,542,111	44,858,561
Total Expenditures	<u>48,867,472</u>	<u>49,016,407</u>	<u>3,915,409</u>	<u>45,100,998</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(37,620,772)</u>	<u>(37,769,707)</u>	<u>8,950,964</u>	<u>46,720,671</u>
Other Financing Sources (Uses):				
Fees from Developers	-0-	-0-	452,029	452,029
Transfers Out	(5,517,911)	(5,517,911)	(5,320,510)	197,401
Total Other Financing Sources (Uses)	<u>(5,517,911)</u>	<u>(5,517,911)</u>	<u>(4,868,481)</u>	<u>649,430</u>
Net Change in Fund Balance	<u>(43,138,683)</u>	<u>(43,287,618)</u>	<u>4,082,483</u>	<u>47,370,101</u>
Beginning Fund Balance	<u>45,798,200</u>	<u>45,798,200</u>	<u>45,798,200</u>	<u>-0-</u>
Ending Fund Balance	<u>\$ 2,659,517</u>	<u>\$ 2,510,582</u>	<u>\$ 49,880,683</u>	<u>\$ 47,370,101</u>

The accompanying notes are an integral part of this statement.

SANDY CITY
Statement of Net Position
Proprietary Funds
June 30, 2025

	Business-Type Activities - Enterprise Funds					Internal Service Funds
	Alta Canyon Sports Center	Water	Waste	Golf Course	Total	
ASSETS						
Current Assets:						
Cash, Cash Equivalents, and Investments	\$ 279,428	\$ 15,447,406	\$ 788,857	\$ 2,046,334	\$ 18,562,025	\$ 12,400,562
Receivables, Net	370,351	5,704,281	785,800	0	6,860,432	505,256
Lease Receivable	157,349	-0-	-0-	-0-	157,349	-0-
Prepaid Assets	-0-	-0-	-0-	-0-	-0-	77,913
Inventories	-0-	1,323,484	-0-	345,932	1,669,416	-0-
Total Current Assets	807,128	22,475,171	1,574,657	2,392,266	27,249,222	12,983,731
Noncurrent Assets:						
Net Pension Asset	47,974	445,615	18,195	68,436	580,220	376,499
Investment in Joint Venture	-0-	-0-	12,877,176	-0-	12,877,176	-0-
Capital Assets						
Water Rights and Capacity	-0-	41,897,425	-0-	-0-	41,897,425	-0-
Land, Building, Plant, and Equipment	4,827,351	223,001,762	2,163,527	6,807,379	236,800,019	50,333,994
Right-to-Use Assets, net	-0-	32,742	-0-	243,234	275,976	32,437
Accumulated Depreciation	(4,265,927)	(128,704,299)	(876,424)	(1,216,536)	(135,063,186)	(35,380,391)
Construction in Progress	-0-	-0-	-0-	-0-	-0-	587,170
Total Noncurrent Assets	609,398	136,673,245	14,182,474	5,902,513	157,367,630	15,949,709
Total Assets	1,416,526	159,148,416	15,757,131	8,294,779	184,616,852	28,933,440
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Charges on Refunding	-0-	-0-	-0-	-0-	-0-	-0-
Deferred Amounts Relating to Pensions	108,379	690,440	113,388	97,491	1,009,698	349,407
Total Deferred Outflows of Resources	108,379	690,440	113,388	97,491	1,009,698	349,407
LIABILITIES						
Current Liabilities:						
Accounts Payable	35,245	2,927,439	500,338	157,274	3,620,296	1,808,659
Salaries and Benefits Payable	79,417	178,213	26,932	42,487	327,049	70,974
Accrued Interest Payable	-0-	93,867	-0-	-0-	93,867	44,250
Claims and Judgments Payable	-0-	-0-	-0-	-0-	-0-	1,197,843
Due to Other Governments	25	-0-	-0-	2,742	2,767	-0-
Unearned Revenue	44,960	-0-	-0-	-0-	44,960	-0-
Deposits	25,949	782,172	-0-	176,255	984,376	-0-
Compensated Absences	-0-	-0-	-0-	-0-	-0-	2,063,705
Bonds Payable	-0-	555,000	-0-	-0-	555,000	-0-
Lease Liability and Notes Payable	-0-	-0-	-0-	19,104	19,104	157,949
Other Payables	-0-	778,320	-0-	-0-	778,320	-0-
Total Current Liabilities	185,596	5,315,011	527,270	397,862	6,425,739	5,343,380
Noncurrent Liabilities						
Net Pension Liability	162,183	759,501	118,595	130,649	1,170,928	453,691
Lease Liability and Notes Payable	-0-	-0-	-0-	267,452	267,452	-0-
Subscription IT Liability	-0-	-0-	-0-	-0-	-0-	2,643,332
Unamortized Bond Premium	-0-	500,865	-0-	-0-	500,865	-0-
Bonds Payable - Long Term	-0-	4,565,000	-0-	-0-	4,565,000	-0-
Notes Payable	-0-	4,754,520	-0-	-0-	4,754,520	-0-
Total Noncurrent Liabilities:	162,183	10,579,886	118,595	398,101	11,258,765	3,097,023
Total Liabilities	347,779	15,894,897	645,865	795,963	17,684,504	8,440,403
DEFERRED INFLOWS OF RESOURCES						
Property Taxes	377,368	-0-	-0-	-0-	377,368	525,511
Deferred Amounts Relating to Pensions	1,765	7,610	1,230	1,485	12,090	95,227
Deferred Amounts Relating to Leases	143,569	-0-	-0-	-0-	143,569	-0-
Total Deferred Inflows of Resources	522,702	7,610	1,230	1,485	533,027	620,738
NET POSITION						
Net Investment in Capital Assets	561,424	125,073,925	1,287,103	5,547,521	132,469,975	12,771,929
Restricted For:						
Net Pension Asset	47,974	445,615	18,195	68,436	580,220	376,499
Unrestricted	45,027	18,416,810	13,918,126	1,978,865	34,358,829	7,073,278
Total Net Position	\$ 654,425	\$ 143,936,350	\$ 15,223,424	\$ 7,594,822	167,409,024	\$ 20,221,706
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					3,017,011	
Net Position of business-type activities (page 37)					\$ 170,426,033	

The accompanying notes are an integral part of this statement.

SANDY CITY
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2025

	Business-Type Activities - Enterprise Funds					Internal Service Funds
	Alta Canyon Sports Center	Water	Waste	Golf Course	Total	
Operating Revenues:						
Charges for Sales and Services	\$ 1,040,392	\$ 29,476,150	\$ 7,753,289	\$ 3,250,619	\$ 41,520,450	\$ 34,302,556
Fees from Developers	-0-	339,422	-0-	-0-	339,422	-0-
Miscellaneous	-0-	2,739	330	-0-	3,069	157,109
Total Operating Revenue	1,040,392	29,818,311	7,753,619	3,250,619	41,862,941	34,459,665
Operating Expenses:						
Salaries and Benefits	1,535,828	3,186,436	919,658	1,119,345	6,761,267	23,358,266
Materials and Supplies	202,433	888,660	79,246	244,450	1,414,789	62,291
Contracted Services	31,968	492,458	16,957	126,923	668,306	3,996,199
Internal Charges	-0-	-0-	-0-	-0-	-0-	960,000
Administrative Charges	562,887	2,746,482	1,142,858	453,666	4,905,893	1,246,790
Cost of Goods Sold	64,401	11,985,733	5,755,931	367,195	18,173,260	1,806,732
Noncapital Improvements	-0-	50,632	-0-	1,861	52,493	717,411
Depreciation	29,494	5,860,124	139,011	210,231	6,238,860	3,044,590
Total Operating Expenses	2,427,011	25,210,525	8,053,661	2,523,671	38,214,868	35,192,279
Operating Income (Loss)	(1,386,619)	4,607,786	(300,042)	726,948	3,648,073	(732,614)
Nonoperating Revenues (Expenses):						
Taxes	401,651	-0-	-0-	-0-	401,651	531,079
Intergovernmental	74,580	2,471	-0-	-0-	77,051	-0-
Interest Income (Expense)	26,905	824,485	53,273	75,183	979,846	355,111
Cell Tower Lease	29,193	-0-	-0-	-0-	29,193	-0-
Equity Earnings from Joint Venture	-0-	-0-	851,888	-0-	851,888	-0-
Other Income (Expense)	12,329	596,363	-0-	-0-	608,692	7,701
Gain (Loss) on Disposal of Asset	-0-	5,700	-0-	-0-	5,700	158,009
Bond Interest Expense	-0-	(214,062)	-0-	(15,162)	(229,224)	(103,398)
Total Nonoperating Revenues (Expenses)	544,658	1,214,957	905,161	60,021	2,724,797	948,502
Income (Loss) Before Capital Contributions and Transfers	(841,961)	5,822,743	605,119	786,969	6,372,870	215,888
Contributions from Developers	-0-	703,732	-0-	-0-	703,732	-0-
Transfers In	99,955	-0-	-0-	-0-	99,955	3,064,757
Transfers Out	-0-	-0-	-0-	-0-	-0-	(455,670)
Total Contributions and Transfers	99,955	703,732	-0-	-0-	803,687	2,609,087
Change in Net Position	(742,006)	6,526,475	605,119	786,969	7,176,557	2,824,975
Beginning Net Position	1,396,431	137,409,876	14,618,304	6,807,853		17,396,730
Ending Net Position	\$ 654,425	\$ 143,936,351	\$ 15,223,424	\$ 7,594,822		\$ 20,221,706
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					403,014	
Change in net position of business-type activities (page 39)					\$ 7,579,572	

The accompanying notes are an integral part of this statement.

SANDY CITY
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2025

	Business-Type Activities - Enterprise Funds					Internal Service Funds
	Alta Canyon Sports Center	Water	Waste	Golf Course	Total	
Cash Flows from Operating Activities:						
Receipts from Customers	\$ 1,040,111	\$ 29,531,642	\$ 7,623,611	\$ 3,236,415	\$ 41,431,779	\$ 34,471,682
Payments to Suppliers	(852,412)	(14,031,127)	(7,065,938)	(1,213,140)	(23,162,617)	(7,446,349)
Payments to Employees	(1,502,683)	(3,038,500)	(895,316)	(1,083,578)	(6,520,077)	(23,681,805)
Net Cash Provided (Used) by Operating Activities	(1,314,984)	12,462,015	(337,643)	939,697	11,749,085	3,343,528
Cash Flows from Noncapital Financing Activities:						
Tax Receipts	400,766	-0-	-0-	-0-	400,766	538,311
Grants and Contributions	74,580	-0-	-0-	-0-	74,580	-0-
Transfers from Other Funds	99,955	-0-	-0-	-0-	99,955	2,609,087
Net Cash Provided (Used) by Noncapital Financing Activities	575,301	-0-	-0-	-0-	575,301	3,147,398
Cash Flows from Capital and Related Financing Activities:						
Acquisition of Capital Assets	-0-	(7,089,084)	(312,834)	(598,957)	(8,000,875)	(3,739,110)
Lease Principal Payments & SBITA	(2,221)	-0-	-0-	(31,840)	(34,061)	(255,492)
Principal Paid	-0-	(1,809,407)	-0-	-0-	(1,809,407)	-0-
Interest Paid	-0-	(366,392)	-0-	-0-	(366,392)	-0-
Proceeds from Cell Tower Leases	29,193	-0-	-0-	-0-	29,193	-0-
Contributions From Developers	-0-	-0-	-0-	-0-	-0-	-0-
Proceeds from Sale of Capital Assets	-0-	5,700	-0-	-0-	5,700	186,563
Net Cash Provided (Used) by Capital and Related Financing Activities	26,972	(9,259,183)	(312,834)	(630,797)	(10,175,842)	(3,808,039)
Cash Flows from Investing Activities:						
Interest Received (Paid)	26,905	824,485	53,273	75,183	979,846	355,111
Net Increase (Decrease) in Cash and Cash Equivalents	(685,806)	4,027,317	(597,204)	384,083	3,128,390	3,037,998
Cash and Cash Equivalents - Beginning of Year	965,234	11,420,091	1,386,061	1,662,251	15,433,637	9,362,564
Cash and Cash Equivalents - End of Year	\$ 279,428	\$ 15,447,406	\$ 788,857	\$ 2,046,334	\$ 18,562,027	\$ 12,400,562
Reconciliation of Operating Income (Loss) to						
Net Cash Provided (Used) by Operating Activities:						
Operating Income (Loss)	\$ (1,386,619)	\$ 4,607,786	\$ (300,042)	\$ 726,948	\$ 3,648,073	\$ (732,615)
Adjustments to Reconcile Operating Income (Loss) to						
Net Cash Provided (Used) By Operating Activities:						
Depreciation	29,494	5,860,124	139,011	210,231	6,238,860	3,044,590
Changes in:						
Accounts Receivable	21,880	(444,173)	(130,010)	7,500	(544,803)	(7,620)
Inventories	-0-	(56,777)	-0-	(36,272)	(93,049)	-0-
Prepaid Assets	-0-	-0-	-0-	-0-	-0-	(2,288)
Accounts Payable	9,277	2,189,687	(70,946)	17,227	2,145,245	1,357,299
Salaries and Benefits Payable	33,145	147,936	24,342	35,767	241,190	(323,538)
Unavailable Revenue	(14,331)	-0-	-0-	-0-	(14,331)	-0-
Other Non-Operating Income	(19,291)	3,500	-0-	-0-	(15,791)	7,701
Customer Deposits	11,461	153,932	-0-	(21,706)	143,687	-0-
Net Cash Provided (Used) by Operating Activities	\$ (1,314,984)	\$ 12,462,015	\$ (337,643)	\$ 939,697	\$ 11,749,085	\$ 3,343,529
Noncash Investing, Capital, and Financing Activities:						
Contributions of Capital Assets From Developers	\$ -0-	\$ 703,732	\$ -0-	\$ -0-	\$ 703,732	\$ -0-
Subscription liability for the acquisition of right to use asset	-0-	-0-	-0-	-0-	-0-	2,568,698
Investments in Joint Venture	-0-	-0-	851,888	-0-	851,888	-0-
Noncash Transactions Affecting Financial Position	\$ -0-	\$ 703,732	\$ 851,888	\$ -0-	\$ 1,555,620	\$ 2,568,698

The accompanying notes are an integral part of this statement.

SANDY CITY
Notes to the Financial Statements
June 30, 2025

Note 1 - Summary of Significant Accounting Policies

Reporting Entity

Sandy City operates under the council-mayor optional form of government. The City Council, comprising seven elected individuals, is the governing authority for the City. The elected Mayor, with no voting rights on the City Council, has various administrative and veto powers. The City Council establishes City policy, approves the budget, and ratifies the appointment of City officials. The City Council is authorized to issue bonds, incur short-term debt, levy property taxes, and is not dependent on any other unit of local government.

As required by accounting principles generally accepted in the United States of America (GAAP), these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations. Therefore, data from these units are combined with data of the primary government. Each blended component unit has a June 30 year end.

Blended Component Units

The Sandy Redevelopment Agency (RDA) was legally created as authorized by the Utah Neighborhood Development Act. The City Council is designated by ordinance as the governing body of the RDA. Therefore, the RDA is part of the City's reporting entity because the City has accountability for all significant fiscal and operating matters. The RDA is reported as a major governmental fund.

The Alta Canyon Recreation Special Service District (the Sports Center) was legally created as authorized by the Utah Special Service District Act. The Sports Center is within the boundaries of the City and services the northeast quadrant. The Sports Center's Advisory Board comprises seven elected individuals. The Advisory Board establishes policy for the Sports Center, appoints Sports Center officials, advises the City with respect to collection and disbursement of funds, and is responsible for funding deficits. The Sports Center also has the following powers: to sue and be sued, eminent domain, to enter into contracts, and to acquire and construct facilities. Of equal importance, no tax may be levied, and no bonds will be issued unless authorized by a majority of the qualified voters of the District.

The City Council approves the Sports Center's budget, property tax rate, issuance of long-term debt, and can, at its discretion, dissolve the Sports Center special services district. The Sports Center provides services that, almost exclusively benefit the City. As of January 1, 2003, the Sports Center requested the City to take over the management of its daily operations. Accordingly, the Sports Center is reported as a blended component unit (the Alta Canyon Sports Center Fund) in the enterprise funds section of the financial statements.

The Sandy Arts Guild (Arts Guild) was legally created and authorized as a member-driven organization with a primary mission to execute community musical theater opportunities along with special community and artistic events. The City Council is designated by ordinance as the governing body of the

SANDY CITY
Notes to the Financial Statements
June 30, 2025

Sandy Arts Guild. Therefore, the Arts Guild is part of the City's reporting entity because the City has accountability for all significant fiscal and operating matters. As such, the Arts Guild presented as a nonmajor blended component unit of the City.

Investment in Joint Venture

The City is a partner with neighboring cities in a joint venture known as Trans-Jordan Cities. The purpose of this joint venture is to provide solid waste management and disposal services. Investment in this joint venture is accounted for using the equity method (see note 9).

Related Organizations

The City also has activities with Metropolitan Water District of Salt Lake and Sandy (MWDSL). City Officials appoint members to the board of directors, but the City's accountability does not extend beyond making the appointments.

Government-wide and Fund Financial Statements

The government-wide financial statements (the statement of net position and the statement of activities) report information on all the activities of the primary government. For the most part, interfund activity has been eliminated from these statements. Interfund services that are provided and used are not eliminated in the process of consolidation. Governmental activities, which are largely supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which are supported to a significant extent by charges for services.

The statement of activities demonstrates the degree to which the direct expenses for a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function or segment. Program revenues include i) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and ii) 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 as general revenues.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Basis of accounting refers to when revenues or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounting and reporting treatment applied is determined by its measurement focus. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a

SANDY CITY
Notes to the Financial Statements
June 30, 2025

liability is incurred, regardless of the timing of related cash flows. All governmental fund financial statements are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on their balance sheets. Governmental funds operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

All governmental fund financial statements are maintained and reported using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become 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, generally 60 days. Principal revenue sources susceptible to accrual include property taxes, sales taxes, franchise taxes, special assessments, and interest on investments. Furthermore, expenditures are recorded when fund liabilities are incurred except for debt service expenditures, as well as expenditures related to compensated absences, pension, etc. which are only recorded when payment is due.

The enterprise and internal service fund financial statements are reported using the accrual basis of accounting. These funds are accounted for on a cost of services or "economic resources" measurement focus. This means all assets and liabilities associated with their activity are included on their statement of net position.

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 for the City's enterprise and 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.

Description of Funds

The City reports the following major governmental funds:

- The **general fund** is the primary operating fund and accounts for the normal activities of the City (police, fire, public works, parks, community development, general government, etc.). These activities are funded principally by property taxes, sales and use taxes, franchise taxes, licenses, and permits.
- The **storm water fund** accounts for the City's revenues and capital expenditures associated with drainage for storm water runoff. The revenue source for storm water is payments from citizens on their monthly utility bill.
- The **debt service fund** is used to account for the accumulation of resources for payment of general long-term debt principal and interest and special assessment levies when the City is obligated in some manner for the payment.
- The **capital projects fund** accounts for the resources used to acquire, construct, and improve major capital facilities, other than those financed by proprietary funds. Capital projects funds allow the City to compile project cost data and demonstrate that legal or contractual requirements regarding the use

SANDY CITY
Notes to the Financial Statements
June 30, 2025

of the resources are fully satisfied. The principal source of funding is contributions from developers restricted for capital construction, transfers from the general fund, grants, and long-term debt.

- The **RDA fund** accounts for the City's revenues and expenditures associated with promoting new capital investment and job creation within the City. The revenue source for RDA is annual tax increment.

The City reports the following major proprietary funds:

- The **Alta Canyon Sports Center fund** accounts for the activities of the Alta Canyon Recreation Special Service District. The main activity is a recreation center located within the District.
- The **water fund** is used to account for the operations of the City's water utility.
- The **waste fund** accounts for waste collection services provided by an independent contractor.
- The **golf course fund** is used to account for the City's golf course.

Additionally, the City reports the following fund type:

- **Internal service funds** account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis. The internal service funds include the fleet fund, the information technology fund, the risk management fund, the equipment management fund, and the payroll management fund.

Fund Balance Classifications

The governmental fund financial statements present fund balances based on a hierarchy that shows, from highest to lowest, the level or form of constraints on fund balance resources and the extent to which the City is bound to honor them. The City first determines and reports nonspendable balances, followed by restricted, committed, assigned, and unassigned. Fund balance classifications are summarized as follows:

- **Nonspendable** fund balance includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Fund balance amounts related to prepaid expenditures and inventories are classified as nonspendable.
- **Restricted** fund balance includes net fund resources that are subject to external constraints that have been placed on the use of the resources. External constraints can be imposed by creditors (such as through a debt covenant), grantors, contributors, laws or regulations of other governments, or law through constitutional provisions or enabling legislation. Restricted fund balances include storm water, bond proceeds restricted for construction, impact fees, Class "C" road funds, RDA, and liquor allotment.

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- **Committed** fund balance includes amounts that can only be used for specific purposes established by formal action of the City Council. Fund balance commitments can only be removed or changed by a resolution approved by the City Council, the highest level of decision-making authority. Committed fund balance includes amounts for capital projects and debt service.
- **Assigned** fund balance classification includes amounts that are constrained by the government's intent to use the funds for specific purposes, but are neither restricted nor committed, as established by the Administrative Services Director. Also included are all remaining amounts that are reported in governmental funds, other than the general fund that are not classified as nonspendable, restricted or committed or in the general fund that are intended to be used for specific purposes.
- **Unassigned** fund balance includes fund balance in the general fund that is not otherwise classified. Any deficit fund balance within other governmental fund types is reported as unassigned.

The City Council authorizes the assignment of fund balance with resolution. The City reduces restricted amounts first when expenditures are incurred for purposes for which both restricted and unrestricted 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 a minimum fund balance of 5 percent of total revenues be maintained in the general fund.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net position related to net of investment in capital assets consists of capital assets, net of accumulated depreciation and amortization, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The City first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. The government-wide financial statements report \$56,908,009 of restricted net position.

Budget Operation

The City operates within the budget requirements as specified by Utah state law. The budget reflects the following standards:

1. For the fiscal year beginning July 1, the budget officer prepares a tentative budget which is presented to the City Council on or before the first regularly scheduled meeting in May.
2. By resolution, the City Council legally adopts the final budget on or before June 30, after appropriate public hearings have been held. However, if there is a change to the certified tax rate, the final budget can be adopted as late as September 1.
3. Once adopted, the budget can be amended by subsequent City Council action. Reductions in or reallocations of departmental appropriations can be approved by the City Council upon recommendation of the Budget Officer, but increased appropriations require a public hearing prior to

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amending the budget. Transfers of unexpended appropriations from one expenditure account to another in the same department can be made with the approval of the Budget Officer.

4. Interim adjustments in estimated revenue and departmental appropriations during the fiscal year 2025 have been included in the final budget approved by the City Council, as presented in the financial statements. These amendments were not material in relation to the original appropriations.
5. As determined by Utah state law, the level for which expenditures may not legally exceed appropriations is the departmental budget within a given fund.
6. Budgets for the general, special revenue, debt service (general purposes debt service only), and capital projects funds are adopted on a basis consistent with GAAP. Special assessment funds are grouped with debt service funds. Operating and capital budgets are required by Utah state law for proprietary fund types, although such budgets are not required to be presented in the financial statements. In addition, budgets for special assessment funds are not required by Utah state law.
7. All unexpended appropriations lapse at the end of the budget year. However, unexpended capital projects fund appropriations may be reappropriated by a resolution of the City Council without holding public hearings.

Encumbrances

Encumbrance accounting is not employed by the City.

Cash, Cash Equivalents, and Investments

The City's policy is to report all investments at estimated fair value with the change in fair value included in revenues. The City's investment in the State Treasurer's Pool has an estimated fair value equivalent to the value of the pool shares. In all statements, the City considers cash on hand, demand deposits, and highly liquid investments which includes investments in pooled accounts available on demand as cash and cash equivalents.

Inventory

Inventories are stated at cost, however, items held for resale are reported at lower of cost or market. Cost method of inventory is first-in, first-out.

Prepaid Items

Prepaid items are accounted for using the consumption method in the governmental funds.

Right-to-use Assets

Right-to-use assets are considered to be leases according to Governmental Accounting Standards Board Statement No. 87, "Leases" (GASB 87) and have a definite useful life. The right-to-use assets are initially measured at an amount equal to the initial measurement of the related lease liability at the present value of lease payments expected to be made during the lease term plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. They are amortized on a straight-line basis over an estimated life (shorter of the lease term or the useful life). As used in these statements, accumulated depreciation includes amortization of right-to-use assets. The amortization period varies from 4 to 30 years.

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The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases. The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net positions.

Lease Receivable

Lease receivables are recorded by the City as the present value of future lease payments expected to be received from the lessee during the lease term, reduced by any provision for estimated uncollectible amounts. Lease receivables are subsequently reduced over the life of the lease as cash is received in the applicable reporting period. The present value of future lease payments to be received is discounted based on the interest rate the City charges the lessee.

Right-to-use Subscription IT Assets

According to Governmental Accounting Standards Board Statement No. 96, "Subscription-Based Information Technology Arrangements" (GASB 96), right-to-use subscription IT assets are recognized at the subscription commencement date and represent the City's right to use the underlying IT assets for the subscription term. The right-to-use subscription IT assets are initially measured at an amount equal to the initial measurement of the related subscription liability at the present value of subscription payments expected to be made during the subscription term plus any payments made to the vendor prior to the subscription term, less any subscription incentives, and plus any capitalizable initial implementation costs necessary to place the subscription asset into service. They are amortized on a straight-line basis over an estimated life (shorter of the subscription term or the useful life). The amortization period varies from 2 to 10 years.

The present value of subscription payments is discounted based on an estimated incremental borrowing rate determined by the City. The City monitors changes in circumstances that would require a remeasurement of its subscriptions and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability. Right-to-use subscription IT assets are reported with other capital assets and subscription liabilities are reported with long-term debt on the statement of net positions.

Deferred Outflows/Inflows of Resources

In addition to assets, a separate section for deferred outflows of resources is reported. This separate financial statement element represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense or expenditure) until then. The City has two items that qualify for reporting in this category, the deferred charge on refunding and that relating to pensions. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or

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refunding debt. A deferred outflow from pensions results from contributions made by the City prior to fiscal year end, but subsequent to the pension plan's actuarial valuation measurement date of December 31, 2024, which are deferred for one year.

In addition to liabilities, a separate section for deferred inflows of resources is reported. This separate financial statement element represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has three items that qualify for reporting in this category: deferred amounts relating to leases; unavailable revenue, which was not collected within sixty days of fiscal year end; and deferred amounts relating to pensions. The deferred amount relating to leases is measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods. This amount is subsequently recognized as inflows of resources, if available, over the term of the lease. Unearned revenues result from property taxes and 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. Deferred inflows relating to pensions are a result of changes in assumptions and are amortized over the average expected remaining service life of all employees that are provided with pension benefits, with the exception of investment earnings, which are recognized over a closed five-year period.

Interfund Transactions

In the normal course of operations, the City has transactions between funds. Various City funds provide a number of services such as administrative, fleet operations, information services, insurance and risk management, etc. to other City funds. Charges are treated as revenues in the fund providing the service and as operating expenses in the fund receiving the service. Other transfers are recognized as transfers in and out, respectively, by the funds involved. Short-term payables are shown as due to/from other funds. Long-term payables are shown as advances to/from other funds.

Capital Assets

Capital assets, which include water rights and capacity, land, buildings and systems, improvements other than buildings, vehicles, machinery and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets also include right to use lease and subscription IT assets described previously. Capital assets are defined by the City as assets with an individual cost of more than \$7,500 and an estimated useful life in excess of one year with the exception of water rights and capacity which have no threshold and are recorded at cost. Acquisitions of groups of capital assets purchased for which the individual asset is not more than \$7,500, but for which the aggregate is significant are also capitalized. Assets are recorded at historical cost or estimated historical cost when actual historical cost is not available. Donated capital assets are valued at their estimated acquisition value on the date donated. Depreciation on buildings and systems, improvements other than buildings, vehicles, machinery and equipment, and infrastructure (other than the roadway system) is computed using the straight-line method over the following estimated useful lives.

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Asset Description	Useful Life Years	Asset Description	Useful Life Years
Wells	25	Vehicles	5-15
Water Tanks	25	Office Furniture and Equipment	5-10
Distribution Mains	33	Street Lights and Traffic Signals	30-50
Buildings and Structures	20-40	Storm Water Improvements	40
Pumps	8	Swimming Pools	30
Machinery and Equipment	5-10	Infrastructure	25

Modified Approach

The City has elected to follow the modified approach to account for infrastructure. The City has made a commitment to preserve and maintain the roadway system of infrastructure assets at a condition level determined by the City. The Public Works department is responsible for determining the appropriate condition level at which the roadway system is to be maintained. Amounts capitalized in connection with improvements that lengthen the life of the roadway system are recorded as expenditures, and not reported as capital assets unless the improvements also increase its service potential. There is also no depreciation expense for the roadway system. The City maintains an inventory of the roadway system and performs periodic condition assessments to establish that the predetermined condition level is being maintained. Annual estimates are made by the City for expenses to preserve and maintain the roadway system at the predetermined condition levels.

Contributions

Certain proprietary funds receive contributions for aid in construction from various sources reported as nonoperating revenue.

Utility Revenue

Revenue in the water, storm water, waste, and street lighting funds is recorded when billed. At year end, each fund records, as unbilled receivables and revenue, an amount which approximates revenue from the last meter reading or billing date at fiscal year-end.

Pensions

For the purpose of measuring the net pension asset, 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.

Adoption of New Standard

As of July 1, 2024, the City Adopted GASB Statement No. 101, Compensated Absences. The provisions of this standard modernize the types of leave that are considered a compensated absence and

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provides guidance for a consistent recognition and measurement of the compensated absence liability. There was not a significant effect on the City's financial statements as a result of the implementation of this standard.

Note 2 - Reconciliation of Government-Wide and Fund Financial Statements

Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between fund balance for total governmental funds and net position for governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that some of the City's revenues will be collected after year end but are not available soon enough to pay for the current period's expenditures and are therefore reported as receivables. The \$2,811,494 receivables consist of \$2,383,413 of a loan receivable and \$422,449 in delinquent property taxes and court fines.

Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances for total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "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 and reported as depreciation expense." The \$34,838,341 difference consists of \$43,474,157 of net capital additions less \$8,651,444 depreciation expense.

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The \$7,381,784 represents a \$283,287 loan payment to a developer and \$7,098,797 was regularly scheduled principal payments on existing debt.

Note 3 - Property Taxes

The property tax revenue of Sandy City is collected and distributed by the Salt Lake County Treasurer as an agent for the City. Utah state laws establish the process by which taxes are levied and collected. The property tax calendar is as follows:

1. By March 31, the County Treasurer settles property taxes charged and collected for the previous year by submitting the completed "Year End Statement of Taxes Charged, Collected, and Disbursed" (Report TC-750) to the Utah State Tax Commission.
2. Before June 22, the City adopts a proposed tax rate and certifies the tax rate with the County Auditor on Report 693.

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3. Before July 22 (if the City adopts a tax rate higher than the certified tax rate), the County Auditor mails "Notice of Valuation and Tax Changes to all real property owners. This notice is normally combined with the tax notice.
4. After August 1st or at least 10 days after mailing Valuation Notice, the City holds public hearing(s) on the property tax increase before adopting the final budget. Resolution PT-800 must be sent to the Utah State Tax Commission.
5. From August 1 thru September 15, the County Board of Equalization is open for taxpayer appeals of property valuations.
6. By November 1, the County Auditor approves changes in taxable value of the real property and the County Treasurer mails tax notices with a due date of November 30. Payments made after November 30 are considered delinquent and are subject to a penalty.
7. Unless the delinquent taxes and penalties are paid, the amount of taxes and penalties bear interest from January 1 until paid. If after five years, delinquent taxes have not been paid, the County sells the property at a tax sale.

For property taxes, as of January 1 of each year (the assessment date), the City has the legal right to collect the taxes and has recorded a receivable and a corresponding deferred inflow of resources for the assessed amount of those property taxes as of January 1, 2025. Most of the tax will not be received until the following fiscal year.

Note 4 - Cash, Cash Equivalents, and Investments

Detailed cash, cash equivalent, and investment accounting records are maintained for each individual fund. However, to provide the maximum amount of interest earnings on all funds of the City, all cash is pooled for deposit and investment purposes.

The City follows the requirements of the Utah Money Management Act (*Utah Code*, Section 51, Chapter 7) in handling its depository and temporary investment transactions. This law requires the depositing of City funds in a "qualified depository." The Act defines a "qualified depository" as any financial institution whose deposits are insured by an agency of the Federal government, and which has been certified by the commissioner of financial institutions as meeting the requirements as defined in Chapter 11 of the Utah Money Management Act. Chapter 11 establishes the formula for determining the amount of public funds which a qualified depository may hold to minimize risk of loss and defines capital requirements, which an institution must maintain to be eligible to accept public funds. The Utah Money Management Act also defines the types of securities allowed as appropriate temporary investments for the City and the conditions for making investment transactions. Investment transactions are to be conducted through qualified depositories or primary reporting dealers.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be recovered. The City's deposits are insured up to \$250,000 per bank by the Federal Deposit Insurance Corporation (FDIC), except for the Wells Fargo Stagecoach Sweep account which is a cash account. The

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amount in this account as of June 30, 2025, was \$8,368,225. Deposits above \$250,000 per bank are exposed to credit risk. Of the City’s bank balance deposit carrying value of \$8,420,463, \$8,170,463 was uninsured. The City has no formal policy regarding custodial credit risk.

A summary of restricted and unrestricted cash, cash equivalents, and investments at June 30, 2025 is as follows:

	Cash, Cash Equivalents, and Investments
Unrestricted	\$ 124,923,478
Restricted	15,507,077
Total	<u>\$ 140,430,554</u>
Cash	\$ 8,197,200
Cash Equivalents, and Investments	132,233,354
Total	<u>\$ 140,430,554</u>

Note 5 - Investment Rating and Risk

The City’s investments are governed by state statutes. City funds are invested only in the following: (1) negotiable or nonnegotiable deposits of qualified depositories; (2) repurchase agreements with qualified depositories or primary reporting dealers, acting as principal for securities of the United States Treasury or other authorized investments, only if these securities are delivered to the custody of the City Treasurer or the City’s safekeeping bank or are conducted with a qualified depository; (3) commercial paper that is classified as “first tier” by two nationally recognized statistical rating organizations, one of which must be Moody’s Investor Service or Standard & Poor’s; (4) bankers’ acceptances that are eligible for discount at a federal reserve bank and which have a remaining term to maturity of 270 days or less; (5) negotiable interest bearing deposits of \$100,000 or more which have a remaining term to maturity of 365 days or less; (6) obligations of the United States Treasury including United States Treasury Bills, United States Treasury Notes, and United States Treasury Bonds; (7) obligations issued or fully guaranteed as to principal and interest by the following agencies or instrumentalities of the United States in which a market is made by a primary reporting government securities dealer: Federal Home Loan Banks, Federal Farm Credit Banks, Federal National Mortgage Association, Federal Agricultural Mortgage Corporation, Federal Home Loan Mortgage Corporation, Tennessee Valley Authority, or Student Loan Marketing Association; (8) the Utah State Treasurer’s Investment Fund; and (9) fixed and variable rate corporate obligations that meet criteria under the Utah Money Management Act.

The City invests in the Public Treasurer’s Investment Fund (PTIF), which is an external investment pool administered by the Utah State Treasurer. The PTIF is available for investment of funds administered by any Utah public treasurer. There is no required participation and no minimum balance or minimum/maximum transaction requirements. The PTIF is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Utah Money Management Act. The Act establishes the Money Management Council, which oversees the activities of the State Treasurer and the PTIF. 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. You may request the PTIF financial statements by emailing ptifadmin@utah.gov or calling the toll-free number 800-395-7665.

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The PTIF allocates income and issues statements monthly. The PTIF operates and reports to participants on an amortized cost basis. The participant's balance is their investment deposited in the PTIF plus their share of income, gains, and losses net of administration fees, which is allocated to each participant on the ratio of each participant's share to the total funds. The participant's monthly investment amount is based upon their average daily balance.

The City measures and records its investments using the 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.

Twice a year, on June 30 and December 31, the investments are valued at fair value and participants are informed of the valuation factor that enables them to adjust their statement balances to fair value. As of June 30, 2025, the City's fair value investments in the PTIF were \$188,857 more than the amortized cost of \$93,235,021. The City's investments have been adjusted to show this increase in value. As of June 30, 2025, the City's \$93,235,021 investment in the PTIF had an average adjusted maturity of .6613 (Level 1 inputs).

The City also invests in the Zions Liquid Asset Management (LAM) fund. The LAM fund invests in money market funds and short and intermediate-term fixed income securities (including taxable, tax-exempt or tax advantaged). The LAM fund meets the requirements of the Utah Money Management Act.

For the year ended June 30, 2025, the City's fair value investments in the LAM were \$21,892 less than the amortized cost of \$18,749,708. The City's LAM investment has been adjusted to show this decrease in value. As of June 30, 2025, the City's \$18,749,708 investment in the LAM fund had an average final maturity of 1.868 years (Level 2 inputs).

The City also invests with Moreton Financial Advisors (Moreton). Moreton invests in money market funds and short and intermediate-term fixed income securities (including taxable, tax-exempt, or tax advantaged). Moreton meets the requirements of the Utah Money Management Act. For the year ended June 30, 2025, the City's fair value investments in Moreton were \$46,336 more than the amortized cost of \$17,742,240. The City's Moreton investment has been adjusted to show this increase in value. As of June 30, 2025, the City's \$17,742,240 investment with Moreton had an average final maturity of 1.685 years (Level 2 inputs).

Credit Risk

Investment 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 Utah Money Management Act. The Act details authorized investments which are high-grade securities and, therefore, subject to very little credit risk except in the most unusual and unforeseen circumstances. The PTIF, LAM, and Moreton funds are not rated.

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Interest Rate Risk

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 Utah Money Management Act. The Act requires the remaining term to maturity of investments not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity of all investments in commercial paper, bankers’ acceptances, fixed rate negotiable deposits, and fixed rate corporate obligations to 270-365 days or less. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding two years.

As of June 30, 2025, the City had no investments requiring interest rate risk disclosure.

Note 6 - Restricted Assets

Unexpended state road funds, during fiscal year 2025, that are required by Utah state law to be restricted for road construction and maintenance, are summarized as follows:

State Road Allotment	\$ 4,770,623
Expenditures: Highway Maintenance	<u>\$ (4,770,623)</u>
Unexpended State Road Allotment	<u>\$ -0-</u>

Governmental Funds

Restricted cash represents unexpended receipts which are restricted for use on future projects, and in the case of the general fund, services paid for but not yet received. The changes in restricted balances during fiscal year 2025 are summarized as follows:

	<u>Road Funds</u>	<u>Capital Projects Fund</u>
Balance - July 1, 2024	\$ 10,012,751	\$ 23,866,772
Additions:		
Fees, Bond Proceeds, and Transfers In	3,953,272	759,573
Interest Earnings	351,444	944,547
Reductions:		
Expenditures and Transfers Out	(9,672,986)	(14,708,296)
Balance - June 30, 2025	<u>\$ 4,644,481</u>	<u>\$ 10,862,596</u>

Business-Type Funds

There are no restricted assets in the business-type funds.

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Notes to the Financial Statements
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Note 7 - Receivables

Net Receivables

The \$28,092,038 in governmental activities receivables found in the Statement of Net Position consists of \$23,584,802 in taxes, \$813,357 in billing receivables, \$2,383,413 in loan receivables, and \$1,310,467 in other receivables.

The \$6,860,432 in business-type activities receivables are comprised of \$5,897,959 in billing receivables, \$367,016 in taxes receivable, and \$595,457 in other receivables. The City expects to collect all these receivables during fiscal year 2026.

Lease Receivable

The City has accrued a receivable for building, parking, and cell tower leases. The remaining receivable for these leases was \$43,794,374 for the year ended June 30, 2025. Deferred inflows related to these leases were \$41,438,353 as of June 30, 2025. Interest revenue recognized on these leases was \$1,682,512 for the year ended June 30, 2025. Principal receipts of \$932,965 were recognized during the fiscal year.

Lease receivables for building and parking consist of 3 leases with terms of 25-76 years. The interest rate on these leases ranged from 2.5% to 3.83%. The corresponding lease receivable related to these leases is \$36,032,828 as of June 30, 2025.

Lease receivables for cell towers consist of 19 leases with terms of 15-41 years. The interest rate on these leases ranged from 2.5% to 4%. The corresponding lease receivable related to these leases is \$7,761,546 as of June 30, 2025.

Note 8 - Due From/To Other Funds

The interfund loan for the CDBG is for expenses incurred in that fund that will be reimbursed by federal Community Development Block Grant funds the following year.

Note 9 - Joint Venture

The City has a 26.63 percent ownership in Trans-Jordan Cities (the Association). The Association was organized in 1968 as a joint enterprise fund of the cities of Midvale, West Jordan, Murray, and Sandy. In 1997, the Association was joined by the City of South Jordan, and the Cities of Draper and Riverton joined in 1998. The primary purpose of the Association is the operation, maintenance, and control of a refuse dumping site situated east of Bingham Canyon in Salt Lake County. The percentage interest in operations for each of the entities is as follows:

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Participating Cities	Percent
Draper City	10.41%
Midvale City	5.22%
Murray City	7.57%
Riverton City	11.12%
Sandy City	26.63%
South Jordan City	17.18%
West Jordan City	21.87%
	100.00%

The Association is governed by its own Board of Directors. Under the Organization Agreement, the board is composed of the Mayors, or their appointed representatives, of the seven participating cities. The Board of Directors appoints the management and staff of the Association and approves all financial matters such as the operating budget and usage fees.

The following is a summary of audited financial information of the Association for the fiscal year ended June 30, 2025:

Net Position

Current Assets	\$8,211,279
Non Current Assets	
Capital Assets	58,744,564
Other Assets	5,974,920
Total Non Current Assets	64,719,484
Total Assets	72,930,763
Deferred Outflows of Resources related to pensions	827,462
Current Liabilities	4,658,743
Noncurrent Liabilities	20,620,310
Total Liabilities	25,279,053
Deferred Inflows of Resources related to pensions	123,274
Net Position	
Net Investments in Capital Assets	39,662,983
Restricted for Closure and Postclosure costs	1,466,096
Unrestricted	7,226,819
Total Net Position	\$48,355,898

Revenues, Expenses, and Changes in Net Position

Revenues	
Operating Revenues	\$14,873,310
Other Revenues	1,439,234
Total Revenues	16,312,544
Expenses	
Operating Expenses	11,573,148
Other Expenses	545,408
Total Expenses	12,118,556
Income Before Contributions	4,193,988
Capital Contributions	-0-
Change in Net Assets	4,193,988
Net Position - Beginning	44,161,910
Total Net Position - Ending	\$48,355,898

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The City paid \$1,290,587 to the Association for landfill costs during fiscal year 2025. The City owed the Association \$114,067 as of June 30, 2025 for costs incurred. Complete financial statements for the Association may be obtained at the following address:

Trans-Jordan City Landfill
PO Box 95610
South Jordan, UT 84095-0610

Note 10 - Capital Assets

The following tables summarize the changes in capital assets for governmental and business-type activities during the year ended June 30, 2025:

	Beginning	Additions	Deletions	Ending Balance
Government Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 247,945,691	\$ 1,109,548	\$ -0-	\$ 249,055,239
Infrastructure	175,904,880	3,209,310	-0-	179,114,190
Construction in Progress	6,153,360	21,778,002	2,906,862	25,024,500
Total Capital Assets, Not Being Depreciated	430,003,931	26,096,860	2,906,862	453,193,929
Capital Assets, Being Depreciated:				
Buildings and Improvements	191,191,288	12,093,803	-0-	203,285,091
Machinery, Equipment and Vehicles	50,272,538	3,303,242	823,719	52,752,061
Street Lights	13,007,645	114,023	-0-	13,121,668
Storm Water	62,736,127	3,983,621	-0-	66,719,748
Right-to-Use Assets:				
Machinery, Equipment and Vehicles	979,575	-0-	32,437	947,138
Subscription IT Assets	500,819	3,668,708	-0-	4,169,527
Total Capital Assets being depreciated	318,687,993	23,163,397	856,156	340,995,233
Less Accumulated Depreciation:				
Buildings and Improvements	75,369,083	6,249,053	-0-	81,618,136
Machinery, Equipment, and Vehicles	38,003,966	3,259,591	795,165	40,468,392
Street Lights	8,942,734	437,390	-0-	9,380,124
Storm Water	28,642,038	1,483,560	-0-	30,125,598
Right-to-Use Assets:				
Machinery, Equipment and Vehicles	34,932	98,447	32,437	100,942
Subscription IT Assets	221,771	171,727	-0-	393,498
Total Accumulated Depreciation	151,214,524	11,699,768	827,602	162,086,690
Total Capital Assets, Being Depreciated, Net	167,473,468	11,463,629	28,554	178,908,543
Governmental Activities Capital Assets, Net	\$ 597,477,399	\$ 37,560,489	\$ 2,935,416	\$ 632,102,472

SANDY CITY
Notes to the Financial Statements
June 30, 2025

Business-Type Activities:

Capital Assets, Not Being Depreciated:

Water Rights and Capacity	\$ 41,519,709	\$ 377,716	\$ -0-	\$ 41,897,425
Land	8,114,564	-0-	-0-	8,114,564
Construction in Progress	596,477	-0-	596,477	-0-
Total Capital Assets, Not Being Depreciated	50,230,750	377,716	596,477	50,011,989

Capital Assets, Being Depreciated:

Buildings and Improvements	20,974,944	991,265	-0-	21,966,209
Main Lines	138,413,520	5,386,195	-0-	143,799,715
Wells	19,987,439	596,214	-0-	20,583,653
Storage Tanks	29,219,489	-0-	-0-	29,219,489
Pump Equipment	3,189,744	102,393	-0-	3,292,137
Swimming Pools	630,410	-0-	-0-	630,410
Machinery, Equipment, and Vehicles	7,282,803	1,801,209	18,926	9,065,086

Right-to-Use Assets:

Land	340,528	-0-	-0-	340,528
Subscription IT Assets	161,500	-0-	-0-	161,500
Total Capital Assets being depreciated	220,200,377	8,877,276	18,926	229,058,727

Less Accumulated Depreciation:

Buildings and Improvements	11,270,680	555,780	-0-	11,826,460
Main Lines	77,830,806	3,378,141	-0-	81,208,947
Wells	14,087,581	655,584	-0-	14,743,165
Storage Tanks	16,912,352	858,780	-0-	17,771,132
Pump Equipment	3,068,960	37,763	-0-	3,106,723
Swimming Pools	610,938	1,153	-0-	612,091
Machinery, Equipment, and Vehicles	5,011,336	673,502	18,926	5,665,912

Right-to-Use Assets:

Land	72,970	24,322	-0-	97,292
Subscription IT Assets	74,924	53,833	-0-	128,758

Total Accumulated Depreciation	128,940,547	6,238,858	18,926	135,160,480
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Total Capital Assets, Being Depreciated, Net	91,259,829	2,638,418	-0-	93,898,247
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Business-Type Activities Capital Assets, Net	\$ 141,490,579	\$ 3,016,133	\$ 596,477	\$ 143,910,236
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SANDY CITY
Notes to the Financial Statements
June 30, 2025

Depreciation expense for the year ended June 30, 2025, for governmental and business-type activities is shown in the following table:

Governmental Activities:

General Government	\$ 2,420,767
Police and Animal Control	250,877
Fire	195,397
Public Works	1,241,803
Parks, Landscapes and Cemetery	1,966,257
Community Development	116,959
Economic Development	96,706
Recreation and Cultural Events	271,860
Electric Utility	462,277
Storm Water Utility	1,636,007
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>3,040,858</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 11,699,768</u></u>

Business-Type Activities

Alta Canyon Sports Center	\$ 29,494
Water	5,860,123
Waste	139,011
Golf Course	<u>210,230</u>
Total Depreciation Expense - Business-Type Activities	<u><u>\$ 6,238,858</u></u>

Investment in Water Stock, Rights and Capacity

The water fund had the following investments in water stock, rights and capacity at June 30, 2025:

SANDY CITY
Notes to the Financial Statements
June 30, 2025

Investment in Water Stock, Rights and Capacity

The water fund had the following investments in water stock, rights and capacity at June 30, 2025:

Water Stock:	Shares	Cost
Bell Canyon Irrigation Company	2,287	\$ 1,001,913
Draper Irrigation Company	125	131,255
East Jordan Irrigation Company	87	394,680
Little Cottonwood Water Company	11,358	113,580
Sandy Irrigation Company	2,269	1,496,893
Tanner Ditch Company	1,237	380,264
Union East Jordan Irrigation Company	7	272
Walker Ditch	6	611
Welby Jacob Water Users Company	9	9,050
North Jordan Irrigation Company	84	199,500
Total Water Stock		3,728,018
Water Rights and Capacity		38,169,407
Total Water Stock, Rights and Capacity		\$ 41,897,425

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Notes to the Financial Statements
June 30, 2025

Note 11 - Long-Term Liabilities

Revenue bonds and other long-term liabilities directly related to and intended to be paid from proprietary fund revenues are included in the accounts of such funds. All other long-term obligations of the City are accounted for in the governmental activities of the government-wide statements. The following table summarizes changes in long-term obligations for the year ended June 30, 2025:

	Rate (%)	Amount of Original Issue (bonds only)	Balance June 30, 2024	Additions	Retirements	Balance June 30, 2025	Unamortized Bond Premiums	Due Within One Year
Governmental Activities								
General Obligation Bonds								
2024 Fire Station #31 GO Bond	4.00 to 5.00	\$ 19,300,000	\$ 19,300,000	\$ -0-	\$ 610,000	\$ 18,690,000	\$ 1,588,431	620,000
Revenue Bonds								
2012 Sales Tax Refunding	2.00 to 4.00	3,920,000	-	-0-	-0-	-0-	-0-	-0-
2013C Sales Tax Refunding	3.35	10,816,000	3,620,000	-0-	677,000	2,943,000	-0-	702,000
2015 Sales Tax Revenue	4.00 to 5.00	41,545,000	34,325,000	-0-	1,240,000	33,085,000	2,946,546	1,305,000
2019 Sales Tax Revenue	4.00	4,725,000	2,425,000	-0-	370,000	2,055,000	266,288	380,000
2021 Transient Room Tax	2.00 to 4.00	15,605,000	11,130,000	-0-	2,495,000	8,635,000	755,186	3,040,000
2023 Sales Tax Revenue	5.00	8,645,000	7,960,000	-0-	500,000	7,460,000	535,214	525,000
Other Payables								
2022 State Infrastructure Bank Loan	1.62	15,000,000	13,210,400	-0-	912,304	12,298,096		932,643
2023 State Infrastructure Bank Loan	3.25	5,300,000	5,029,790	-0-	288,561	4,741,229		297,940
2018 Fire Truck	3.85	990,000	310,043	-0-	152,094	157,949		157,949
Lease and IT Subscription Liabilities								
Right to Use	6.50		920,023	-0-	19,335	900,688		85,109
IT Subscription			249,237	2,568,708	138,036	2,679,909		145,452
Compensated Absences								
Current Compensated Absences			2,459,596	615,189	614,957	2,459,828		2,459,828
Long-Term Compensated Absences			4,951,059	764,583	-0-	5,715,642		-0-
Total Governmental Long-Term Obligations		125,846,000	105,890,148	3,948,480	8,017,287	101,821,341	6,091,665	10,650,921
Business-Type Activities								
Revenue Bonds								
2012 Water Refunding	2.00 to 4.00	4,330,000	535,000	-0-	535,000	-0-	-0-	-0-
2020 Water Revenue	4.00	7,035,000	5,650,000	-0-	530,000	5,120,000	500,865	555,000
Contracts Payables		13,832,100	6,277,320	-0-	744,480	5,532,840	-0-	778,320
Lease and IT Subscription Liabilities								
Right to Use	5.00		303,234	-0-	16,678	286,556		19,104
IT Subscription	4.00		52,000	-0-	52,000	-0-		-0-
Total Business-Type Long-Term Obligations		25,197,100	12,817,554	-	1,878,158	10,939,396	500,865	1,352,424
Total Government-wide Long-Term Obligations		\$ 151,043,100	\$ 118,707,702	\$ 3,948,480	\$ 9,895,445	\$ 112,760,737	\$ 6,592,530	\$ 12,003,345

*The roll-forward schedule only reports the net change in the compensated absences liability.

SANDY CITY
Notes to the Financial Statements
June 30, 2025

The annual debt requirements to maturity, including principal and interest, as of June 30, 2025 are listed in the following table:

Year Ending June 30	Governmental Activities					
	General Obligation Bonds		Revenue Bonds		Notes, Other Payables & Leases	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 620,000	\$ 858,600	\$ 5,952,000	\$ 2,382,553	\$ 1,619,093	\$ 501,207
2027	650,000	827,600	6,311,000	2,125,736	1,625,942	459,205
2028	685,000	795,100	5,494,000	1,877,583	1,640,633	419,488
2029	720,000	760,850	3,311,000	1,688,641	1,686,466	379,571
2030	755,000	724,850	2,670,000	1,539,663	1,733,735	338,335
2031-2035	4,365,000	3,020,250	12,750,000	6,023,500	8,919,869	1,023,693
2036-2040	5,530,000	1,857,400	12,305,000	2,870,100	3,552,133	141,682
2041-2044	5,365,000	546,800	5,385,000	325,200	-0-	-0-
Net Debt	\$ 18,690,000	\$ 9,391,450	\$ 54,178,000	\$ 18,832,976	\$ 20,777,871	\$ 3,263,181

Year Ending June 30	Governmental Activities (Continued)		Business-Type Activities	
	Totals		Bonds, Other Payables & Leases	
	Principal	Interest	Principal	Interest
2026	\$ 8,191,093	\$ 3,742,360	\$ 1,352,424	\$ 340,060
2027	8,586,942	3,412,541	1,442,731	308,410
2028	7,819,633	3,092,171	1,521,332	272,657
2029	5,717,466	2,829,062	1,600,164	233,206
2030	5,158,735	2,602,848	1,679,241	189,837
2031-2035	26,034,869	10,067,443	3,343,504	193,293
2036-2040	21,387,133	4,869,182	-	-
2041-2044	10,750,000	872,000	-	-
Net Debt	\$ 93,645,871	\$ 31,487,607	\$ 10,939,396	\$ 1,537,463

General Obligation Bonds

On April 10, 2024, the City issued \$19,300,000 in General Obligation Bonds (Series 2024) at a rate of 4.00 to 5.00 percent with a final maturity date of April 1, 2044. The bonds were issued for the purpose of i) paying all or a portion of the costs of construction and equipping a fire station and related improvements, and to ii) pay expenses incurred in connection with the issuance of the Series 2024 bonds. The bonds are payable from the proceeds of ad valorem taxes to be levied without limitation as to the rate or amount on all the taxable property in the City, fully sufficient to make payments on the bonds as to both principal and interest. The Series 2024 Bonds maturing on or after April 1, 2035, are subject to redemption prior to maturity, at the option of Sandy City, on or after April 1, 2034, at a price equal to par plus accrued interest to the date of redemption.

Water Revenue Bonds

On September 18, 2020, the Water Utility issued \$7,035,000 in Water Revenue Refunding Bonds (Series 2020) at a rate of 4.00 percent with a final maturity date of July 15, 2032. The bonds were issued for the purpose of i) refund outstanding 2017 Water Revenue Bonds for economic savings, and to ii) pay the cost of issuance of the Series 2020 bonds. The bonds are payable solely by a pledge and assignment of water

SANDY CITY
Notes to the Financial Statements
June 30, 2025

system revenues, after payment of operation and maintenance expenses. The bonds maturing on or after July 15, 2031, are subject to optional redemption prior to maturity on or after July 15, 2030, at a price equal to 100 percent of the principal amount of the bonds to be redeemed plus accrued interest to the date of redemption.

Principal and interest paid for the current year and net available revenues were \$1,291,100 and \$10,947,899, respectively. It is estimated that annual principal and interest payments are expected to require approximately 12 percent of net revenues.

Sales Tax Revenue Bonds

Sales Tax Revenue Bonds are special limited obligations of the City backed by the sales and use taxes levied by the City under the Local Sales and Use Tax Act.

On November 27, 2013, the City issued \$10,816,000 in Sales Tax Revenue and Refunding Bonds (Series 2013C) with an interest rate of 3.35 percent with a final maturity date of June 15, 2029. The bonds were issued to i) finance an ownership interest in the Mount Jordan Theater Project and related improvements, and ii) refund the Series 2008 Tax Increment Transient Room Tax. The total principal and interest remaining to be paid on the bonds is \$3,193,413. The 2013C bonds are not subject to optional redemption prior to maturity.

On August 18, 2015, the City issued \$41,545,000 in Sales Tax Revenue Bonds (Series 2015) with an interest rate of 4.00 to 5.00 percent with a final maturity date of March 1, 2042. The bonds were issued to i) finance a performing arts theater for lease to the Hale Centre Theatre, and ii) pay the cost of issuing the Series 2015 Bonds. The total principal and interest remaining to be paid on the bonds is \$48,546,863. The 2015 bonds maturing on or before March 1, 2025, are not subject to redemption at the option of the City. The 2015 bonds maturing after March 1, 2026, are subject to subject to redemption at the option of the City. The 2015 bonds maturing after March 1, 2025, are subject to redemption at the option of the city at a redemption price equal to 100 percent of bonds to be redeemed plus accrued interest up to the date of redemption. The series 2015 bonds maturing on March 1, 2040, are subject to mandatory sinking fund redemption at a price equal to 100 percent of outstanding principal plus interest.

On September 12, 2019, the City issued \$4,725,000 in Sales Tax Revenue Refunding Bonds (Series 2019) with an interest rate of 4.00 percent with a final maturity date of September 15, 2029. The bonds were issued to i) refund Sandy City's currently outstanding Series 2009 Sales Tax Revenue Bonds (Taxable Build America Bonds (BABs)) and Series 2010 Sales Tax Revenue Refunding Bonds for economic savings; and ii) pay certain costs of issuing the Series 2019 Bonds. The total principal and interest remaining to be paid on the bonds is \$2,266,900. The 2019 bonds are not subject to optional redemption prior to maturity.

On October 19, 2013, the City issued \$8,645,000 in Sales Tax Revenue Bonds (Series 2023) with an interest rate of 5.00 percent with a final maturity date of April 15, 2036. The bonds were issued to i) finance Monroe Street construction and all related improvements; and ii) pay costs of issuing the Series 2023 Bonds. The total principal and interest remaining to be paid on the bonds is \$9,879,500. The Series 2023 Bonds maturing on or after April 15, 2034, are subject to redemption prior to maturity, at the election of Sandy City, on or after April 15, 2033, at a price equal to par plus accrued interest to the date of redemption.

SANDY CITY
Notes to the Financial Statements
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Principal and interest paid for the current year on all outstanding Sales Tax Revenue Bonds and total sales and use tax revenues were \$4,211,363 and \$30,859,679 respectively. It is estimated that approximately 13.6 percent of sales and use tax revenues will be used for annual principal and interest payments.

Transient Room Tax Revenue Bonds

On August 21, 2007, the City's Redevelopment Agency issued \$27,000,000 in Transient Room Tax Revenue Bonds, Series 2007A, and \$8,000,000 in Subordinate Transient Room Tax and Annual Contribution Revenue Bonds, Series 2007B, at a 4.88 percent interest rate with a final maturity date of July 15, 2027. The bonds were issued to i) finance the costs of acquiring land for a new soccer stadium and related facilities, ii) acquire and construct infrastructure, parking, landscaping, and related improvements in connection with such stadium to be built in the City and more specifically within the Community Development Project Area, and iii) pay costs associated with the issuance of the bonds. The City's portion of the transient room tax has been pledged as collateral for these bonds. Annual principal and interest payments on the bonds are estimated to require 100 percent of transient room tax revenues.

For both the Series 2007A and 2007B bonds, up to \$1,000,000 in aggregated principal amounts are subject to redemption, but only from excess revenues, at the option of the issuer on any interest payment date prior to maturity. The redemption price is equal to 100 percent of the principal amount of the Series 2007A and Subordinate Series 2007B bonds to be redeemed, plus accrued interest thereon to the redemption date.

Series 2007A and 2007B bonds maturing on or after July 15, 2018, are also subject to redemption at the option of the issuer on July 15, 2017, and on any date thereafter prior to maturity, in whole or in part, at a redemption price of 100 percent of the principal amount of the bonds to be redeemed, plus accrued interest to the date of redemption.

On July 15, 2013, the City refunded \$24,215,000 of the Transient Room Tax Revenue Series 2007A and \$6,252,000 of the Subordinated Transient Room Tax and Annual Contribution Revenue Bonds Series 2007B at a 3.45 percent interest rate.

On December 15, 2021, the City refunded \$13,135,000 of the Transient Room Tax, Series 2013A and \$3,595,000 of the Subordinated Transient Room Tax and Annual Contribution Revenue Bonds Series 2013B at a 2 to 4 percent interest rate with a final maturity date of July 15, 2027. The total amount of principal and interest remaining to be paid on the bonds is \$12,002,125.

Principal and interest paid for the current year on all outstanding Transient Room Tax Revenue Bonds were \$3,040,000 and \$382,825, respectively. Transient Room Tax revenues were \$5,164,101. It is estimated that 100 percent of transient room tax revenues will be used for annual principal and interest payments.

Other Loan Payable

In May 2022, the City entered a loan with the Utah Department of Transportation's State Infrastructure Bank Loan Fund for \$15,000,000 at a 1.62 percent interest rate with a maturity date of April 30, 2037. These funds were granted to enable the City to finance the construction of parking facilities. The City will use tax increment funds from the Civic Center North project area to fund the annual payment of \$1,140,481.

SANDY CITY
Notes to the Financial Statements
June 30, 2025

In April 2023 the City entered a loan with the Utah Department of Transportation's State Infrastructure Bank Loan Fund for \$5,300,000 at a 3.25 percent interest rate with a maturity date of March 31, 2038. These funds were granted to enable the City to finance the construction of parking facilities. The City will use tax increment funds from the Civic Center North project area to fund the annual payment of \$452,029.

Fire Truck Payable

In July 2018, the City entered a lease – purchase agreement with PNC Equipment wherein a \$990,000 fire truck was acquired at a 3.85 percent interest rate with a maturity date of July 20, 2025. The Fire Department will be assessed the annual payments of \$164,030.

Compensated Absences

It is the City's policy to permit employees to accumulate earned personal time-off (PTO). All PTO pay is accrued when incurred in the government-wide financial statements. The liability for these amounts is funded in the payroll management fund, an internal service fund, for proprietary funds and governmental funds if they have matured.

Contracts Payable

During fiscal year 2005, the City acquired preferential water rights for water produced from the Ontario Drain Tunnel through MWDSLS. MWDSLS issued \$81,750,000 in Series 2005A and Series 2005B Water Revenue Bonds bearing interest rates from 3.00 to 5.00 percent. The City will pay 16.92 percent (\$13,832,100) of this debt to MWDSLS over 27 years (the life of the debt).

Right-To-Use Lease Assets

The related leases are discussed in the Leases subsection of this note. The right-to-use lease assets are amortized on a straight-line basis over the terms (shorter of the lease term or the useful life) of the related leases.

Right-To-Use Subscription IT Assets

The related subscription IT assets are discussed in the Subscription IT Assets subsection of this note. The right-to-use subscription IT assets are amortized on a straight-line basis over the terms (shorter of the subscription term or the useful life) of the related subscription IT assets.

Leases

The City has entered into agreements to lease land and equipment under various lease agreements. The lease agreements qualify as other than short-term leases under GASB 87 and therefore have been recorded at the present value of the future minimum lease payments as of the date of their inception. Total lease payments in Fiscal Year 2025 were composed of principal payment of \$36,013 and interest payment of \$51,963 for a total of \$87,976.

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Notes to the Financial Statements
June 30, 2025

Subscription IT Assets

The City has entered into agreements to subscribe to software under various subscription agreements. The subscription agreements qualify as other than short-term subscription under GASB 96 and therefore have been recorded at the present value of the future minimum subscription payments as of the date of their inception. Total subscription payments in Fiscal Year 2025 were composed of principal payment of \$190,036 and interest payment of \$104,704 for a total of \$294,740.

The subscription IT assets for the City's enterprise resource planning system, water utility billing, geographic information system, the City's phone system, and employee development courses consist of 6 subscription agreements with terms of 3-10 years. The subscriptions expire ranged from fiscal year 2026 to fiscal year 2034. The interest rate on these subscriptions ranged from 3.607 percent to 4 percent.

Note 12 - Pension Plans

Plan Description

Eligible plan participants are provided with pensions through the Utah Retirement Systems. Participation in Utah Retirement 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 retirement system.
- Public Employees Contributory Retirement System (Contributory System) is a multiple-employer, cost sharing, retirement system.
- Public Safety Retirement System (Public Safety System) is a mixed agent and cost sharing, multiple-employer public employee retirement system.
- Firefighters Retirement System (Firefighters System) is a multiple-employer, cost sharing, retirement system.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System) is a multiple employer, cost sharing, public 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 Utah Retirement Systems, are members of the Tier 2 Retirement System.

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Notes to the Financial Statements
June 30, 2025

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

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

Summary of Benefits by System

Benefits provided: URS provides 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 Percentage per Year of Service	COLA**
Noncontributory System	Highest 3 Years	30 years, any age 25 years, any age* 20 years, age 60* 10 years, age 62* 4 years, age 65	2.0% per year all years	Up to 4%
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%
Public Safety System	Highest 3 Years	20 years, any age 10 years, age 60 4 years, age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% or 4% depending upon employer
Firefighters System	Highest 3 Years	20 years, any age 10 years, age 60 4 years, age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 4%
Tier 2 Public Employees System	Highest 5 Years	35 years, any age 20 years, age 60* 10 years, age 62* 4 years, age 65	1.5% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighters System	Highest 5 Years	25 years, any age 20 years, age 60* 10 years, age 62* 4 years, age 65	1.5% per year to June 30, 2020; 2% per year July 1, 2020 to present	Up to 2.5%

* Actuarial reductions are applied.

**All post-retirement cost-of-living adjustments are non-compounding and are based on the original benefit except for Judges, which is a compounding benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year, although unused CPI increases not met may be carried forward to subsequent years.

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Notes to the Financial Statements
June 30, 2025

Contribution Rate Summary

As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the Utah State Retirement Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable), is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of June 30, 2025, are as follows:

	Tier 1 - DB system			Tier 2 - DB Hybrid System				Tier 2 - 401(k) Option			
	Employee	Employer	Employer 401(k)	Tier 2 Fund	Employee	Employer	Employer 401(k)	Tier 2 Fund	Employee	Employer	Employer 401(k)
Contributory System											
11 Local Government Div	6.00	12.96	-0-	111	.70	16.95	-0-	211	-0-	6.95	10.00
Noncontributory System											
15 Local Government Div	-0-	16.97	-0-	111	.70	15.19	-0-	211	-0-	5.19	10.00
Public Safety System											
Noncontributory											
49 Other Div B with 2.5% COLA	-0-	32.57	-0-	122	4.73	24.03	-0-	222	-0-	10.03	14.00
Firefighters Retirement System											
32 Other Division B	16.71	4.34	-0-	132	4.73	14.08	-0-	232	-0-	.08	14.00

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

For fiscal year ended June 30, 2025, the employer and employee contributions to the System were as follows:

System	Employer	Employee
Noncontributory System	\$ 2,273,342	\$ -0-
Contributory System	48,603	22,501
Public Safety System	1,766,606	-0-
Firefighters System	179,657	691,719
Tier 2 Public Employees System	1,540,489	71,025
Tier 2 Public Safety & Firefighter	1,889,756	452,579
Tier 2 DC Public Employees Plan	106,951	-0-
Tier 2 DC Public Safety & Firefighter System	86,469	-0-
Total Contributions	\$ 7,891,873	\$ 1,237,824

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

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

At June 30, 2025, the City reported a net pension liability of \$13,208,750 and a net pension asset of \$8,173,947.

SANDY CITY
Notes to the Financial Statements
June 30, 2025

(Measure Date): December 31, 2024

	Net Pension Liability	Net Pension Asset	Proportionate Share	Proportionate Share December 31, 2023	Change (Decrease)/Increase
Noncontributory System	\$ 4,642,341	\$ -0-	1.4639457%	1.4596016%	0.0043441%
Contributory System	407,415	-0-	3.2508412%	2.9800125%	0.2708287%
Public Safety System	6,294,829	-0-	8.7269614%	8.3623027%	0.3646587%
Firefighters System	-0-	8,173,947	4.8033054%	4.6556394%	0.1476660%
Tier 2 Public Employees System	975,630	-0-	0.3271304%	0.3324269%	-0.0052965%
Tier 2 Public Safety and Firefighters	888,535	-0-	1.9645288%	1.8989060%	0.0656228%
	<u>\$ 13,208,750</u>	<u>\$ 8,173,947</u>			

The net pension asset and liability were measured as of December 31, 2024, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2024, and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer’s actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2025, the City recognized pension expense of \$10,545,702.

At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,639,321	\$ 53,407
Changes in assumptions	1,428,293	14,053
Net difference between projected and actual earnings on pension plan investments	3,517,847	-0-
Changes in proportion and differences between contributions and proportionate share of contributions	508,567	243,354
Contributions subsequent to the measurement date	3,843,221	-0-
	<u>\$ 15,937,248</u>	<u>\$ 310,814</u>

\$3,843,221 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to our fiscal year end, but subsequent to the measurement date of December 31, 2024.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

SANDY CITY
Notes to the Financial Statements
June 30, 2025

<u>Year ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2025	\$ 5,580,008
2026	6,318,572
2027	(1,229,683)
2028	(75,348)
2029	409,011
Thereafter	780,655

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

For the year ended June 30, 2025, the City recognized pension expense of \$4,228,614.

At June 30, 2025, the City reported deferred outflow of resources and deferred inflows of resources relating to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 2,766,168	\$ -0-
Changes in assumptions	384,007	-0-
Net difference between projected and actual earnings on pension plan investments	1,398,347	-0-
Changes in proportion and differences between contributions and proportionate share of contributions	-0-	31,735
Contributions subsequent to the measurement date	1,100,883	-0-
	<u>\$ 5,649,405</u>	<u>\$ 31,735</u>

\$1,100,883 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, 2024.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions, will be recognized in pension expense as follows:

SANDY CITY
Notes to the Financial Statements
June 30, 2025

<u>Year ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2025	\$ 2,637,077
2026	2,550,727
2027	(567,404)
2028	(103,612)
2029	-0-
Thereafter	-0-

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

For year ended June 30, 2025, the City recognized pension expense of \$107,630.

At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -0-	\$ -0-
Changes in assumptions	-0-	-0-
Net difference between projected and actual earnings on pension plan investments	218,743	-0-
Changes in proportion and differences between contributions and proportionate share of contributions	-0-	-0-
Contributions subsequent to the measurement date	23,104	-0-
	<u>\$ 241,847</u>	<u>\$ -</u>

\$23,104 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, 2024.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions, will be recognized in pension expense as follows:

<u>Year ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2025	\$ (1,822)
2026	312,046
2027	(78,476)
2028	(13,005)
2029	-0-
Thereafter	-0-

SANDY CITY
Notes to the Financial Statements
June 30, 2025

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

For the year ended June 30, 2025, the City recognized pension expense of \$4,219,170.

As of June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,810,914	\$ -0-
Changes in assumptions	216,921	-0-
Net difference between projected and actual earnings on pension plan investments	868,485	-0-
Changes in proportion and differences between contributions and proportionate share of contributions	46,752	-0-
Contributions subsequent to the measurement date	812,692	-0-
	<u>\$ 3,755,764</u>	<u>\$ -</u>

\$812,692 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, 2024.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows or resources and deferred inflows of resources related to pensions, will be recognized in pension expense as follows:

<u>Year ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2025	\$ 1,947,276
2026	1,406,379
2027	(348,154)
2028	(62,428)
2029	-0-
Thereafter	-0-

SANDY CITY
Notes to the Financial Statements
June 30, 2025

Firefighters System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2025, the City recognized pension expense of (\$360,160).

At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,102,534	\$ -0-
Changes in assumptions	3,211	-0-
Net difference between projected and actual earnings on pension plan investments	912,322	-0-
Changes in proportion and differences between contributions and proportionate share of contributions	224,523	178,350
Contributions subsequent to the measurement date	87,576	-0-
	<u>\$ 2,330,166</u>	<u>\$ 178,350</u>

\$87,576 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, 2024.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions, will be recognized in pension expense as follows:

Year ended December 31,	Net Deferred Outflows (Inflows) of Resources
2025	\$ 783,225
2026	1,718,494
2027	(369,082)
2028	(68,399)
2029	-0-
Thereafter	-0-

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Notes to the Financial Statements
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Tier 2 Public Employees System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2025, the City recognized pension expense of \$1,066,337.

At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 421,773	\$ 6,721
Changes in assumptions	325,848	101
Net difference between projected and actual earnings on pension plan investments	62,358	-0-
Changes in proportion and differences between contributions and proportionate share of contributions	155,945	15,569
Contributions subsequent to the measurement date	823,132	-0-
	<u>\$ 1,789,056</u>	<u>\$ 22,391</u>

\$823,132 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, 2024.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions, will be recognized in pension expense as follows:

<u>Year ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2025	\$ 113,242
2026	174,433
2027	75,438
2028	92,280
2029	218,440
Thereafter	269,699

SANDY CITY
Notes to the Financial Statements
June 30, 2025

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

For the year ended June 30, 2025, the City recognized pension expense of \$1,284,111.

At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 537,932	\$ 46,685
Changes in assumptions	498,306	13,953
Net difference between projected and actual earnings on pension plan investments	57,592	-0-
Changes in proportion and differences between contributions and proportionate share of contributions	81,348	17,699
Contributions subsequent to the measurement date	995,834	-0-
	<u>\$ 2,171,012</u>	<u>\$ 78,337</u>

\$995,834 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, 2024.

These contributions will be recognized as a reduction to the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions, will be recognized in pension expense as follows:

Year ended December 31,	Net Deferred Outflows (Inflows) of Resources
2025	\$ 101,010
2026	156,494
2027	57,995
2028	79,816
2029	190,571
Thereafter	510,956

SANDY CITY
Notes to the Financial Statements
June 30, 2025

Actuarial Assumptions

The total pension liability in the December 31, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the January 1, 2023, valuation were based on an 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Expected Return Arithmetic Basis		Long Term Expected Portfolio
	Target Asset Allocation	Real Return Arithmetic Basis	Real Rate of Return
Equity securities	35.00%	7.01%	2.45%
Debt securities	20.00%	2.54%	0.51%
Real assets	18.00%	5.45%	0.98%
Private equity	12.00%	10.05%	1.21%
Absolute return	15.00%	4.36%	0.65%
Cash and cash equivalents	-0-%	0.49%	-0-%
Totals	100.00%		5.80%
	Inflation		2.50%
	Expected arithmetic nominal return		8.30%

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

SANDY CITY
Notes to the Financial Statements
June 30, 2025

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 URS Board. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current, active, and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate.

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

The following presents the proportionate shares of the net pension liability calculated using the discount rate of 6.85 percent, as well as what the proportionate share of what the net pension liability (asset) 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:

System	1% Decrease or 5.85%	Discount Rate of 6.85%	1% Increase or 7.85%
Noncontributory System	\$ 19,633,295	\$ 4,642,341	\$ (7,930,217)
Contributory System	1,730,547	407,415	(723,707)
Public Safety System	17,173,211	6,294,829	(2,608,734)
Firefighters System	394,250	(8,173,945)	(15,230,703)
Tier 2 Public Employee System	2,913,971	975,630	(532,207)
Tier 2 Public Safety and Firefighter	3,029,819	888,535	(823,456)
Total	<u>\$ 44,875,093</u>	<u>\$ 5,034,805</u>	<u>\$ (27,849,024)</u>

**Pension plan fiduciary net position: Detailed information about the fiduciary net position of the pension plans is available in the separately issued URS financial report.

Defined Contribution Savings Plans

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

Sandy City participates in the following Defined Contribution Savings Plans with Utah Retirement Systems:

- *401(k) Plan
- *457(b) Plan

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Notes to the Financial Statements
June 30, 2025

Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans for fiscal year ended June 30th were as follows:

	2025		2024		2023
401(k) Plan					
Employer Contributions	\$ 1,024,337	\$	1,042,340	\$	805,150
Employee Contributions	817,807		673,659		523,575
457(b) Plan					
Employer Contributions	\$ -0-	\$	-0-	\$	-0-
Employee Contributions	148,253		144,002		144,996

Note 13 - Deferred Compensation Plans

The City offers its employees a 457 deferred compensation plan and 401(k) defined contribution tax-sheltered annuity plan. Both plans are provided for within the Internal Revenue Code. The plans' assets and associated liabilities are administered by external agencies: MissionSquare Retirement Corporation and URS. The plans, available to all City employees, permit employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All ownership and associated interest of the plans are held solely for the benefit of the employees. As a result, the City does not report the assets or associated liabilities in the City's financial statements.

The City contributes to a 401(k) plan for and on behalf of its public employees, elected and appointed officials, including City Council members. Part-time non-benefitted (PTNB) and seasonal employees receive a City-provided 457 plan contribution. The City Council authorizes a percentage based upon an employee's base wage for Tier 1 URS employees to be contributed into deferred compensation plans: 18.96 percent for full-time employees (excluding public safety personnel), 32.57 percent for public safety, 21.05 percent for Fire, and a percentage for PTNB and seasonal employees, if eligible, depending on the year hired. The City does not pay into the 401(k) plan for public non-contributory, police, or fire employees. The required contribution rate to the 457 plan on behalf of temporary and seasonal employees is 7.50 percent.

For Tier 2 URS employees, the City will match employees' contributions to their 401(k) plan up to 3.00 percent. This percentage is the same for public contributory, public non-contributory, police officers, firefighters, mayor and council members. Tier 2 PTNB and seasonal employees have the same 7.50 percent required contribution to the 457 plan as the Tier 1 PTNB and seasonal employees.

The City's total matching contributions were \$1,201,665, which is 1.50 percent of the \$75,231,563 in total payroll for covered employees for the year ended June 30, 2025. The City's and employees' contributions for each employee (and interest allocated to the employee's account) are fully vested in the employee's account from the date of employment. In addition, all employees are eligible to participate in an elective deferral plan, which permits them to defer a portion of their salary until future years. The total

SANDY CITY
Notes to the Financial Statements
June 30, 2025

contributions made by the employees were \$2,401,959 for the year ended June 30, 2025. As of June 30, 2025, the City has made all payments to the plan administrator to satisfy this funding requirement.

Note 14 - Post-employment Benefits

The City allows terminated or retired employees to continue their health and dental insurance benefits for a period after the employee's termination or retirement date. For terminated employees on the COBRA plan, this time is 18 months and, for retired employees on the Retirement System, this period is up to 5 years from the retirement date or until eligible for Medicare, whichever comes first. The City also will pay up to two months of these premiums for an employee and their plan dependents if a current full or part-time employee dies. All other terminated or retired employees are required to pay the full cost of such extended health insurance coverage.

As of June 30, 2025, 6 employees had elected to participate in this post-employment benefit program on the Retirement Plan and no employees had elected to participate through COBRA, bearing the full cost of the insurance coverage. The administrative costs to the City for such benefits were not significant, and the City does not have a material post-employment benefit (OPEB) liability.

Note 15 - Personal Time-off

The City permits employees to accumulate earned but unused personal time-off (PTO) days. All PTO pay is accrued when incurred in the government-wide and proprietary funds financial statements.

Employees can accrue PTO days at various rates depending upon length of service. There are no requirements that PTO be taken, but the maximum permissible accumulation is 320 hours except for firefighters who can accumulate 480 hours. At termination, employees are paid for any unused accumulated vacation leave at the full dollar value.

The Payroll Management fund, an internal service fund, reports the City's entire compensated absences liability except for the long-term liability portion of the general fund. The long-term liability portion of the general fund is any amount more than 15% of what an employee can accrue in one year. As of June 30, 2025, the general fund long-term liability portion is \$5,712,979, and is only reported in the government-wide statements.

SANDY CITY
Notes to the Financial Statements
June 30, 2025

Note 16 - Commitments and Contingencies

The City is a defendant in various claims and suits arising from the ordinary course of business. The City's legal counsel believes it has meritorious defenses and any liability resulting from these matters would not be material. Accordingly, no provision for loss related to litigation has been made in the accompanying financial statements. The City records such costs as they occur.

Commitments for major construction and capital improvements projects totaled \$16,734,577 as of June 30, 2025.

The RDA, a governmental-type fund, has three agreements for the collection and remittance of tax increment. The following is a schedule of estimated future payments to all these entities as of June 30, 2025. The City's commitments are each of these are a flat amount and not based on taxable value. The remaining payments are estimated based on 2022 property tax rates and values.

	2026	2027-2031	2032-2036	2037
Union Heights	\$ 84,160	\$ -0-	\$ -0-	\$ -0-
East Village	765,000	3,825,000	2,835,033	-0-
Scheels, All Sports Inc.	370,000	1,850,000	1,850,000	1,110,000
Total	\$ 1,219,160	\$ 5,675,000	\$ 4,685,033	\$ 1,110,000

In the normal course of operations, the City receives grant funds from various federal agencies. The grant operations are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement that may arise as the result of audits on grant funds is not believed to be material.

SANDY CITY
Notes to the Financial Statements
June 30, 2025

Note 17 - Transfers In/Out

During normal operations, the City has transfers between the various funds. The principal purposes of the City’s interfund transfers are debt service and capital projects. Transfers in and out for the year ended June 30, 2025, are summarized as follows:

Transfers Out from the Following Funds:							
	General	Storm Water	Capital Project	RDA	Internal Service Funds	Total Transfers In	
Transfers In to the Following Funds:							
General	\$ -0-	\$ -0-	\$ -0-	\$ 91,667	\$ -0-	\$ 91,667	
Debt Service	56,136	461,100	135,755	5,228,842	-0-	5,881,835	
Capital Projects	982,603	-0-	-0-	-0-	396,466	1,379,070	
Other Governmental Funds	1,652,821	-0-	-0-	-0-	-0-	1,652,821	
Internal Service Funds	3,005,553	-0-	-0-	-0-	59,204	3,064,757	
Alta Canyon	99,995	-0-	-0-	-0-	-0-	99,995	
Total Transfers Out	\$ 5,797,108	\$ 461,100	\$ 135,755	\$ 5,320,510	\$ 455,670	\$ 12,170,146	

SANDY CITY
Notes to the Financial Statements
June 30, 2025

Note 18 - Risk Management

The City is exposed to various risks of loss including liability claims and lawsuits, property damage to real and personal property, employee work-related injuries; errors and omissions; and natural disasters. To address these risks, the City purchases various commercial insurance policies which are subject to specific exclusions, self-insured retention and deductibles. The general liability policy purchased by the City has a \$1,000,000 self-insured retention with a \$10,000,000 annual aggregate limit. Employee workers' compensation claims are covered by WCF Insurance. The City purchases property insurance for property, including fleet equipment, with individual values of more than \$50,000. Individual fleet equipment, less than \$50,000 in value, is self-insured while being operated. There have been no significant reductions in insurance coverage from the prior year and claim settlements, judgements and litigation expenses have not exceeded self-retention levels for the last three years.

Liabilities are reported when it is probable a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). The liability for claims and judgements is reported in the risk management fund and has been expensed in the current period. Changes in the balances of claims liabilities are as follows:

	Year Ended June 30, 2025	Year Ended June 30, 2024
Unpaid Claims, Beginning of Fiscal Year	\$ 1,343,658	\$ 511,960
Incurred Claims and Changes in Estimates (including IBNR's)	374,997	1,712,453
Claim Payments	(520,812)	(880,755)
Unpaid Claims, End of Fiscal Year	<u>\$ 1,197,843</u>	<u>\$ 1,343,658</u>

SANDY CITY
Notes to the Financial Statements
June 30, 2025

Note 19 - Sandy City Redevelopment Agency

For the year ended June 30, 2025, the City's RDA had the following significant activities:

Taxes collected by the RDA:	
Transient room tax	\$ 5,164,101
Tax increment by project:	
Civic Center South	976,054
9400 South CDA	101,335
Union Heights CDA	46,784
Civic Center North	2,498,304
11400 South CDA	569,600
Transient Oriented	1,220,213
Total tax increment	<u>5,412,290</u>
Total taxes collected	<u>\$ 10,576,392</u>
Outstanding loans which financed RDA projects	\$ 19,982,325
Significant amounts expended include:	
Equipment	2,097
Tax increment from non-taxing agencies	1,545,367
Housing	711,360
Administrative costs	565,531

Note 20 - Tax Abatement Agreements

Utah State law (see Utah Code Ann. § 17C-1-102(47)) allows cities to abate taxes for a variety of economic development purposes. Sandy City negotiates tax abatement agreements on an individual basis. As of June 30, 2025, the City's RDA had one post-performance tax increment financing agreement where specific actions which contribute to economic development must be taken by the entity receiving the abatement. This agreement is with Scheels, All Sports, Inc.

Each year, Scheels, All Sports, Inc. must send written proof to the RDA that the number of jobs employed at the Sandy site is at least 140 during that year. Upon such proof, 100 percent of the property tax increment generated from the site will be paid to Scheels, All Sports, Inc. In addition, the RDA shall pay Scheels, All Sports, Inc. \$150,000 per year if the participant generates point of sale taxable sales equal to a dollar amount stated in the agreement. The length of the agreement for both types of taxes is 25 years. The tax increment share paid to Scheels, All Sports, Inc. during fiscal year 2025 was \$350,510.

Utah Code § 59-1-403 prohibits the release of sales tax information specific to a particular entity. Therefore, no further details can be provided regarding the sales tax abatement agreements listed above.

SANDY CITY
Notes to the Financial Statements
June 30, 2025

Note 21 - Related Party Transactions

During the year ended June 30, 2025, the following payments were made to MWDSL, which is a related entity:

- \$882,693 in debt service payments for water rights to the Ontario Drain Tunnel water
- \$4,210,322 capital improvements to be conducted by MWDSL (long-term commitment)
- \$6,858,140 for water purchases for resale

To meet the water supply needs of Salt Lake City and Sandy, the Metropolitan Water District Board, a related entity, completed a new treatment plant. The 70 million gallon per day plant is funded by an assessment paid by the two cities. Sandy City has 37.5 percent of the capacity and cost assessment in the new plant. Future minimum payments due as of June 30, 2025, total \$42,103,220, which will be made in annual payments of \$4,210,322 through fiscal year 2033, with the final payment, to be made in fiscal year 2034, of \$8,420,644. Amount due to MWDSL for purchases of water at June 30, 2025 was \$645,063.

Note 22 – Subsequent event

On December 17, 2025, the Hale Center Theater deposited \$33,541,587 with the City’s trustee to be used towards paying off the Sandy City Sales Tax 2015 bonds. These funds were used to pay off all bonds held by Sandy City and the City released the deed to the structure to the Hale Center Theater management. This payoff affects the largest bonds held in the City’s debt service fund; both the current and long-term debt. Also as the City was leasing the structure to the Hale Center Theater, the long-term lease was dissolved, and the asset is no longer City property.

Note 23 – Restatement

Correction of Error in Previously Issued Financial Statements

During fiscal year 2025, Sandy City determined that there was an error in amounts previously reported in the fiscal year 2015 thru 2024 resulting in a restatement of the beginning net position and fund balance. The correction consists of the following:

1. Payroll liability balances in the General Fund were overstated related to benefit accruals.

The effect of this correction is described in the table below.

SANDY CITY
Notes to the Financial Statements
June 30, 2025

	General Fund
Beginning Fund Balance, as previously reported on June 30, 2024	\$ 9,493,192
Error correction (1)	1,339,323
Fund Balance - Beginning as restated at July 1, 2024	<u>\$ 10,832,515</u>
Beginning Government Activities Net Position previously reported on June 30, 2024	\$ 631,531,960
Error correction (1)	1,339,323
Governmental Activities Net Position - Beginning as restated at July 1, 2024	<u>\$ 632,871,283</u>

The impact of the above restatement related to the error increased the change in fund balance in the General Fund by \$0 for the fiscal year ended 2024 but addressed fund balance adjustment for fiscal year 2023. Additionally, the impact of the above restatement related to the error increased the change in net position of the governmental activities by \$0 for the fiscal year ending June 30, 2024 and addressed fund net position adjustment for fiscal year 2023.

Required Supplementary Information

SANDY CITY
Roadway System Condition and Maintenance
Modified Approach for Infrastructure
Last 5 Fiscal Years Ending June 30

The condition of the road pavement is measured using the Stantec Pavement Management Application (PMA), which is based on a weighted average of nine distress factors found in pavement surfaces (cracking, raveling, chuck holes, patching, edge cracking, rutting/shoving, bleeding, excessive crown, and distortion). The PMA uses a measurement scale based on a condition index ranging from 0 to 10 for pavement in perfect condition. The condition index is used to classify roads in good or better condition (6.5 - 10), fair condition (4.0 - 6.4), and substandard condition (less than 4.0). These condition indexes are used to evaluate other elements in the right-of-way including sidewalks, curb and gutter, waterways, drive approaches, street signs, and traffic signals. All of these elements, including pavement, make up what is known as the street system. The City's policy is to maintain at least 80 percent of its street system at a good or better condition and have no more than 10 percent in a substandard condition.

Condition assessments in the appropriate database are updated annually. For fiscal year 2025, Secondary and collectors in good or better condition increased 3.6 percent and 3.5 percent respectively. The focus for Public Works maintenance has been on the Lower volume roadways. Thus, the streets division has continued planned improvements on the Secondary network in FY25. Work in FY26 will continue to shift towards Secondaries as time and budget allows, while continuing a slurry and crack seal program for residential streets. Due to the size of the City, it takes approximately two years to complete a 100 percent evaluation of these elements before restarting the process.

Condition Rating of the City's Roadway System for Fiscal Years Ending June 30,

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Percentage of Roadway System in Good or Better Condition					
Arterials	98.1%	98.0%	94.1%	91.1%	83.6%
Collectors	82.1%	78.6%	76.1%	77.0%	82.4%
Secondary	79.3%	75.7%	83.1%	89.3%	88.8%
Overall System	86.8%	83.8%	83.9%	86.9%	85.7%

Percentage of Roadway System in Substandard Condition					
Arterials	0.1%	0.0%	0.1%	0.1%	0.5%
Collectors	1.2%	1.2%	1.1%	1.0%	0.1%
Secondary	1.4%	2.0%	0.7%	0.3%	0.3%
Overall System	0.8%	1.1%	0.7%	0.4%	0.3%

Comparison of Needed to Actual Maintenance/Preservation

Arterials:

Needed	\$ 4,057,093	\$ 4,558,124	\$ 4,229,031	\$ 4,412,123	\$ 3,636,177
Actual	4,232,083	5,476,301	3,447,246	4,212,134	3,256,190

Collectors:

Needed	811,419	911,625	845,806	882,425	727,235
Actual	846,417	1,095,260	689,449	842,427	651,238

Secondary:

Needed	927,335	1,041,857	966,636	1,008,485	831,126
Actual	967,333	1,251,726	787,942	962,773	744,272

Overall System:

Needed	5,795,847	6,511,606	6,041,473	6,303,033	5,194,538
Actual	6,045,832	7,823,287	4,924,636	6,017,333	4,651,699
	<u>\$ 249,985</u>	<u>\$ 1,311,681</u>	<u>\$ (1,116,837)</u>	<u>\$ (285,700)</u>	<u>\$ (542,839)</u>

See Notes to Required Supplementary Information.

SANDY CITY
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Utah Retirement Systems
Last 10 Years Ended June 30, ¹

	Non-contributory System	Contributory Retirement System	Public Safety System	Firefighters System	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighter System
Proportion of the net pension liability (asset)						
12/31/15	1.5718891%	1.7875300%	8.1301718%	4.9296581%	0.2901317%	2.1163697%
12/31/16	1.4785597%	2.9751790%	7.7662414%	4.6938587%	0.3413357%	2.1060616%
12/31/17	1.4972565%	3.0774344%	7.7880332%	4.7421452%	0.3351613%	2.0752385%
12/31/18	1.4769813%	2.9340912%	7.4132550%	4.6425852%	0.3818330%	2.0362817%
12/31/19	1.4682922%	2.8784461%	7.4187303%	4.6154473%	0.3884722%	2.0886436%
12/31/20	1.4246075%	3.2541910%	7.5782657%	4.8517722%	0.3590855%	2.0880969%
12/31/21	1.3908004%	3.8538470%	8.0536007%	5.0431277%	0.3537760%	2.0290051%
12/31/22	1.4099887%	3.2040664%	8.2378866%	4.9789224%	0.3309709%	1.9441173%
12/31/23	1.4596016%	2.9800125%	8.3623027%	4.6556394%	0.3324269%	1.8989060%
12/31/24	1.4639457%	3.2508412%	8.7269614%	4.8033054%	0.3271304%	1.9645288%
Proportionate share of the net pension liability (asset)						
12/31/15	\$8,894,513	\$1,256,373	\$3,967,128	\$838,822	(\$633)	(\$30,921)
12/31/16	\$9,494,163	\$976,189	\$4,840,676	\$694,304	\$38,076	(\$18,282)
12/31/17	\$6,559,930	\$250,424	\$3,763,204	(\$1,063,831)	\$29,550	(\$24,012)
12/31/18	\$10,876,082	\$1,190,662	\$5,841,615	\$1,876,310	\$163,531	\$51,020
12/31/19	\$5,533,800	\$188,643	\$3,684,141	(\$2,886,101)	\$87,370	\$196,467
12/31/20	\$730,742	(\$583,222)	\$2,724,631	(\$6,537,033)	\$51,646	\$187,291
12/31/21	(\$7,965,263)	(\$2,789,965)	(\$2,884,161)	(\$13,641,279)	(\$149,731)	(\$102,551)
12/31/22	\$2,414,957	\$329,530	\$3,827,940	(\$6,266,938)	\$360,392	\$162,187
12/31/23	\$3,385,640	\$245,982	\$5,466,540	(\$7,907,646)	\$647,029	\$715,303
12/31/24	\$4,642,341	\$407,415	\$6,294,829	(\$8,173,945)	\$975,630	\$888,535
Covered payroll						
12/31/15	\$13,307,208	\$761,645	\$5,191,566	\$4,153,655	\$1,874,930	\$1,259,576
12/31/16	\$12,770,763	\$713,861	\$4,981,161	\$4,056,195	\$2,799,225	\$1,740,065
12/31/17	\$12,810,158	\$624,459	\$4,790,872	\$3,968,371	\$2,190,289	\$2,190,289
12/31/18	\$12,448,939	\$549,172	\$4,446,884	\$3,795,708	\$4,457,284	\$2,722,613
12/31/19	\$12,457,841	\$515,797	\$4,507,494	\$3,796,156	\$5,398,631	\$3,442,457
12/31/20	\$12,068,306	\$536,795	\$4,541,647	\$4,004,922	\$5,740,676	\$4,147,054
12/31/21	\$11,735,002	\$566,060	\$4,919,710	\$4,128,002	\$6,563,301	\$4,852,148
12/31/22	\$12,656,928	\$449,330	\$5,672,865	\$4,102,380	\$7,216,810	\$5,981,656
12/31/23	\$13,741,713	\$400,957	\$5,956,977	\$4,038,705	\$8,594,379	\$7,195,032
12/31/24	\$14,009,612	\$402,730	\$5,891,196	\$4,078,899	\$9,690,607	\$8,967,498
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll						
12/31/15	66.84%	164.96%	76.41%	20.19%	-0.03%	-2.45%
12/31/16	74.34%	136.75%	97.18%	17.12%	1.36%	-1.05%
12/31/17	51.21%	40.10%	78.55%	-26.81%	0.90%	-1.10%
12/31/18	87.37%	216.81%	131.36%	49.43%	3.67%	1.87%
12/31/19	44.42%	36.57%	81.73%	-76.03%	1.62%	5.71%
12/31/20	6.06%	-108.65%	59.99%	-163.22%	0.90%	4.52%
12/31/21	-67.88%	-492.87%	-58.62%	-330.46%	-2.28%	-2.11%
12/31/22	19.08%	73.34%	67.48%	-152.76%	4.99%	2.71%
12/31/23	24.64%	61.35%	91.77%	-195.80%	7.53%	9.94%
12/31/24	33.14%	101.16%	106.85%	-200.40%	10.07%	9.91%
Plan fiduciary net position as a percentage of the total pension liability						
12/31/15	87.8%	85.7%	87.6%	98.1%	100.2%	110.7%
12/31/16	87.3%	92.9%	86.1%	98.4%	95.1%	103.6%
12/31/17	91.9%	98.2%	90.5%	102.3%	97.4%	103.0%
12/31/18	87.0%	91.2%	85.6%	96.1%	90.8%	95.6%
12/31/19	93.7%	98.6%	91.7%	105.8%	96.5%	89.6%
12/31/20	99.2%	103.9%	94.5%	112.0%	98.3%	93.1%
12/31/21	108.7%	115.9%	105.1%	122.9%	103.8%	102.8%
12/31/22	97.5%	97.7%	93.7%	110.3%	92.3%	96.4%
12/31/23	96.9%	98.2%	92.1%	113.3%	89.6%	89.1%
12/31/24	96.0%	97.3%	91.8%	112.7%	87.4%	90.1%

¹ In accordance with paragraph 81.a of GASB 68, a 10-year history of this schedule is required to be disclosed.

See notes to required supplementary information

SANDY CITY
SCHEDULE OF CONTRIBUTIONS
Utah Retirement Systems
Last 10 Years Ended June 30, '

As of Fiscal Year Ended	Non-contributory System	Contributory Retirement System	Public Safety System	Firefighters System	Tier 2 Public Employees System²	Tier 2 Public Safety and Firefighter System²	Tier 2 Public Employees DC Only System²	Tier 2 Public Safety and Firefighter DC Only System²
Actuarial Determined Contributions								
2016	2,442,666	112,011	1,619,571	287,498	363,709	266,973	31,564	244
2017	2,318,384	96,627	1,529,664	271,238	450,758	337,996	35,571	4,019
2018	2,275,303	85,814	1,439,688	254,408	585,337	420,965	50,866	7,973
2019	2,189,872	72,753	1,391,022	270,726	766,340	538,718	49,387	9,380
2020	2,220,196	74,789	1,466,544	286,797	880,276	661,259	65,931	24,173
2021	2,103,594	80,032	1,443,247	291,829	946,215	881,396	79,972	39,906
2022	2,142,361	76,302	1,671,963	296,569	1,112,753	1,062,585	94,049	52,089
2023	2,273,093	55,752	1,823,308	244,349	1,255,996	1,302,631	112,351	67,427
2024	2,441,495	59,159	1,916,393	252,973	1,480,812	1,596,165	131,323	91,352
2025	2,273,342	48,603	1,766,606	179,657	1,540,489	1,889,756	106,951	86,469
Contributions in relation to the contractually required contribution								
2016	(2,442,666)	(112,011)	(1,619,571)	(287,498)	(363,709)	(266,973)	(31,564)	(244)
2017	2,318,384	96,627	1,529,664	271,238	450,758	337,996	35,571	4,019
2018	2,275,303	85,814	1,439,688	254,408	585,337	420,965	50,866	7,973
2019	2,189,872	72,753	1,391,022	270,726	766,340	538,718	49,387	9,380
2020	2,220,196	74,789	1,466,544	286,797	880,276	661,259	65,931	24,173
2021	2,103,594	80,032	1,443,247	291,829	946,215	881,396	79,972	39,906
2022	2,142,361	76,302	1,671,963	296,569	1,112,753	1,062,585	94,049	52,089
2023	2,273,093	55,752	1,823,308	244,349	1,255,996	1,302,631	112,351	67,427
2024	2,441,495	59,159	1,916,393	252,973	1,480,812	1,596,165	131,323	91,352
2025	2,273,342	48,603	1,766,606	179,657	1,540,489	1,889,756	106,951	86,469
Contribution deficiency (excess)								
2016	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2017	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2018	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2019	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2020	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2021	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2022	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2023	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2024	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2025	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Covered payroll								
2016	13,420,343	774,624	5,237,673	4,252,911	2,439,355	1,533,838	462,346	125,075
2017	12,880,732	668,236	4,914,664	4,072,638	3,023,198	1,928,660	506,690	204,318
2018	12,641,604	594,251	4,586,993	3,781,745	3,863,890	2,447,454	737,593	226,207
2019	12,197,490	503,129	4,422,273	3,761,202	4,899,557	3,075,844	703,556	304,191
2020	12,382,694	527,426	4,681,765	3,976,187	5,621,172	3,864,643	927,887	464,224
2021	11,760,509	553,472	4,620,705	4,031,445	5,988,698	4,477,967	1,115,777	602,787
2022	12,009,517	527,678	5,308,498	4,096,226	6,924,418	5,301,894	1,288,259	738,267
2023	13,169,731	399,371	5,789,367	4,007,588	7,845,068	6,465,239	1,612,048	884,326
2024	14,122,392	423,776	6,086,692	4,135,156	9,249,302	8,221,949	1,887,764	1,274,086
2025	13,939,755	375,021	5,513,943	4,139,601	10,141,466	9,568,271	1,788,506	1,375,561
Contributions as a percentage of covered payroll								
2016	18.20%	14.46%	30.92%	6.76%	14.91%	17.41%	6.83%	0.20%
2017	18.00%	14.46%	31.12%	6.66%	14.91%	17.52%	7.02%	1.97%
2018	18.00%	14.44%	31.39%	6.73%	15.15%	17.20%	6.90%	3.52%
2019	17.95%	14.46%	31.45%	7.20%	15.64%	17.51%	7.02%	3.08%
2020	17.93%	14.18%	31.32%	7.21%	15.66%	17.11%	7.11%	5.21%
2021	17.89%	14.46%	31.23%	7.24%	15.80%	19.68%	7.17%	6.62%
2022	17.84%	14.46%	31.50%	7.24%	16.07%	20.04%	7.30%	7.06%
2023	17.26%	13.96%	31.49%	6.10%	16.01%	20.15%	6.97%	7.62%
2024	17.29%	13.96%	31.48%	6.12%	16.01%	19.41%	6.96%	7.17%

SANDY CITY
Notes to Required Supplementary Information
June 30, 2025

Note 1: Changes in Assumptions

No changes were made in actuarial assumptions from the prior year's valuation.

SANDY CITY
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

	General Fund	Storm Water	Debt Service	Capital Projects	RDA	Other Governmental Funds	Governmental Funds Total
Revenues:							
Taxes:							
Property Taxes	\$ 14,051,917	\$ -0-	\$ 1,590,115	\$ -0-	\$ 5,412,290	\$ -0-	\$ 21,054,322
Sales and Use Taxes	30,859,679	-0-	-0-	2,853,272	-0-	-0-	33,712,951
Franchise Taxes	8,143,255	-0-	-0-	-0-	-0-	-0-	8,143,255
Motor Vehicle Fee	631,813	-0-	-0-	-0-	-0-	-0-	631,813
Transient Room Taxes	-0-	-0-	-0-	-0-	5,164,101	-0-	5,164,101
Total Taxes	53,686,664	-0-	1,590,115	2,853,272	10,576,391	-0-	68,706,442
Innkeeper Fees	604,570	-0-	-0-	-0-	-0-	-0-	604,570
Licenses and Permits	2,958,476	-0-	-0-	-0-	-0-	-0-	2,958,476
Intergovernmental	6,322,129	-0-	900,000	1,534,464	-0-	1,020,566	9,777,159
Sponsors	-0-	-0-	-0-	25,536	-0-	221,433	246,969
Fines and Forfeitures	1,127,718	-0-	-0-	-0-	-0-	300	1,128,018
Cell Tower and Land Lease	997,866	-0-	-0-	124,953	-0-	-0-	1,122,819
Fees from Developers	-0-	482,588	-0-	174,621	-0-	-0-	657,209
Charges for Sales and Services	5,735,188	4,288,627	1,877,266	-0-	14,563	2,679,960	14,595,604
Interest Income	916,053	290,588	1,462,787	2,501,784	2,275,419	166,167	7,612,798
Miscellaneous	177,244	26,778	2,500	197,962	-0-	1,371,098	1,775,582
Total Revenues	72,525,908	5,088,581	5,832,668	7,412,592	12,866,373	5,459,524	109,185,646
Expenditures:							
Salaries and Benefits	52,423,074	1,457,663	-0-	-0-	490,478	2,386,036	56,757,251
Materials and Supplies	5,064,616	199,156	-0-	-0-	51,590	615,523	5,930,885
Contracted Services	2,034,296	27,025	-0-	-0-	265,699	380,633	2,707,653
Internal Charges	1,696,954	306,461	-0-	-0-	-0-	142,918	2,146,333
Administrative Charges	6,037,289	270,174	-0-	-0-	565,531	1,487,095	8,360,089
Cost of Goods Sold	-0-	33,731	-0-	-0-	-0-	562,533	596,264
Capital Outlays	226,641	3,988,903	-0-	36,058,459	2,542,111	1,187,610	44,003,724
Debt Service:							
Principal	-0-	-0-	7,117,832	-0-	-0-	-0-	7,117,832
Interest	-0-	-0-	3,895,145	-0-	-0-	-0-	3,895,145
Bond Issuance Cost and Trustee Fees	-0-	-0-	18,351	-0-	-0-	-0-	18,351
Total Expenditures	67,482,870	6,283,113	11,031,328	36,058,459	3,915,409	6,762,348	131,533,527
Excess (Deficiency) of Revenues Over (Under)							
Expenditures	5,043,038	(1,194,532)	(5,198,660)	(28,645,867)	8,950,964	(1,302,824)	(22,347,881)
Other Financing Sources (Uses):							
Other Income (Expense)	-0-	-0-	-0-	-0-	452,029	-0-	452,029
Transfers In	91,667	-0-	5,881,835	1,379,070	-0-	1,652,821	9,005,393
Transfers Out	(5,797,114)	(461,100)	-0-	(135,755)	(5,320,510)	-0-	(11,714,479)
Total Other Financing Sources (Uses)	(5,705,447)	(461,100)	5,881,835	1,243,315	(4,868,481)	1,652,821	(2,257,057)
Net Change in Fund Balances	(662,409)	(1,655,632)	683,175	(27,402,552)	4,082,483	349,997	(24,604,938)
Beginning Fund Balance	9,493,192	6,692,921	2,400,459	59,294,131	45,798,200	3,643,403	127,322,306
Adjustment (Note 23)	1,339,323	-0-	-0-	-0-	-0-	-0-	1,339,323
Beginning Fund Balances, as restated	10,832,515	6,692,921	2,400,459	59,294,131	45,798,200	3,643,403	128,661,629
Ending Fund Balances	\$ 10,170,106	\$ 5,037,289	\$ 3,083,634	\$ 31,891,579	\$ 49,880,683	\$ 3,993,400	\$ 104,056,691

SANDY CITY**Debt Service****Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****For the Year Ended June 30, 2025**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Taxes:			
Property Taxes	\$ 1,478,873	\$ 1,590,115	\$ 111,242
Intergovernmental	900,000	900,000	-0-
Charges for Sales and Services	2,853,762	1,877,267	(976,495)
Interest Income	37,000	1,462,787	1,425,787
Miscellaneous	2,500	2,500	-0-
Total Revenues	<u>5,272,135</u>	<u>5,832,668</u>	<u>560,533</u>
Expenditures:			
Principal	7,124,889	7,117,832	7,057
Interest	3,896,951	3,895,145	1,806
Bond Issuance Cost and Trustee Fees	29,306	18,351	10,955
Total Expenditures	<u>11,051,146</u>	<u>11,031,328</u>	<u>19,818</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,779,011)</u>	<u>(5,198,660)</u>	<u>580,351</u>
Other Financing Sources (Uses):			
Transfers In	5,704,011	5,881,835	177,824
Total Other Financing Sources (Uses)	<u>5,704,011</u>	<u>5,881,835</u>	<u>177,824</u>
Net Change in Fund Balance	(75,000)	683,175	758,175
Beginning Fund Balance	2,400,459	2,400,459	-0-
Ending Fund Balance	<u>\$ 2,325,459</u>	<u>\$ 3,083,634</u>	<u>\$ 758,175</u>

SANDY CITY**Capital Projects****Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****For the Year Ended June 30, 2025**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Sales and Use Taxes	\$ 2,723,000	\$ 2,853,272	\$ 130,272
Intergovernmental	1,917,872	1,560,000	(357,872)
Cell Tower and Land Lease	184,020	124,953	(59,067)
Fees from Developers	-0-	174,621	174,621
Interest Income	1,135,000	2,501,784	1,366,784
Miscellaneous	-0-	197,962	197,962
Total Revenues	<u>5,959,892</u>	<u>7,412,592</u>	<u>1,452,700</u>
Expenditures:			
Capital Outlays	<u>65,177,850</u>	<u>36,058,459</u>	<u>29,119,391</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(59,217,958)</u>	<u>(28,645,867)</u>	<u>30,572,091</u>
Other Financing Sources (Uses):			
Transfers In	396,465	1,379,070	982,605
Transfers Out	-0-	(135,755)	(135,755)
Total Other Financing Sources (Uses)	<u>396,465</u>	<u>1,243,315</u>	<u>846,850</u>
Net Change in Fund Balance	<u>(58,821,493)</u>	<u>(27,402,552)</u>	<u>31,418,941</u>
Beginning Fund Balance	59,294,131	59,294,131	-0-
Ending Fund Balance	<u>\$ 472,638</u>	<u>\$ 31,891,579</u>	<u>\$ 31,418,941</u>

Non-major Governmental Funds

Special revenue funds – This fund is used to account for specific revenues that are legally restricted, committed, or assigned to expenditure for particular purposes.

Community Development Block Grant (CDBG) – This fund is used to account for the revenues received by the City as grantee participant in the Community Development Block Grant program.

Recreation – This fund is used to account for the City's recreation activities.

Sandy Arts Guild – The City arranges for concerts, programs, and special events to be performed within our amphitheater for the enjoyment of our citizens. This fund is used to account for the revenue and expenditures associated with these events.

Street Lighting – This fund is used to account for the operation of the City's street light system.

Special Purpose – This fund was established to account for individual, private, and intergovernmental contributions held in trust by the City.

SANDY CITY
Combining Balance Sheet
Non-major Governmental Funds
June 30, 2025

						Non-major Governmental Funds	
	CDBG	Recreation	Sandy Arts Guild	Street Lighting	Special Purpose	Total	
ASSETS							
Current Assets:							
Cash, Cash Equivalents, and Investments	\$ -0-	\$ 172,442	\$ 1,149,608	\$ 1,818,586	\$ 1,203,993	\$ 4,344,629	
Receivables	-0-	(0)	-0-	111,731	200,925	312,656	
Due from other Governments	58,366	-0-	-0-	-0-	44,090	102,456	
Other Assets	-0-	-0-	2,651	-0-	-0-	2,651	
Total Assets	<u>\$ 58,366</u>	<u>\$ 172,442</u>	<u>\$ 1,152,259</u>	<u>\$ 1,930,317</u>	<u>\$ 1,449,008</u>	<u>\$ 4,762,392</u>	
LIABILITIES							
Current Liabilities:							
Accounts Payable	\$ 51,920	\$ 11,417	\$ 70,591	\$ 14,152	\$ 32,089	\$ 180,169	
Salaries and Benefits Payable	2,259	24,088	22,264	10,206	21,708	80,525	
Due to Other Governments	-0-	-0-	-0-	-0-	410,139	410,139	
Due to Other Funds	4,186	-0-	-0-	-0-	-0-	4,186	
Deposits	-0-	-0-	-0-	-0-	93,973	93,973	
Total Current Liabilities	<u>58,365</u>	<u>35,505</u>	<u>92,855</u>	<u>24,358</u>	<u>557,909</u>	<u>768,992</u>	
Fund Balance							
Restricted for:							
Recreation	-0-	136,938	-0-	-0-	-0-	136,938	
Sandy Arts Guild	-0-	-0-	1,059,404	-0-	-0-	1,059,404	
Street Lighting	-0-	-0-	-0-	1,905,958	-0-	1,905,958	
Special Purpose	-0-	-0-	-0-	-0-	891,099	891,099	
Total Fund Balances	<u>-0-</u>	<u>136,938</u>	<u>1,059,404</u>	<u>1,905,958</u>	<u>891,099</u>	<u>3,993,399</u>	
Total Liabilities and Fund Balance	<u>\$ 58,365</u>	<u>\$ 172,443</u>	<u>\$ 1,152,259</u>	<u>\$ 1,930,316</u>	<u>\$ 1,449,008</u>	<u>\$ 4,762,391</u>	

SANDY CITY**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances****Non-major Governmental Funds****For the Year Ended June 30, 2025**

	CDBG	Recreation	Sandy Arts Guild	Street Lighting	Special Purpose	Non-major Governmental Funds Total
Revenues:						
Intergovernmental	\$ 379,940	\$ -0-	\$ 640,626	\$ -0-	\$ -0-	\$ 1,020,566
Sponsors	-0-	-0-	221,433	-0-	-0-	221,433
Charges for Sales and Services	-0-	840,592	726,826	1,112,542	-0-	2,679,960
Interest Income	-0-	13,840	49,905	74,166	28,256	166,167
Miscellaneous	-0-	37,929	-0-	11,719	1,321,750	1,371,398
Total Revenues	379,940	892,361	1,638,790	1,198,427	1,350,006	5,459,524
Expenditures:						
General Government	-0-	-0-	-0-	-0-	21,898	21,898
Police and Animal Services	-0-	-0-	-0-	-0-	525,966	525,966
Fire	-0-	-0-	-0-	-0-	482,044	482,044
Public Works	-0-	-0-	-0-	-0-	21,223	21,223
Parks and Cemetery	-0-	-0-	-0-	-0-	4,161	4,161
Community Development	379,940	-0-	-0-	-0-	-0-	379,940
Recreation and Cultural Events	-0-	1,916,231	2,622,222	-0-	-0-	4,538,453
Street Lighting	-0-	-0-	-0-	788,663	-0-	788,663
Total Expenditures	379,940	1,916,231	2,622,222	788,663	1,055,292	6,762,348
Excess (Deficiency) of Revenues Over (Under) Expenditures	-0-	(1,023,870)	(983,432)	409,764	294,714	(1,302,824)
Other Financing Sources (Uses):						
Transfers In	-0-	935,013	708,626	-0-	9,182	1,652,821
Net Change in Fund Balances	-0-	(88,857)	(274,806)	409,764	303,896	349,997
Beginning Fund Balances	-0-	225,795	1,334,210	1,496,194	587,204	3,643,403
Ending Fund Balances	\$ -0-	\$ 136,938	\$ 1,059,404	\$ 1,905,958	\$ 891,100	\$ 3,993,400

SANDY CITY

Community Development Block Grant (CDBG)

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	<u>\$ 337,973</u>	<u>\$ 500,982</u>	<u>\$ 379,940</u>	<u>\$ (121,042)</u>
Expenditures:				
Salaries and Benefits	45,460	45,460	46,076	(616)
Materials and Supplies	57,040	57,040	54,308	2,732
Administrative Charges	4,317	4,317	4,317	-0-
Capital Outlays	<u>231,156</u>	<u>394,165</u>	<u>275,239</u>	<u>118,926</u>
Total Expenditures	<u>337,973</u>	<u>500,982</u>	<u>379,940</u>	<u>121,042</u>
Net Change in Fund Balance	-0-	-0-	-0-	-0-
Beginning Fund Balance	-0-	-0-	-0-	-0-
Ending Fund Balance	<u><u>\$ -0-</u></u>	<u><u>\$ -0-</u></u>	<u><u>\$ -0-</u></u>	<u><u>\$ -0-</u></u>

SANDY CITY**Recreation****Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****For the Year Ended June 30, 2025**

	Original and Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Sales and Services	\$ 861,585	\$ 840,592	\$ (20,993)
Interest Income	16,000	13,840	(2,160)
Miscellaneous	38,750	37,929	(821)
Total Revenues	<u>916,335</u>	<u>892,361</u>	<u>(23,974)</u>
Expenditures:			
Salaries and Benefits	751,625	774,218	(22,593)
Materials and Supplies	19,937	12,354	7,583
Contracted Services	34,146	29,823	4,323
Administrative Charges	663,234	663,234	-0-
Cost of Goods Sold	439,570	436,890	2,680
Capital Outlays	2,500	(288)	2,788
Total Expenditures	<u>1,911,012</u>	<u>1,916,231</u>	<u>(5,219)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(994,677)	(1,023,870)	(29,193)
Other Financing Sources:			
Transfers In	935,013	935,013	-0-
Net Change in Fund Balance	(59,664)	(88,857)	(29,193)
Beginning Fund Balance	225,795	225,795	-0-
Ending Fund Balance	<u>\$ 166,131</u>	<u>\$ 136,938</u>	<u>\$ (29,193)</u>

SANDY CITY**Sandy Arts Guild****Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****For the Year Ended June 30, 2025**

	Original and Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Sponsors	\$ 251,000	\$ 221,433	\$ (29,567)
Charges for Sales and Services	557,000	726,826	169,826
Intergovernmental	566,500	640,626	74,126
Interest Income	75,000	49,905	(25,095)
Total Revenues	<u>1,449,500</u>	<u>1,638,790</u>	<u>189,290</u>
Expenditures:			
Salaries and Benefits	666,270	718,584	(52,314)
Materials and Supplies	415,799	303,812	111,987
Contracted Services	432,300	325,526	106,774
Administrative Charges	634,104	634,104	-0-
Capital Outlays	878,000	640,196	237,804
Total Expenditures	<u>3,026,473</u>	<u>2,622,222</u>	<u>404,251</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,576,973)	(983,432)	593,541
Other Financing Sources (Uses):			
Transfers In	708,626	708,626	-0-
Net Change in Fund Balance	(868,347)	(274,806)	593,541
Beginning Fund Balance	1,334,210	1,334,210	-0-
Ending Fund Balance	<u>\$ 465,863</u>	<u>\$ 1,059,404</u>	<u>\$ 593,541</u>

SANDY CITY**Street Lighting****Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****For the Year Ended June 30, 2025**

	Original and Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Sales and Services	\$ 1,100,000	\$ 1,112,542	\$ 12,542
Interest Income	50,000	74,166	24,166
Miscellaneous	2,500	11,719	9,219
Total Revenues	<u>1,152,500</u>	<u>1,198,427</u>	<u>45,927</u>
Expenditures:			
Salaries and Benefits	259,713	245,090	14,623
Materials and Supplies	219,240	220,999	(1,759)
Contracted Services	14,400	7,611	6,789
Administrative Charges	185,440	185,440	-0-
Cost of Goods Sold	320	330	(10)
Capital Outlays	1,224,452	129,193	1,095,259
Total Expenditures	<u>1,903,565</u>	<u>788,663</u>	<u>1,114,902</u>
Net Change in Fund Balance	(751,065)	409,764	1,160,829
Beginning Fund Balance	1,496,194	1,496,194	-0-
Ending Fund Balance	<u>\$ 745,129</u>	<u>\$ 1,905,958</u>	<u>\$ 1,160,829</u>

SANDY CITY**Special Purpose****Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****For the Year Ended June 30, 2025**

	Original and Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Interest Income	\$ -0-	\$ 28,256	\$ 28,256
Miscellaneous	1,000,000	1,321,750	321,750
Total Revenues	<u>1,000,000</u>	<u>1,350,006</u>	<u>350,006</u>
Expenditures:			
Salaries and Benefits	140,293	602,068	(461,775)
Materials and Supplies	-0-	24,050	(24,050)
Contracted Services	-0-	17,673	(17,673)
Internal Charges	-0-	142,918	(142,918)
Cost of Goods Sold	1,069,486	125,313	944,173
Capital Outlays	-0-	143,270	(143,270)
Total Expenditures	<u>1,209,779</u>	<u>1,055,292</u>	<u>154,487</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(209,779)</u>	<u>294,714</u>	<u>504,493</u>
Other Financing Sources:			
Transfers In	-0-	9,182	9,182
Net Change in Fund Balance	(209,779)	303,896	513,675
Beginning Fund Balance	587,204	587,204	-0-
Ending Fund Balance	<u>\$ 377,425</u>	<u>\$ 891,100</u>	<u>\$ 513,675</u>

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Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the City Council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the City Council has decided that periodic determination of net income is appropriate for accountability purposes.

Alta Canyon Sports Center - This fund is used to account for the City's recreation center.

Water - This fund is used to account for the operations of the City's water utility.

Waste - This fund is used to account for waste collection services provided by an independent contractor.

Golf Course - This fund is used to account for the City's golf course.

SANDY CITY**Alta Canyon Sports Center****Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual****For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating Revenues:				
Charges for Sales and Services	\$ 926,437	\$ 986,437	\$ 1,040,392	\$ 53,955
Operating Expenses:				
Salaries and Benefits	1,454,240	1,529,240	1,535,828	(6,588)
Materials and Supplies	209,685	279,980	202,433	77,547
Contracted Services	46,157	46,157	25,421	20,736
Internal Charges	-0-	-0-	6,547	(6,547)
Administrative Charges	562,887	562,887	562,887	-0-
Cost of Goods Sold	76,375	76,375	64,401	11,974
Depreciation	29,494	29,494	29,494	-0-
Total Operating Expenses	2,378,838	2,524,133	2,427,011	97,122
Operating Income (Loss)	(1,452,401)	(1,537,696)	(1,386,619)	151,077
Nonoperating Revenues:				
General Property Taxes	385,000	385,000	382,615	(2,385)
Motor Vehicle Fee	20,000	20,000	19,036	(964)
Intergovernmental	-0-	66,000	74,580	8,580
Interest Income (Expense)	24,000	24,000	26,905	2,905
Cell Tower Lease	30,000	30,000	29,193	(807)
Other Income (Expense)	26,300	26,300	12,329	(13,971)
Total Nonoperating Revenues:	485,300	551,300	544,658	(6,642)
Income (Loss) Before Transfers	(967,101)	(986,396)	(841,961)	144,435
Other Financing Sources:				
Transfers In	100,000	100,000	99,955	(45)
Change in Net Position	(867,101)	(886,396)	(742,006)	144,390
Beginning Net Position	1,396,431	1,396,431	1,396,431	-0-
Ending Net Position	\$ 529,330	\$ 510,035	\$ 654,425	\$ 144,390

SANDY CITY**Water****Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual****For the Year Ended June 30, 2025**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operating Revenues:				
Charges for Sales and Services	\$ 25,470,186	\$ 25,470,186	\$ 29,476,150	\$ 4,005,964
Fees from Developers	-0-	-0-	339,422	339,422
Miscellaneous	-0-	-0-	2,739	2,739
Total Operating Revenues	<u>25,470,186</u>	<u>25,470,186</u>	<u>29,818,311</u>	<u>4,348,125</u>
Operating Expenses:				
Salaries and Benefits	3,198,167	3,198,167	3,186,436	11,731
Materials and Supplies	1,114,627	1,114,627	888,660	225,967
Contracted Services	848,927	848,927	492,458	356,469
Internal Charges	773,672	773,672	-0-	773,672
Administrative Charges	2,753,332	2,753,332	2,746,482	6,850
Cost of Goods Sold	12,220,796	12,220,796	11,985,733	235,063
Noncapital Improvements	120,693	120,693	50,632	70,061
Depreciation	5,860,124	5,860,124	5,860,124	-0-
Total Operating Expenses	<u>26,890,338</u>	<u>26,890,338</u>	<u>25,210,525</u>	<u>1,679,813</u>
Operating Income (Loss)	<u>(1,420,152)</u>	<u>(1,420,152)</u>	<u>4,607,786</u>	<u>6,027,938</u>
Nonoperating Revenues (Expenses):				
Interest Income (Expense)	625,000	625,000	824,485	199,485
Other Income (Expense)	12,500	12,500	596,363	583,863
Intergovernmental	100,000	100,000	2,471	(97,529)
Gain on Sale of Capital Assets	-0-	-0-	5,700	5,700
Bond Interest Expense	(364,316)	(364,316)	(214,062)	150,254
Total Nonoperating Revenues (Expenses)	<u>373,184</u>	<u>373,184</u>	<u>1,214,957</u>	<u>841,773</u>
Income (Loss) Before Contributions	<u>(1,046,968)</u>	<u>(1,046,968)</u>	<u>5,822,743</u>	<u>6,869,711</u>
Other Financing Sources:				
Contributions from Developers	90,000	90,000	703,732	613,732
Change in Net Position	(956,968)	(956,968)	6,526,475	7,483,443
Beginning Net Position	137,409,876	137,409,876	137,409,876	-0-
Ending Net Position	<u>\$ 136,452,908</u>	<u>\$ 136,452,908</u>	<u>\$ 143,936,351</u>	<u>\$ 7,483,443</u>

SANDY CITY**Waste****Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual****For the Year Ended June 30, 2025**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operating Revenues:				
Charges for Sales and Services	\$ 7,625,456	\$ 7,625,456	\$ 7,753,289	\$ 127,833
Miscellaneous	-0-	-0-	330	330
Total Operating Revenues	<u>7,625,456</u>	<u>7,625,456</u>	<u>7,753,619</u>	<u>128,163</u>
Operating Expenses:				
Salaries and Benefits	876,887	876,887	919,658	(42,771)
Materials and Supplies	71,450	71,450	79,246	(7,796)
Contracted Services	123,800	123,800	16,957	106,843
Internal Charges	-0-	342,857	-0-	342,857
Administrative Charges	1,142,858	1,142,858	1,142,858	-0-
Cost of Services	5,903,424	5,903,424	5,755,931	147,493
Depreciation	139,011	139,011	139,011	-0-
Total Operating Expenses	<u>8,257,430</u>	<u>8,600,287</u>	<u>8,053,661</u>	<u>546,626</u>
Operating Income (Loss)	<u>(631,974)</u>	<u>(974,831)</u>	<u>(300,042)</u>	<u>674,789</u>
Nonoperating Revenues:				
Interest Income (Expense)	61,000	61,000	53,273	(7,727)
Equity Earnings from Joint Venture	-0-	-0-	851,888	851,888
Total Nonoperating Revenues:	<u>61,000</u>	<u>61,000</u>	<u>905,161</u>	<u>844,161</u>
Change in Net Position	<u>(570,974)</u>	<u>(913,831)</u>	<u>605,119</u>	<u>1,518,950</u>
Beginning Net Position	<u>14,618,304</u>	<u>14,618,304</u>	<u>14,618,304</u>	<u>-0-</u>
Ending Net Position	<u>\$ 14,047,330</u>	<u>\$ 13,704,473</u>	<u>\$ 15,223,423</u>	<u>\$ 1,518,950</u>

SANDY CITY**Golf Course****Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual****For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating Revenues:				
Charges for Sales and Services	\$ 2,185,555	\$ 2,280,555	\$ 3,250,619	\$ 970,064
Operating Expenses:				
Salaries and Benefits	960,298	1,086,756	1,119,345	(32,589)
Materials and Supplies	260,088	260,088	244,450	15,638
Contracted Services	123,300	163,300	126,923	36,377
Internal Charges	600,000	-0-	-0-	-0-
Administrative Charges	453,666	453,666	453,666	-0-
Cost of Services	394,800	394,800	367,195	27,605
Noncapital Improvements	3,500	649,900	1,861	648,039
Depreciation	210,231	210,231	210,231	-0-
Total Operating Expenses	3,005,883	3,218,741	2,523,671	695,070
Operating Income (Loss)	(820,328)	(938,186)	726,948	1,665,134
Nonoperating Revenues (Expenses):				
Interest Income (Expense)	45,000	45,000	75,183	30,183
Other Income (Expense)	-0-	-0-	-0-	-0-
Bond Interest Expense	(15,162)	(15,162)	(15,162)	-0-
Total Nonoperating Revenues (Expenses)	29,838	29,838	60,021	30,183
Income (Loss) Before Transfers	(790,490)	(908,348)	786,969	1,695,317
Transfers In	-0-	-0-	-0-	-0-
Change in Net Position	(790,490)	(908,348)	786,969	1,695,317
Beginning Net Position	6,807,853	6,807,853	6,807,853	-0-
Ending Net Position	\$ 6,017,363	\$ 5,899,505	\$ 7,594,822	\$ 1,695,317

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis.

Fleet - This fund is used to account for the purchase and maintenance of machinery, equipment, vehicles, and their related costs for other departments.

Information Technology - This fund is used to account for the accumulation and allocation of costs associated with the centralized data processing systems.

Risk Management - This fund is used to account for the accumulation and allocation of costs associated with general liability, worker's compensation and risk management functions.

Equipment Management - This fund is used to account for the accumulation and allocation of costs associated with the purchase of equipment for the governmental funds.

Payroll Management - This fund is used to account for the payroll liability associated with accrued vacation, compensation time, and related expenses.

SANDY CITY
Combining Statement of Net Position
Internal Service Funds
June 30, 2025

	Fleet	Information Technology	Risk Management	Equipment Management	Payroll Management	Internal Service Funds Total
ASSETS						
Current Assets:						
Cash, Cash Equivalents, and Investments	\$ 1,717,163	\$ 647,745	\$ 1,998,235	\$ 1,978,426	\$ 6,058,993	\$ 12,400,562
Receivables	-0-	-0-	499,130	-0-	6,126	505,256
Prepaid Assets	-0-	-0-	-0-	-0-	77,913	77,913
Total Current Assets	1,717,163	647,745	2,497,365	1,978,426	6,143,032	12,983,731
Noncurrent Assets:						
Net Pension Asset	125,376	145,390	105,733	-0-	-0-	376,499
Capital Assets	40,285,340	10,081,091	-0-	-0-	-0-	50,366,431
Accumulated Depreciation	(29,557,150)	(5,823,241)	-0-	-0-	-0-	(35,380,391)
Construction in Progress	587,170	-0-	-0-	-0-	-0-	587,170
Total Noncurrent Assets	11,440,736	4,403,240	105,733	-0-	-0-	15,949,709
Total Assets	13,157,899	5,050,985	2,603,098	1,978,426	6,143,032	28,933,440
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Amounts Relating to Pensions	159,825	159,671	29,911	-0-	-0-	349,407
Total Deferred Outflows of Resources	159,825	159,671	29,911	-0-	-0-	349,407
LIABILITIES						
Current Liabilities:						
Accounts Payable	200,945	45,246	12,635	10,156	1,539,677	1,808,659
Salaries and Benefits Payable	39,368	53,531	(6,641)	-0-	(15,284)	70,974
Accrued Interest Payable	-0-	44,250	-0-	-0-	-0-	44,250
Claims and Judgments Payable	-0-	-0-	1,197,843	-0-	-0-	1,197,843
Note Payable	157,949	-0-	-0-	-0-	-0-	157,949
Compensated Absences	-0-	-0-	-0-	-0-	2,063,705	2,063,705
Total Current Liabilities	398,262	143,027	1,203,837	10,156	3,588,098	5,343,380
Noncurrent Liabilities:						
Net Pension Liability	160,271	257,893	35,527	-0-	-0-	453,691
SBITA Liability	-0-	2,643,332	-0-	-0-	-0-	2,643,332
Total Noncurrent Liabilities:	160,271	2,901,225	35,527	-0-	-0-	3,097,023
Total Liabilities	558,533	3,044,252	1,239,364	10,156	3,588,098	8,440,403
DEFERRED INFLOWS OF RESOURCES						
Property Taxes	-0-	-0-	525,511	-0-	-0-	525,511
Deferred Amounts Relating to Pensions	11,743	2,577	80,907	-0-	-0-	95,227
Total Deferred Inflows of Resources	11,743	2,577	606,418	-0-	-0-	620,738
NET POSITION						
Net Investment in Capital Assets	11,157,411	1,614,518	-0-	-0-	-0-	12,771,929
Restricted for:						
Net Pension Asset	125,376	145,390	105,733	-0-	-0-	376,499
Unrestricted	1,464,661	403,917	681,494	1,968,271	2,554,935	7,073,278
Total Net Position	\$ 12,747,448	\$ 2,163,825	\$ 787,227	\$ 1,968,271	\$ 2,554,935	\$ 20,221,706

SANDY CITY

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position

Internal Services Fund

For the Year Ended June 30, 2025

	Fleet	Information Technology	Risk Management	Equipment Management	Payroll Management	Internal Service Funds Total
Operating Revenue:						
Charges for Sales and Services	\$ 6,235,726	\$ 3,917,552	\$ 2,348,064	\$ -0-	\$ 21,801,214	\$ 34,302,556
Miscellaneous	15,260	-0-	141,767	-0-	82	157,109
Total Revenues	6,250,986	3,917,552	2,489,831	-0-	21,801,296	34,459,665
Operating Expenses:						
Salaries and Benefits	1,134,359	1,668,570	289,989	-0-	20,265,348	23,358,266
Materials and Supplies	42,047	13,042	7,145	-0-	57	62,291
Contracted Services	114,464	1,015,071	2,178,179	-0-	688,485	3,996,199
Internal Charges	-0-	-0-	-0-	960,000	-0-	960,000
Administrative Charges	316,752	582,110	347,928	-0-	-0-	1,246,790
Cost of Goods Sold	1,806,732	-0-	-0-	-0-	-0-	1,806,732
Noncapital Improvements	94,028	98,506	-0-	524,877	-0-	717,411
Depreciation	2,659,900	384,690	-0-	-0-	-0-	3,044,590
Total Operating Expenses	6,168,282	3,761,989	2,823,241	1,484,877	20,953,890	35,192,279
Operating Income (Loss)	82,704	155,563	(333,410)	(1,484,877)	847,406	(732,614)
Nonoperating Revenues (Expenses):						
General Property Taxes	-0-	-0-	531,079	-0-	-0-	531,079
Interest Income (Expense)	85,778	45,926	91,088	-0-	132,319	355,111
Other Income (Expense)	7,701	-0-	-0-	-0-	-0-	7,701
Gain (Loss) on Disposal of Asset	143,947	14,062	-0-	-0-	-0-	158,009
Bond Interest Expense	-0-	(103,398)	-0-	-0-	-0-	(103,398)
Total Nonoperating Revenues (Expenses)	237,426	(43,410)	622,167	-0-	132,319	948,502
Income (Loss) Before Transfers	320,130	112,153	288,757	(1,484,877)	979,725	215,888
Transfers:						
Transfers In	-0-	59,204	-0-	1,666,230	1,339,323	3,064,757
Transfers Out	-0-	-0-	-0-	(455,670)	-0-	(455,670)
Total Transfers	-0-	59,204	-0-	1,210,560	1,339,323	2,609,087
Change in Net Position	320,130	171,357	288,757	(274,317)	2,319,048	2,824,975
Beginning Net Position	12,427,317	1,992,467	498,471	2,242,588	235,887	17,396,730
Ending Net Position	\$ 12,747,447	\$ 2,163,824	\$ 787,228	\$ 1,968,271	\$ 2,554,935	\$ 20,221,705

SANDY CITY
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2025

	Fleet	Information Technology	Risk Management	Equipment Management	Payroll Management	Internal Service Funds Total
Cash Flows from Operating Activities:						
Receipts from Customers	\$ 6,270,624	\$ 3,917,552	\$ 2,485,380	\$ -0-	\$ 21,798,127	\$ 34,471,683
Payments to Suppliers	(2,322,719)	(1,705,953)	(2,714,932)	(1,544,482)	841,737	(7,446,349)
Payments to Employees	(1,104,122)	(1,610,655)	(290,505)	-0-	(20,676,523)	(23,681,805)
Net Cash Provided (Used) by Operating Activities	2,843,783	600,944	(520,057)	(1,544,482)	1,963,341	3,343,529
Cash Flows from Noncapital Financing Activities:						
Tax Receipts	-0-	-0-	538,311	-0-	-0-	538,311
Transfers from/to Other Funds	-0-	59,204	-0-	1,210,560	1,339,323	2,609,087
Net Cash Provided (Used) by Noncapital Financing Activities	-0-	59,204	538,311	1,210,560	1,339,323	3,147,398
Cash Flows from Capital and Related Financing Activities:						
Acquisition of Capital Assets	(2,488,891)	(1,250,219)	-0-	-0-	-0-	(3,739,110)
Principal Payments on Debt	(152,094)	(103,398)	-0-	-0-	-0-	(255,492)
Proceeds from Sale of Capital Assets	172,501	14,062	-0-	-0-	-0-	186,563
Net Cash Used by Capital and Related Financing Activities	(2,468,484)	(1,339,555)	-0-	-0-	-0-	(3,808,039)
Cash Flows from Investing Activities:						
Interest Received (Paid)	85,778	45,926	91,088	-0-	132,319	355,111
Net Increase (Decrease) in Cash and Cash Equivalents	461,077	(633,481)	109,342	(333,922)	3,434,983	3,037,999
Cash and Cash Equivalents:						
Beginning of Year	1,256,085	1,281,223	1,888,895	2,312,350	2,624,011	9,362,564
End of Year	\$ 1,717,163	\$ 647,745	\$ 1,998,235	\$ 1,978,426	\$ 6,058,993	\$ 12,400,563

**Reconciliation of Operating Income
(Loss) to Net Cash Provided (Used)
by Operating Activities:**

Operating Income (Loss)	\$ 82,704	\$ 155,563	\$ (333,410)	\$ (1,484,877)	\$ 847,406	\$ (732,614)
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**Adjustments to Reconcile Operating Income
(Loss) to Net Cash Provided (Used)
by Operating Activities:**

Depreciation	2,659,900	384,690	-0-	-0-	-0-	3,044,590
Increase (Decrease) Due to Changes in:						
Accounts Receivables	-0-	-0-	(4,452)	-0-	(3,168)	(7,620)
Prepaid Assets	-0-	-0-	-0-	-0-	(2,288)	(2,288)
Accounts Payable	63,241	2,776	(181,680)	(59,605)	1,532,567	1,357,299
Salaries and Benefits Payable	30,237	57,915	(515)	-0-	(411,175)	(323,538)
Net Cash Provided (Used) by Operating Activities	\$ 2,843,783	\$ 600,944	\$ (520,057)	\$ (1,544,482)	\$ 1,963,342	\$ 3,335,829

Noncash Investing, Capital, and Financing Activities:

Subscription liability for the acquisition of right to use subscription asset	\$ -0-	\$ 2,568,698	\$ -0-	\$ -0-	\$ -0-	\$ 2,568,698
Noncash Transactions Affecting Financial Posi	\$ -0-	\$ 2,568,698	\$ -0-	\$ -0-	\$ -0-	\$ 2,568,698

SANDY CITY**Fleet****Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual****For the Year Ended June 30, 2025**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operating Revenues:				
Charges for Sales and Services	\$ 7,386,840	\$ 7,426,840	\$ 6,235,726	\$ (1,191,114)
Miscellaneous	25,000	25,000	15,260	(9,740)
Total Operating Revenues	<u>7,411,840</u>	<u>7,451,840</u>	<u>6,250,986</u>	<u>(1,200,854)</u>
Operating Expenses:				
Salaries and Benefits	1,082,948	1,082,948	1,134,359	(51,411)
Materials and Supplies	47,956	47,956	42,047	5,909
Contracted Services	73,000	113,000	114,464	(1,464)
Administrative Charges	316,752	316,752	316,752	-0-
Cost of Services	1,840,000	1,840,000	1,806,732	33,268
Noncapital Improvements	4,781,058	4,781,058	94,028	4,687,030
Depreciation	2,659,900	2,659,900	2,659,900	-0-
Total Operating Expenses	<u>10,801,614</u>	<u>10,841,614</u>	<u>6,168,282</u>	<u>4,673,332</u>
Operating Income (Loss)	<u>(3,389,774)</u>	<u>(3,389,774)</u>	<u>82,704</u>	<u>3,472,478</u>
Nonoperating Revenues:				
Interest Income (Expense)	15,000	15,000	93,479	78,479
Gain (Loss) on Disposal of Asset	100,000	100,000	143,947	43,947
Total Nonoperating Revenues (Expenses)	<u>115,000</u>	<u>115,000</u>	<u>237,426</u>	<u>122,426</u>
Change in Net Position	<u>(3,274,774)</u>	<u>(3,274,774)</u>	<u>320,130</u>	<u>3,594,904</u>
Beginning Net Position	<u>12,427,317</u>	<u>12,427,317</u>	<u>12,427,317</u>	<u>-0-</u>
Ending Net Position	<u>\$ 9,152,543</u>	<u>\$ 9,152,543</u>	<u>\$ 12,747,447</u>	<u>\$ 3,594,904</u>

SANDY CITY**Information Technology****Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual****For the Year Ended June 30, 2025**

	Original and Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Charges for Sales and Services	\$ 3,917,552	\$ 3,917,552	\$ -0-
Operating Expenses:			
Salaries and Benefits	1,682,328	1,668,570	13,758
Materials and Supplies	41,850	13,042	28,808
Contracted Services	1,360,436	1,015,071	345,365
Administrative Charges	582,110	582,110	-0-
Noncapital Improvements	1,574,149	98,506	1,475,643
Depreciation	384,690	384,690	-0-
Total Operating Expenses	<u>5,625,563</u>	<u>3,761,989</u>	<u>1,863,574</u>
Operating Income (Loss)	<u>(1,708,011)</u>	<u>155,563</u>	<u>1,863,574</u>
Nonoperating Revenues:			
Interest Income (Expense)	55,000	45,926	(9,074)
Gain (Loss) on Disposal of Asset	4,000	14,062	10,062
Capital Lease Interest Expense	-0-	(103,398)	(103,398)
Total Nonoperating Revenues (Expenses)	<u>59,000</u>	<u>(43,410)</u>	<u>(102,410)</u>
Transfers:			
Transfers In	59,204	59,204	-0-
Change in Net Position	(1,589,807)	171,357	1,761,164
Beginning Net Position	1,992,467	1,992,467	-0-
Ending Net Position	<u>\$ 402,660</u>	<u>\$ 2,163,824</u>	<u>\$ 1,761,164</u>

SANDY CITY**Risk Management****Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual****For the Year Ended June 30, 2025**

	Original and Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Charges for Sales and Services	\$ 2,335,354	\$ 2,348,064	\$ 12,710
Miscellaneous	151,933	141,767	(10,166)
Total Operating Revenues	<u>2,487,287</u>	<u>2,489,831</u>	<u>2,544</u>
Operating Expenses:			
Salaries and Benefits	272,790	289,989	(17,199)
Materials and Supplies	12,480	7,145	5,335
Contracted Services	2,526,089	2,178,179	347,910
Administrative Charges	347,928	347,928	-0-
Total Operating Expenses	<u>3,159,287</u>	<u>2,823,241</u>	<u>336,046</u>
Operating Income (Loss)	<u>(672,000)</u>	<u>(333,410)</u>	<u>338,590</u>
Nonoperating Revenues:			
General Property Taxes	521,000	531,079	10,079
Interest Income (Expense)	70,000	91,088	21,088
Other Income (Expense)	1,000	-0-	(1,000)
Total Nonoperating Revenues (Expenses)	<u>592,000</u>	<u>622,167</u>	<u>30,167</u>
Change in Net Position	<u>(80,000)</u>	<u>288,757</u>	<u>368,757</u>
Beginning Net Position	498,471	498,471	-0-
Ending Net Position	<u>\$ 418,471</u>	<u>\$ 787,228</u>	<u>\$ 368,757</u>

SANDY CITY**Equipment Management****Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual****For the Year Ended June 30, 2025**

	Original and Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Charges for Sales and Services	\$ -0-	\$ -0-	\$ -0-
Operating Expenses:			
Internal Charges	960,000	960,000	-0-
Noncapital Improvements	826,918	524,877	302,041
Income (Loss) Before Transfers	<u>(1,786,918)</u>	<u>(1,484,877)</u>	<u>302,041</u>
Transfers:			
Transfers In	-0-	1,666,230	1,666,230
Transfers Out	<u>(455,669)</u>	<u>(455,670)</u>	<u>(1)</u>
Total Nonoperating Revenues (Expenses)	<u>(455,669)</u>	<u>1,210,560</u>	<u>1,666,229</u>
Change in Net Position	<u>(2,242,587)</u>	<u>(274,317)</u>	<u>1,968,270</u>
Beginning Net Position	<u>2,242,588</u>	<u>2,242,588</u>	<u>-0-</u>
Ending Net Position	<u><u>\$ 1</u></u>	<u><u>\$ 1,968,271</u></u>	<u><u>\$ 1,968,270</u></u>

SANDY CITY**Payroll Management****Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual****For the Year Ended June 30, 2025**

	Original and Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Charges for Sales and Services	\$ 22,583,382	\$ 21,801,214	\$ (782,168)
Miscellaneous	-0-	82	82
Total Operating Revenues	<u>22,583,382</u>	<u>21,801,296</u>	<u>(782,086)</u>
Operating Expenses:			
Salaries and Benefits	22,494,382	20,265,348	2,229,034
Materials and Supplies	-0-	57	(57)
Contracted Services	694,000	688,485	5,515
Total Operating Expenses	<u>23,188,382</u>	<u>20,953,890</u>	<u>2,234,492</u>
Operating Income (Loss)	<u>(605,000)</u>	<u>847,406</u>	<u>1,452,406</u>
Nonoperating Revenues:			
Interest Income (Expense)	99,500	132,319	32,819
Transfers:			
Transfers In	-0-	1,339,323	1,339,323
Transfers Out	-0-	-0-	-0-
Change in Net Position	<u>(505,500)</u>	<u>2,319,048</u>	<u>2,824,548</u>
Beginning Net Position	235,887	235,887	-0-
Ending Net Position	<u>\$ (269,613)</u>	<u>\$ 2,554,935</u>	<u>\$ 2,824,548</u>

STATISTICAL SECTION

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends	128
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	
Revenue Capacity	134
<i>These schedules contain information to help the reader assess the City's most significant local revenue source, water revenue. Property tax information has also been included.</i>	
Debt Capacity	141
<i>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.</i>	
Demographic and Economic Information	146
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	
Operating Information	148
<i>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.</i>	

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

Sandy City
Changes in Net Position (Unaudited)
Last Ten Fiscal Years Ended June 30
(Accrual Basis of Accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
<i>Governmental Activities:</i>										
General Government	\$ 7,556,775	\$ 9,815,340	\$ 8,325,339	\$ 9,520,808	\$ 12,731,967	\$ 11,607,686	\$ 10,926,854	\$ 15,571,672	\$ 11,936,177	\$ 13,753,496
Police and Animal Services	13,894,747	15,059,841	15,461,308	17,428,716	16,558,009	11,519,262	16,150,628	22,616,367	27,606,427	30,401,170
Fire	10,054,714	9,732,766	9,535,154	10,871,586	12,313,969	11,786,218	11,840,960	14,992,139	6,863,670	16,874,201
Public Works	8,722,861	16,080,403	12,091,109	11,509,996	10,375,979	10,872,054	9,997,224	10,486,013	13,405,529	8,419,943
Parks and Cemetery	7,318,762	5,724,147	7,659,421	7,256,878	7,750,673	8,399,021	7,036,149	7,934,299	8,770,877	9,283,907
Community Development	2,585,366	2,936,963	2,871,803	2,633,585	3,447,563	3,304,090	3,150,810	3,428,619	4,048,918	4,378,686
Economic Development	8,039,813	7,402,439	2,594,765	9,002,426	3,506,720	2,122,955	2,415,713	2,471,783	2,681,451	3,477,868
Recreation and Cultural Events	3,134,411	3,359,938	1,953,997	2,671,939	2,398,911	1,752,627	2,307,743	3,008,446	5,450,437	4,761,736
Street Lighting	1,107,902	1,150,545	1,187,460	1,421,547	1,241,639	1,119,962	1,029,481	1,110,698	1,330,494	1,123,248
Storm Water Utility	2,486,872	2,798,228	1,760,709	3,227,498	3,114,717	4,156,006	2,737,652	3,898,364	4,046,764	4,379,412
Interest on Long-Term Debt	3,709,448	3,900,474	3,698,455	3,540,667	3,294,713	3,088,497	2,917,369	1,208,822	2,689,461	3,180,133
Total Governmental Activities	68,611,671	77,961,084	67,139,520	79,085,646	76,734,860	69,728,378	70,510,583	86,727,222	129,299,970	100,033,800
<i>Business Type Activities:</i>										
Alta Canyon Sports Center	1,438,751	1,515,561	1,405,357	1,530,410	1,502,158	1,298,269	1,519,182	1,993,627	2,008,185	2,394,761
Water	22,333,857	22,311,980	19,628,434	21,623,537	21,734,720	21,470,870	21,510,705	22,965,644	24,313,679	25,129,444
Waste	4,477,254	4,577,539	4,606,715	5,332,728	5,597,008	5,815,870	5,419,670	6,510,475	6,875,440	8,011,246
Golf Course	1,492,504	1,436,524	1,303,450	1,371,803	1,383,200	1,567,833	1,754,088	1,852,257	2,158,522	2,509,126
Total Business-Type Activities	29,742,366	29,841,604	26,943,956	29,858,478	30,217,086	30,152,842	30,203,645	33,322,003	35,355,826	38,044,577
Total Primary Government Expenses	\$ 98,354,037	\$ 107,802,688	\$ 94,083,476	\$ 108,944,124	\$ 106,951,946	\$ 99,881,220	\$ 100,714,228	\$ 120,049,225	\$ 164,655,796	\$ 138,078,377
Program Revenues										
<i>Governmental Activities:</i>										
<i>Charges for Services:</i>										
General Government	\$ 398,907	\$ 218,963	\$ 341,089	\$ 416,251	\$ 548,494	\$ 228,334	\$ 258,579	\$ 997,731	\$ 294,399	\$ 3,398,089
Police and Animal Services	1,877,263	2,054,021	2,101,635	1,841,852	1,447,955	1,289,729	1,510,103	3,215,520	4,627,790	4,590,828
Fire	2,561,484	2,763,414	2,975,829	2,907,701	2,834,778	3,158,529	3,700,897	3,058,466	4,681,050	4,681,050
Public Works	456,869	20,640	50,816	287,074	187,631	211,837	223,390	942,415	1,398,718	1,398,718
Community Development	3,352,475	3,340,260	3,179,496	3,071,381	2,367,234	2,566,955	2,522,918	2,683,281	3,298,614	3,274,727
Economic Development	6,244,623	6,345,935	7,630,510	7,709,758	5,805,989	6,244,527	5,942,542	5,377,685	6,077,622	5,878,883
Recreation and Cultural Events	1,670,944	1,876,064	1,798,417	1,550,993	1,400,752	743,052	1,225,207	1,858,030	1,792,106	1,826,780
Storm Water Utility	4,187,503	4,233,054	4,376,244	4,683,765	4,842,444	4,613,584	4,550,474	4,429,094	5,028,671	5,259,094
Other Activities	2,460,346	3,141,385	2,783,762	2,155,257	2,275,682	2,434,767	1,838,863	2,346,223	1,845,955	1,752,605
Operating Grants and Contributions	12,255,996	4,583,359	4,261,077	4,601,311	8,841,801	10,535,578	12,569,948	8,022,976	9,128,606	10,354,640
Capital Grants and Contributions	18,638,359	21,790,246	11,333,897	6,130,817	5,446,776	10,246,326	829,875	1,325,320	-0-	-0-
Total Governmental Activities Program Revenues	54,104,769	50,367,341	40,832,772	35,356,160	35,999,536	42,273,218	35,172,796	34,256,741	67,962,407	42,415,414

Business-Type Activities:

Charges for Services:

Water	21,552,026	23,941,517	23,163,011	22,134,144	23,555,583	24,757,017	19,568,572	23,201,354	26,232,626	30,423,873
Waste	4,825,815	4,507,219	5,144,718	5,761,177	5,797,999	5,800,207	5,924,814	7,094,887	7,736,808	8,605,507
Alta Canyon Sports Center	966,147	996,051	1,005,212	975,769	716,039	618,119	854,146	1,706,825	972,090	1,081,915
Golf Course	1,551,308	1,437,030	1,480,708	1,474,407	1,370,670	1,980,277	2,346,596	2,260,370	2,890,277	3,250,619
Operating Grants and Contributions	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	478,054	77,051
Capital Grants and Contributions	567,752	646,880	312,268	1,510,152	1,569,070	667,305	369,280	486,480	1,580,277	703,732
Total Business-Type Activities Program Revenues	29,463,048	31,528,697	31,105,917	31,855,649	33,009,361	33,822,925	29,063,408	34,749,916	39,890,132	44,142,697
Total Primary Government Program Revenues	\$ 83,567,817	\$ 81,896,038	\$ 71,938,689	\$ 67,211,809	\$ 69,008,897	\$ 76,096,143	\$ 64,236,204	\$ 69,006,657	\$ 107,852,539	\$ 86,558,111

Net (Expense)/Revenue

Governmental Activities	(14,506,902)	(27,593,743)	(26,306,748)	(43,729,486)	(40,735,324)	(27,455,160)	(35,337,787)	(52,470,481)	(61,337,563)	(57,618,386)
Business-Type Activities	(279,318)	1,687,093	4,161,961	1,997,171	2,792,275	3,670,083	(1,140,237)	1,427,913	4,534,306	6,098,120
Total Primary Government Net Expense	\$ (14,786,220)	\$ (25,906,650)	\$ (22,144,787)	\$ (41,732,315)	\$ (37,943,049)	\$ (23,785,077)	\$ (36,478,024)	\$ (51,042,568)	\$ (56,803,257)	\$ (51,520,266)

General Revenues and Other Changes in Net Position

Governmental Activities:

Taxes										
Property Taxes	\$ 8,645,321	\$ 8,835,112	\$ 9,391,703	\$ 8,454,366	\$ 11,493,355	\$ 11,713,701	\$ 11,737,458	\$ 11,935,232	\$ 14,051,175	\$ 15,501,038
Sales Taxes	19,891,096	20,642,039	21,909,964	22,289,422	25,127,618	29,190,378	32,455,302	32,875,215	32,537,190	33,712,951
Franchise Taxes	9,110,856	9,150,385	7,726,736	7,265,428	7,326,290	7,190,100	7,503,887	8,485,552	8,336,810	8,143,255
Motor Vehicle Taxes	651,186	655,767	631,698	598,978	730,086	667,607	647,559	579,755	728,105	631,813
Transient Room Taxes	2,943,564	3,332,491	3,581,154	3,591,532	2,886,799	2,259,918	4,083,103	4,811,357	4,919,152	5,164,101
Investment Earnings	959,323	717,689	713,261	1,516,656	1,020,838	444,332	1,206,795	4,366,276	8,395,489	7,612,799
Miscellaneous	3,888,241	5,814,009	4,571,474	4,213,833	7,017,876	4,285,847	4,752,066	4,659,165	3,855,968	766,142
Transfers	(150,000)	(150,000)	1,046,144	(150,000)	(563,000)	(300,000)	(492,949)	(725,000)	(575,000)	(99,955)
Total Government Activities	45,939,587	48,997,492	49,572,134	47,780,215	55,039,862	55,451,883	61,893,221	66,987,552	72,248,889	71,432,144

Business-Type Activities:

Taxes										
Property Taxes	369,521	370,675	371,794	370,319	376,796	383,959	381,404	381,590	382,459	382,615
Motor Vehicle Taxes	31,422	33,771	31,018	28,113	27,111	22,808	23,353	20,066	21,013	19,036
Investment Earnings	74,038	149,158	319,282	586,662	372,680	142,438	(79,946)	763,082	930,651	979,846
Miscellaneous	-0-	-0-	-0-	-0-	25,610	1,232,396	2,163,333	-0-	30,944	-0-
Transfers	150,000	150,000	(1,046,144)	150,000	563,000	300,000	492,949	725,000	575,000	99,955
Total Business-Type Activities	624,981	703,604	872,094	1,135,094	1,365,197	2,081,601	2,981,093	1,889,738	1,940,067	1,481,452
Total Primary Government	\$ 46,564,568	\$ 49,701,096	\$ 50,444,228	\$ 48,915,309	\$ 56,405,059	\$ 57,533,484	\$ 64,874,314	\$ 68,877,290	\$ 74,188,956	\$ 72,913,596

Changes in Net Position

Governmental Activities	31,432,685	21,403,749	20,310,913	1,507,972	14,304,538	27,996,723	26,555,434	14,517,071	10,911,326	13,813,758
Business-Type Activities	345,663	2,390,697	3,837,911	3,132,265	4,157,472	5,751,684	1,840,856	3,317,651	6,474,373	7,579,572
Total Primary Government	\$ 31,778,348	\$ 23,794,446	\$ 24,148,824	\$ 4,640,237	\$ 18,462,010	\$ 33,748,407	\$ 28,396,290	\$ 17,834,722	\$ 17,385,699	\$ 21,393,330

**Sandy City
Net Position by Component (Unaudited)
Last Ten Fiscal Years Ended June 30
(Accrual Basis of Accounting)**

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Governmental Activities										
Net Investment in Capital Assets	\$ 426,894,795	\$ 456,205,373	\$ 485,539,383	\$ 504,212,180	\$ 512,828,692	\$ 519,886,214	\$ 510,828,693	\$ 529,041,262	\$ 541,105,567	\$ 561,307,697
Restricted	37,513,870	24,987,708	15,165,556	10,833,913	13,880,971	12,800,608	9,548,553	8,378,846	50,969,770	56,327,789
Unrestricted	19,241,583	23,860,896	30,472,446	22,200,775	24,841,743	46,861,307	85,726,317	43,167,769	39,456,623	29,049,555
Total Governmental Activities Net Position	<u>\$ 483,650,248</u>	<u>\$ 505,053,977</u>	<u>\$ 531,177,385</u>	<u>\$ 537,246,868</u>	<u>\$ 551,551,406</u>	<u>\$ 579,548,129</u>	<u>\$ 606,103,563</u>	<u>\$ 580,587,877</u>	<u>\$ 631,531,960</u>	<u>\$ 646,685,041</u>
Business Type Activities										
Net Investment in Capital Assets	\$ 113,690,211	\$ 104,222,933	\$ 107,857,842	\$ 112,054,188	\$ 116,335,896	\$ 117,201,463	\$ 118,120,471	\$ 125,785,468	\$ 128,777,517	\$ 132,469,975
Restricted	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	557,249	580,220
Unrestricted	16,866,503	28,724,478	28,927,479	27,863,398	29,126,000	34,012,117	34,933,966	30,173,202	33,511,695	37,375,838
Total Business-Type Activities Net Position	<u>\$ 130,556,714</u>	<u>\$ 132,947,411</u>	<u>\$ 136,785,321</u>	<u>\$ 139,917,586</u>	<u>\$ 145,461,896</u>	<u>\$ 151,213,580</u>	<u>\$ 153,054,437</u>	<u>\$ 155,958,670</u>	<u>\$ 162,846,461</u>	<u>\$ 170,426,033</u>
Primary government										
Net Investment in Capital Assets	\$ 540,585,006	\$ 560,428,306	\$ 593,397,225	\$ 616,266,368	\$ 629,164,588	\$ 637,087,677	\$ 628,949,164	\$ 654,826,730	\$ 669,883,084	\$ 693,777,672
Restricted	37,513,870	24,987,708	15,165,556	10,833,913	13,880,971	12,800,608	9,548,553	8,378,846	51,527,019	56,908,009
Unrestricted	36,108,086	52,585,374	59,399,925	50,064,173	53,967,743	80,873,424	120,660,283	73,340,971	72,968,318	66,425,393
Total Primary Government Net Position	<u>\$ 614,206,962</u>	<u>\$ 638,001,388</u>	<u>\$ 667,962,706</u>	<u>\$ 677,164,454</u>	<u>\$ 697,013,302</u>	<u>\$ 730,761,709</u>	<u>\$ 759,158,000</u>	<u>\$ 736,546,547</u>	<u>\$ 794,378,421</u>	<u>\$ 817,111,074</u>

Sandy City
Governmental Activities Tax Revenues by Source (Unaudited)
Last Ten Fiscal Years Ended June 30
(Accrual Basis of Accounting)

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Motor Fuel Tax	Transient Room Tax	Total
2016	\$ 8,645,321	\$ 19,891,096	\$ 9,110,856	\$ 651,186	\$ 2,943,564	\$ 41,242,023
2017	8,835,112	20,642,039	9,150,385	655,767	3,332,491	42,615,794
2018	8,554,944	21,909,964	7,726,736	631,698	3,581,154	43,241,255
2019	8,454,366	22,289,422	7,265,428	598,978	3,591,532	42,199,726
2020	11,493,355	25,127,618	7,326,290	730,086	2,886,799	47,564,148
2021	11,713,701	29,190,378	7,190,100	667,607	2,259,918	51,021,704
2022	11,737,458	32,455,302	7,503,887	647,559	4,083,103	56,427,309
2023	11,935,232	32,875,215	8,485,552	579,755	4,811,357	58,687,111
2024	14,051,175	32,537,190	8,336,810	728,105	4,919,152	60,572,432
2025	15,501,038	33,712,951	8,143,255	631,813	5,164,101	63,153,158

Source: Sandy City Finance Department

Sandy City
Fund Balances of Governmental Funds (Unaudited)
Last Ten Fiscal Years Ended June 30
(Modified Accrual Basis of Accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Nondisposable	\$ 24,974	\$ 24,974	\$ 24,974	\$ 24,974	\$ 24,974	\$ 25,000	\$ 25,000	\$ 34,655	\$ 56,136	\$ 39,570
Assigned	-0-	-0-	-0-	-0-	-0-	-0-	-0-	87,313	498,887	498,887
Unassigned	6,125,635	6,250,772	6,713,982	6,343,819	6,931,555	7,887,125	8,328,910	8,527,918	8,938,169	9,631,648
Total General Fund	\$ 6,150,609	\$ 6,275,746	\$ 6,738,956	\$ 6,368,793	\$ 6,956,529	\$ 7,912,125	\$ 8,353,910	\$ 8,649,886	\$ 9,493,192	\$ 10,170,105
All Other Governmental Funds										
Nondisposable	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Restricted for:										
Debt Service	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects	58,977,834	22,806,635	13,165,248	8,620,162	10,866,969	9,080,552	7,376,922	6,628,071	23,866,772	10,911,095
Roads	947,160	1,381,073	1,200,308	1,413,751	2,214,002	2,920,056	2,171,631	1,750,775	10,623,159	5,254,889
Special Revenues	3,995,006	11,458,950	19,595,145	19,276,892	21,491,381	25,874,615	45,781,328	53,592,256	56,134,524	58,911,370
Committed:										
Debt Service	189,605	154,514	129,681	107,242	93,720	70,679	835,290	1,926,558	2,400,459	3,083,634
Capital Projects	12,063,129	9,229,501	6,803,107	5,042,714	6,592,339	18,406,913	25,773,462	26,313,203	24,804,200	15,725,594
Assigned	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Unassigned:	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total All Other Governmental Funds	\$ 76,992,734	\$ 45,850,673	\$ 41,713,489	\$ 35,280,761	\$ 42,078,411	\$ 57,152,815	\$ 81,938,633	\$ 90,210,863	\$ 117,829,114	\$ 93,886,582
Total Governmental Funds	\$ 83,143,343	\$ 52,126,419	\$ 48,452,445	\$ 41,649,554	\$ 49,034,940	\$ 65,064,940	\$ 90,292,543	\$ 98,860,749	\$ 127,322,306	\$ 104,056,687

Sandy City
Changes in Fund Balances of Governmental Funds (Unaudited)
Last Ten Fiscal Years Ended June 30
(Modified Accrual Basis of Accounting)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Revenues										
Taxes	\$ 47,277,145	\$ 48,760,235	\$ 50,954,596	\$ 50,124,376	\$ 53,587,743	\$ 57,434,752	\$ 62,453,513	\$ 64,076,297	\$ 66,135,368	\$ 68,706,442
Special Assessments	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Innkeeper Fees	418,792	461,811	439,936	488,639	341,920	297,366	510,628	583,567	578,713	604,570
Licenses and Permits	3,308,440	3,283,590	3,032,875	3,002,184	2,321,492	2,426,845	3,152,235	3,158,790	3,352,509	2,958,476
Intergovernmental	17,786,981	4,614,146	10,901,363	7,026,233	12,283,201	16,894,628	12,958,370	8,146,017	8,361,669	9,777,159
Charges for Sales and Services	9,344,100	9,662,222	13,596,594	13,065,668	12,876,532	12,532,059	13,425,102	14,418,443	13,541,646	14,595,604
Administrative Charges	2,924,933	2,974,404	2,972,165	3,065,305	3,020,203	3,107,512	3,225,649	3,603,823	4,285,699	-0-
Fines and Forfeitures	1,625,292	1,696,893	1,777,291	1,436,045	1,145,274	992,344	1,060,110	1,189,014	1,216,664	1,127,718
Cell Tower and Land Lease	591,748	544,076	618,840	956,046	1,012,748	973,559	1,093,451	1,011,660	1,216,041	1,122,819
Fees from Developers	2,093,422	2,856,794	1,761,808	1,708,178	1,256,101	1,781,562	851,816	1,157,754	628,607	657,208
Interest Income	959,322	717,691	714,611	1,522,015	960,788	414,159	(627,499)	4,366,276	8,407,413	7,612,799
Miscellaneous	10,354,064	10,819,794	4,495,832	1,138,938	1,457,863	577,231	990,120	858,688	971,063	2,022,851
Total Revenues	<u>96,684,239</u>	<u>86,391,656</u>	<u>91,265,911</u>	<u>83,533,627</u>	<u>90,263,865</u>	<u>97,432,017</u>	<u>99,093,495</u>	<u>102,570,329</u>	<u>108,695,392</u>	<u>109,185,646</u>
Expenditures										
General Government	10,128,873	10,390,260	10,858,246	10,670,023	11,617,661	11,839,390	12,484,606	13,625,495	15,537,364	10,202,723
Police and Animal Services	14,863,710	15,247,853	15,730,152	16,313,521	17,095,968	17,747,432	19,625,479	22,596,127	25,071,528	25,895,710
Fire	9,646,627	9,202,585	9,715,305	9,972,690	10,751,511	11,105,580	12,347,356	13,609,505	15,013,374	15,904,487
Public Works	4,835,017	5,551,491	5,227,320	5,177,998	5,927,924	4,892,655	5,815,990	5,679,249	5,811,071	5,671,756
Parks and Cemetery	4,695,031	5,066,031	5,044,923	5,660,604	5,542,468	5,259,552	5,480,108	6,065,581	6,453,600	6,948,856
Community Development	2,680,905	2,875,833	3,301,025	3,088,275	3,313,054	3,329,534	3,654,223	3,884,814	4,315,519	4,294,570
Economic Development	1,269,013	1,324,016	1,188,376	1,033,091	1,109,198	992,810	1,064,334	1,133,778	1,237,317	1,373,298
Recreation and Cultural Events	2,921,949	3,127,770	3,192,835	2,506,988	2,334,678	1,747,901	2,098,326	2,749,042	5,181,612	4,538,453
Street Lighting	1,110,089	947,262	1,156,171	1,138,899	1,030,474	742,629	710,886	692,515	1,172,192	788,663
Storm Water Utility	1,405,338	1,512,336	1,516,881	1,591,960	2,395,965	1,803,787	1,799,659	2,572,336	2,174,172	2,294,210
Capital Outlays	37,641,859	56,505,377	32,472,909	29,029,341	13,885,144	11,732,449	12,960,287	16,188,935	18,439,539	42,589,473
Debt Service:										
Principal	6,664,565	6,827,471	5,967,000	6,257,000	10,737,000	5,347,000	21,471,000	5,591,981	6,845,662	7,117,832
Interest	3,281,469	3,934,500	3,669,265	3,475,998	3,233,657	2,944,225	2,760,494	2,804,722	3,064,750	3,895,145
Other Charges	601,530	18,400	18,055	13,598	100,393	13,900	197,505	9,800	454,315	18,351
Total Expenditures	<u>101,745,975</u>	<u>122,531,185</u>	<u>99,058,463</u>	<u>95,929,986</u>	<u>89,075,095</u>	<u>79,498,844</u>	<u>102,470,253</u>	<u>97,203,880</u>	<u>110,772,015</u>	<u>131,533,527</u>
Excess of Revenues Over (Under) Expenditures	<u>(5,061,736)</u>	<u>(36,139,529)</u>	<u>(7,792,552)</u>	<u>(12,396,359)</u>	<u>1,188,770</u>	<u>17,933,173</u>	<u>(3,376,758)</u>	<u>5,366,449</u>	<u>(2,076,623)</u>	<u>(22,347,881)</u>
Other Financing Sources (Uses)										
Issuance of Debt	46,323,165	-0-	-0-	-0-	4,307,937	-0-	32,161,216	5,300,000	27,947,849	-0-
Debt Issuance Premium	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	2,320,919	-0-
Lease	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	947,138	-0-
Contributions from Developers	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	452,029	452,029
Sale of Capital Assets	3,174,141	4,690,815	2,954,472	2,542,757	2,611,248	39,000	21,300	50,617	409	-0-
Transfers In	27,950,756	18,530,965	14,326,297	15,633,781	11,560,501	18,927,892	29,524,541	14,994,378	9,567,793	9,005,393
Transfers Out	(27,764,501)	(18,099,175)	(13,162,191)	(11,746,312)	(12,280,000)	(20,870,065)	(33,102,696)	(17,934,643)	(10,697,957)	(11,714,479)
Total Other Financing Sources (Uses)	<u>49,683,561</u>	<u>5,122,605</u>	<u>4,118,578</u>	<u>6,430,226</u>	<u>6,199,686</u>	<u>(1,903,173)</u>	<u>28,604,361</u>	<u>2,410,352</u>	<u>30,538,180</u>	<u>(2,257,057)</u>
Net Change in Fund Balances	<u>\$ 44,621,825</u>	<u>\$ (31,016,924)</u>	<u>\$ (3,673,974)</u>	<u>\$ (5,966,133)</u>	<u>\$ 7,388,456</u>	<u>\$ 16,030,000</u>	<u>\$ 25,227,603</u>	<u>\$ 7,776,801</u>	<u>\$ 28,461,557</u>	<u>\$ (24,604,938)</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>13.8%</u>	<u>14.9%</u>	<u>13.6%</u>	<u>12.6%</u>	<u>11.1%</u>	<u>11.9%</u>	<u>25.5%</u>	<u>9.6%</u>	<u>10.3%</u>	<u>12.5%</u>

**Sandy City
 General Government Tax Revenues by Source (Unaudited)
 Last Ten Fiscal Years Ended June 30
 (Modified Accrual Basis of Accounting)**

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Motor Fuel Tax	Total
2016	\$ 8,510,819	\$ 19,891,096	\$ 9,110,856	\$ 651,186	\$ 38,163,957
2017	8,740,862	20,642,039	9,150,385	655,767	39,189,053
2018	9,490,933	21,909,964	7,726,736	631,698	39,759,331
2019	8,800,258	22,289,422	7,265,428	598,978	38,954,086
2020	11,800,272	23,060,272	7,326,290	730,086	42,916,920
2021	11,913,597	26,759,689	7,190,100	667,607	46,530,993
2022	11,827,346	29,714,666	7,503,887	647,559	49,693,458
2023	12,129,281	30,106,136	8,485,552	579,755	51,300,724
2024	14,174,568	29,807,997	8,336,810	728,105	53,047,480
2025	14,051,917	30,859,679	8,143,255	631,813	53,686,664

Source: Sandy City Finance Department

**Sandy City
Water Fund Billed Sales and Monthly Rates (Unaudited)
Last Ten Fiscal Years Ended June 30**

Fiscal Year	Total Billed Sales	Sandy Rates		Salt Lake County Rates ²	
		Water Base ¹	Water Block Tiers 1-4 ³	Water Base ¹	Water Block Tiers 1-4 ³
2016	\$ 19,225,737	\$ 11.74	\$1.56 / 2.41 / 2.84 / 3.26	\$ 17.00	\$1.71 / 2.62 / 3.09 / 3.54
2017	22,099,394	13.74	1.56 / 2.41 / 2.84 / 3.26	19.00	1.71 / 2.62 / 3.09 / 3.54
2018	21,241,097	13.74	1.56 / 2.41 / 2.84 / 3.26	19.00	1.71 / 2.62 / 3.09 / 3.54
2019	21,329,422	14.43	1.64 / 2.53 / 2.98 / 3.42	19.95	1.80 / 2.75 / 3.24 / 3.72
2020	23,227,781	14.43	1.64 / 2.53 / 2.98 / 3.42	19.95	1.80 / 2.75 / 3.24 / 3.72
2021	24,367,111	14.43	1.64 / 2.53 / 2.98 / 3.42	19.95	1.80 / 2.75 / 3.24 / 3.72
2022	19,189,764	14.43	1.64 / 2.53 / 2.98 / 3.42	19.95	1.80 / 2.75 / 3.24 / 3.72
2023	22,316,980	26.43	1.68 / 2.37 / 3.05 / 3.91 / 5.20	36.55	1.84 / 2.60 / 3.36 / 4.30 / 5.72
2024	25,516,225	28.15	1.79 / 2.52 / 3.25 / 4.16 / 5.54	38.93	1.96 / 2.77 / 3.58 / 4.58 / 6.09
2025	29,167,744	28.15	1.79 / 2.52 / 3.25 / 4.16 / 5.54	38.93	1.96 / 2.77 / 3.58 / 4.58 / 6.09

¹Water base rates are based on a 3/4" meter, which is the standard size meter for most residences in Sandy.

²The City provides water services for some unincorporated Salt Lake County areas within the City.

³On July 1, 2015, the City has changed from charging an overage rate to a new block rate. A base rate is charged for connection regardless of water usage, and an additional amount is charged per 1,000 gallons used within four different block tiers. Block 1 is 1-6 thousand, Block 2 is 7-40, Block 3 is 41-80, and Block 4 is 81+. On July 1, 2022, the City added block 5. Block 1 is 1-6 thousand, Block 2 is 7-25, Block 3 is 26-50, Block 4 is 51-75, and Block 5 is 75+.

**Sandy City
Principal Water Users (Unaudited)
For the Years Ended June 30, 2025 and 2016**

Taxpayer	2025			2016		
	Annual Water Bill	Rank	Percentage of Total Water Operating Revenue	Annual Water Bill	Rank	Percentage of Total Water Operating Revenue
Sandy City	\$ 724,025	1	2.482%	\$ 1,134,235	1	5.900%
Canyons School District	651,304	2	2.233%	804,259	2	4.183%
Corp of PB of JC of LDS	379,720	3	1.302%	439,489	3	2.286%
Sandy Station APTS LLC	183,325	4	0.629%			
The Quarry Bend HOA	108,424	5	0.372%	94,220	4	0.490%
Villas at Hidden Creek	88,195	6	0.302%	70,164	9	0.365%
KW Alpine Meadow LLC	81,996	7	0.281%			
Waterford School	75,470	8	0.259%			
Becton Dickinson	74,367	9	0.255%	72,812	8	0.379%
Wasatch Property Management	70,685	10	0.242%			
Salt Lake County				93,912	5	0.488%
IHC Health Services				80,809	6	0.420%
LHM 1st Co.				67,782	10	0.353%
Crescentwood Village HOA Bypass				73,865	7	0.384%
Totals	<u>\$ 2,437,511</u>		<u>8.357%</u>	<u>\$ 2,931,547</u>		<u>15.248%</u>

Source: Sandy City Finance Department

Sandy City
Assessed Value and Estimated Actual Value of Taxable Property (Unaudited)
Last Ten Fiscal Years Ended June 30

Fiscal Year	Real Property		Personal Property		Mines and Utilities	Total Taxable Assessed Value	Total Direct Tax Rate ¹	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Primary Residential	Other Property	Non Residential	Other Property					
2016	\$ 4,470,453,861	\$ 2,120,093,880	\$ 308,249,823	\$ 5,434,208	\$ 128,890,247	\$ 7,033,122,019	0.001426	\$ 10,684,170,191	65.83
2017	4,924,474,412	2,382,427,507	322,051,565	5,270,785	129,906,367	7,764,130,636	0.001321	11,758,047,820	66.03
2018	5,384,694,780	2,531,695,973	332,678,572	5,229,340	138,034,126	8,392,332,790	0.001229	12,784,678,806	65.64
2019	6,028,558,325	2,679,708,173	335,575,394	5,224,583	159,786,672	9,208,853,147	0.001144	14,117,320,395	65.23
2020	6,455,741,399	2,909,474,590	392,303,386	5,013,241	164,038,812	9,926,571,429	0.001337	15,232,100,343	65.17
2021	6,866,444,419	3,080,224,696	449,875,894	4,776,241	184,735,045	10,586,056,294	0.001279	16,186,214,615	65.40
2022	7,695,685,263	3,145,333,993	452,446,178	4,665,068	180,631,066	11,478,761,567	0.001174	17,732,790,151	64.73
2023	10,214,049,706	3,417,908,068	451,733,268	4,607,465	176,138,160	14,264,436,667	0.000942	22,495,350,091	63.41
2024	10,275,053,295	3,795,086,281	555,050,494	4,420,802	119,616,234	14,749,227,105	0.001057	23,134,520,411	63.75
2025	10,055,210,199	3,528,291,525	474,614,534	8,023,340	110,413,821	14,176,553,419	0.001091	24,736,064,218	57.31

Source: Salt Lake County Auditor and Salt Lake County Treasurer

¹Property in the county is reassessed annually. Tax rates are per \$1 of assessed value.

**Sandy City
Property Tax Rates (Unaudited)
Direct and Overlapping Governments
Last Ten Fiscal Years Ended June 30**

Fiscal Year	Sandy City			Overlapping ¹ Rates							Total
	General Fund	Risk Management	Total City Millage	Salt Lake County	Canyons School District	Jordan School Districts ⁵	State Basic School Levy ²	Charter School Levy ³	Salt Lake County Library	Special Districts ⁴	Direct and Overlapping Rates
2016	0.001354	0.000072	0.001426	0.002819	0.004661	0.000862	0.001736	0.000000	0.000683	0.002315	0.014502
2017	0.001254	0.000067	0.001321	0.002639	0.004188	0.000764	0.001675	0.000000	0.000639	0.002194	0.013420
2018	0.001167	0.000062	0.001229	0.002492	0.004768	0.000678	0.001568	0.000103	0.000612	0.001557	0.013007
2019	0.001086	0.000058	0.001144	0.002259	0.004696	0.000560	0.001666	0.000073	0.000559	0.001470	0.012427
2020	0.001281	0.000056	0.001337	0.002158	0.005271	0.000488	0.001661	0.000087	0.000536	0.001398	0.012936
2021	0.001226	0.000053	0.001279	0.002170	0.005194	0.000403	0.001628	0.000072	0.000515	0.001344	0.012605
2022	0.001124	0.000050	0.001174	0.001985	0.004895	0.000347	0.001661	0.000087	0.000474	0.001264	0.011887
2023	0.000902	0.000040	0.000942	0.001634	0.004336	N/A	0.001652	0.000065	0.000386	0.001102	0.010117
2024	0.001018	0.000039	0.001057	0.001564	0.004231	N/A	0.001406	0.000068	0.000477	0.001080	0.009883
2025	0.001051	0.000040	0.001091	0.001456	0.004212	N/A	0.001408	0.000057	0.000446	0.001183	0.009853

Source: Salt Lake County Auditor and Salt Lake County Property Tax Division

¹Overlapping rates are those of local and county governments that apply to property owners within Sandy City. Not all overlapping rates apply to all Sandy City property owners. The rates for special districts apply only to the proportion of the City's property owners whose property is located within the geographic boundaries of the special district.

²Rate established annually by Utah State Legislature.

³Rate established annually by Utah State Tax Commission and Utah State Board of Education as an adjustment to the board local levy.

⁴Includes South Salt Lake Valley Mosquito District, Metropolitan Water District of Salt Lake and Sandy, Sandy Suburban Improvement District, Central Utah Water District, and Crescent Cemetery Maintenance District. Although other special districts apply to only a portion of the City, these districts apply to the majority of property values within the City.

⁵Jordan school old debt service was dissolved in FY2023.

**Sandy City
Principal Property Taxpayers (Unaudited)
For the Years Ended June 30, 2025 and 2016**

Taxpayer	2025			2016		
	Taxable Value	Rank	Percentage of Total Taxable Value	Taxable Value	Rank	Percentage of Total Taxable Value
THE LARRY H. MILLER COMPANY	\$ 137,430,700	1	0.969%	\$ 113,244,480	2	1.870%
WOODBURY CORPORATION	135,685,100	2	0.957%			
MOUNTAIN AMERICA CREDIT UNION	121,977,700	3	0.860%			
SOUTH TOWN DEVELOPMENT, LLC	118,380,000	4	0.835%			
SYNERGY BUSINESS PARK, LLC	86,861,600	5	0.613%			
PHEASANT HOLLOW BUSINESS PARK, LLC	85,640,400	6	0.604%			
IHC HEALTH SERVICES, INC	80,694,633	7	0.569%	37,956,506	9	0.630%
CR COBBLEGATE COMMUNITIES, LLC	77,014,590	8	0.543%			
BECTON, DICKINSON AND COMPANY	73,923,900	9	0.521%			
THE BOYER COMPANY	72,303,400	10	0.510%	57,450,800	5	0.950%
MACERICH CO.				159,942,700	1	2.640%
SANDY PARK, LLC				64,164,600	3	1.060%
PACIFICORP				60,401,605	4	1.000%
UTAH SOCCER, LLC				53,625,600	6	0.880%
SOUTH TOWNE CORPORATE CENTER				43,643,100	7	0.720%
WORKERS COMPENSATION FUND				38,981,800	8	0.640%
QUESTAR GAS				32,052,533	10	0.530%
Totals	\$ 989,912,023		6.983%	\$ 661,463,724		10.920%

Note: Annual amounts are shown only for the top ten ranked taxpayers. Including the other amounts would skew the overall total and percentage for the top ten taxpayers.

Source: Utah State Tax Commission and Salt Lake County assessment records.

**Sandy City
Property Tax Levies and Collections (Unaudited)
Last Ten Fiscal Years Ended June 30**

Fiscal Year	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	\$ 10,029,232	\$ 9,816,468	97.9	\$ 165,233	\$ 9,981,701	99.5
2017	10,256,417	10,035,014	97.8	151,267	10,186,282	99.3
2018	10,314,177	10,110,721	98.0	132,885	10,243,606	99.3
2019	10,534,928	10,299,251	97.8	149,145	10,448,396	99.2
2020	13,271,826	12,995,296	97.9	179,265	13,174,561	99.3
2021	13,539,566	13,265,116	98.0	165,913	13,431,029	99.2
2022	13,476,066	13,226,980	98.2	138,752	13,365,733	99.2
2023	13,437,099	13,151,682	97.9	209,908	13,361,590	99.4
2024	15,589,933	15,210,306	97.6	141,174	15,351,480	98.5
2025	15,466,620	15,042,230	97.3	N/A	15,042,230	97.3

Source: Sandy City Finance Department

Sandy City

Ratios of Outstanding Debt by Type (Unaudited)

Last Ten Fiscal Years Ended June 30

Governmental Activities						
Fiscal Year	Revenue Bonds	Other Payables	Right to Use Lease Liabilities	IT Subscription Payables	Compensated Absences	General Obligation Bonds
2016	\$ 98,423,471	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
2017	91,596,000	-0-	-0-	-0-	-0-	-0-
2018	85,629,000	-0-	-0-	-0-	-0-	-0-
2019	79,372,000	-0-	-0-	-0-	-0-	-0-
2020	72,385,000	-0-	-0-	-0-	-0-	-0-
2021	67,038,000	-0-	-0-	-0-	-0-	-0-
2022	61,172,000	15,000,000	1,352,671	-0-	6,439,646	-0-
2023	56,467,000	19,869,517	10,798	180,724	7,116,459	-0-
2024	59,460,000	18,550,232	920,023	249,237	7,410,655	19,300,000
2025	54,178,000	17,197,274	900,688	2,679,909	8,175,470	18,690,000

Business Activities						
Fiscal Year	Revenue Bonds	Other Payables	Right to Use Lease Liabilities	IT Subscription Payables	Total Primary Government	Per Capita ¹
2016	\$ 6,294,529	\$ 11,057,220	\$ -0-	\$ -0-	\$ 115,775,220	\$ 1,193
2017	15,625,000	10,562,310	-0-	-0-	117,783,310	1,213
2018	14,920,000	10,042,020	-0-	-0-	110,591,020	1,130
2019	13,626,000	9,496,350	-0-	-0-	102,494,350	1,037
2020	19,304,000	8,921,070	-0-	-0-	100,610,070	1,009
2021	9,710,000	8,311,950	-0-	-0-	85,059,950	857
2022	8,525,000	7,673,220	330,050	-0-	100,492,587	1,006
2023	7,205,000	6,987,960	317,674	100,500	98,255,632	1,003
2024	6,185,000	6,277,320	303,234	52,000	118,707,701	1,291
2025	5,120,000	5,532,840	286,556	-0-	112,760,737	1,226

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

¹See the Schedule of Demographic and Economic Statistics for population data.

Sandy City

Ratios of General Bonded Debt Outstanding (Unaudited)

Last Ten Fiscal Years Ended June 30

Fiscal Year	General Obligation Bonds	Percentage of Estimated Actual Value of Taxable Property¹	Per Capita²
2016	\$ -0-	0.00%	\$ -0-
2017	-0-	0.00%	-0-
2018	-0-	0.00%	-0-
2019	-0-	0.00%	-0-
2020	-0-	0.00%	-0-
2021	-0-	0.00%	-0-
2022	-0-	0.00%	-0-
2023	-0-	0.00%	-0-
2024	19,300,000	0.08%	210
2025	18,690,000	0.08%	203

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Sandy City has no general bonded debt outstanding from fiscal years 2015 to 2023.

¹See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

²See the Schedule of Demographic and Economic Statistics for population data.

Sandy City

Direct and Overlapping Governmental Activities Debt (Unaudited)

For the Year Ended June 30, 2025

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable³</u>	<u>Estimated Share of Overlapping Debt</u>
Overlapping Debt			
State of Utah	\$ 944,435,000	2.63%	\$ 24,868,443
CUWCD ¹	90,940,000	3.96%	3,598,570
Salt Lake County	84,180,000	7.43%	6,251,568
Canyons School District	365,060,000	38.74%	141,436,579
Sandy Suburban Improvement District	1,015,000	100.00%	1,015,000
Total Overlapping Debt	<u>\$ 1,485,630,000</u>		<u>\$ 177,170,160</u>
Total Overlapping Debt Less the State ²			<u>152,301,717</u>
Sandy City Total Direct Debt			<u>112,760,737</u>
Total Direct and Overlapping Debt			<u>\$ 265,062,454</u>

Source: LRB Public Finance Advisors

¹Central Utah Water Conservancy District (CUWCD) outstanding general obligation bonds are limited ad valorem tax bonds. These bonds are secured by a limited ad valorem property tax rate of 0.0004 applied on CUWCD's taxable value.

²The State's general obligation debt is not included in overlapping debt because the State currently levies no property tax for the payment of its general obligation bonds.

³Estimated percentage applicable is rounded to the nearest 100th percent.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the government'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.

**Sandy City
 Legal Debt Margin Information (Unaudited)
 Last Ten Fiscal Years Ended June 30**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt Limit										
General (4% Fair Cash Value) ¹	\$ 427,366,808	\$ 470,321,913	\$ 511,387,152	\$ 564,692,816	\$ 609,284,013	\$ 647,448,584	\$ 709,311,606	\$ 899,814,004	\$ 925,380,817	\$ 989,442,569
Water and Sewer (4% Fair Cash Value) ¹	427,366,808	470,321,914	511,387,153	564,692,817	609,284,014	647,448,585	709,311,606	899,814,004	925,380,817	989,442,569
Total 8% Debt Limit	854,733,616	940,643,827	1,022,774,305	1,129,385,633	1,218,568,028	1,294,897,169	1,418,623,212	1,799,628,007	1,850,761,633	1,978,885,137
Total Net Debt Applicable to Limit	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	19,300,000	18,690,000
Legal Debt Margin	\$ 854,733,616	\$ 940,643,827	\$ 1,022,774,305	\$ 1,129,385,633	\$ 1,218,568,028	\$ 1,294,897,169	\$ 1,418,623,212	\$ 1,799,628,007	\$ 1,831,461,633	\$ 1,960,195,137
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	1.043%	0.944%

Assessed Valuation:	
Primary Residential	\$ 11,102,097,501
All Other	3,074,455,918
Total Assessed Value	<u>\$ 14,176,553,419</u>
Reasonable Fair Cash Value	\$ 24,736,064,218
Debt Limit (8% of Reasonable Fair Cash Value) ¹	1,978,885,137
Debt Applicable to Limit:	
General Obligation Bonds	18,690,000
Less: Amount Set Aside for Repayment of General Obligation Debt	-0-
Total Net Debt Applicable to Limit	<u>18,690,000</u>
Legal Debt Margin	<u>\$ 1,960,195,137</u>

Source: Salt Lake County Auditor's Office

¹The general obligation bonded debt of the City is limited by the Utah Constitution (Section 14, Paragraph 4) to 8% of the "reasonable fair cash value" of property. Of this percent, a maximum of 4% may be used for general purposes. The remaining 4% and any unused portion of the 4% available for general purposes up to the maximum 8% may be utilized for water and/or sewer purposes.

Sandy City
Pledged-Revenue Coverage (Unaudited)
Last Ten Fiscal Years Ended June 30

Fiscal Year	Water Revenue Bonds						Sales Tax Revenue Bonds				
	Gross Operating Revenue	Less: Direct Operating Expenses	Net Available Revenue	Debt Service		Coverage	Sales Tax Revenue Collections	Debt Service		Coverage	
				Principal	Interest			Principal	Interest		
2016	\$ 20,890,459	\$ 11,640,561	\$ 9,249,898	\$ 405,000	\$ 140,683	16.95	\$ 19,891,096	\$ 4,364,000	\$ 1,139,647	3.61	
2017	23,500,938	12,001,955	11,498,983	415,000	128,650	21.15	20,642,039	4,587,000	2,975,264	2.73	
2018	22,896,871	10,449,027	12,447,844	425,000	240,251	18.71	21,909,964	4,587,000	2,854,008	2.94	
2019	21,652,019	11,785,256	9,866,763	1,019,000	326,439	7.33	22,289,422	4,727,000	2,708,012	3.00	
2020	24,038,821	11,885,826	12,152,995	1,042,000	305,959	9.02	25,127,618	3,436,000	2,558,495	4.19	
2021	25,151,479	11,806,144	13,345,335	1,059,000	284,387	9.93	29,190,378	3,537,000	2,284,092	5.01	
2022	20,591,173	12,033,446	8,557,727	860,000	430,553	6.63	32,455,302	2,771,000	2,160,968	6.58	
2023	23,186,642	17,286,072	5,900,570	980,000	307,800	4.58	30,106,136	2,885,000	2,046,723	6.10	
2024	26,218,341	17,905,702	8,312,639	1,020,000	267,800	6.45	29,807,997	3,337,000	2,145,927	5.44	
2025	29,818,311	19,299,769	10,518,542	1,020,000	267,800	8.17	30,859,679	3,337,000	2,145,927	5.63	

Fiscal Year	Motor Fuel Excise Tax Revenue Bonds				Transient Room Tax Revenue Bonds			
	B and C Road Fund Collections	Debt Service		Coverage	Transient Room Tax Revenue Collections	Debt Service		Coverage
		Principal	Interest			Principal	Interest	
2016	\$ 3,129,681	\$ 925,000	\$ 95,000	3.07	\$ 2,943,564	\$ 1,390,000	\$ 992,910	1.24
2017	3,310,634	975,000	48,750	3.23	3,332,491	1,520,000	942,713	1.35
2018	3,335,120	-0-	-0-	-0-	3,581,154	1,660,000	887,858	1.41
2019	3,728,958	-0-	-0-	-0-	3,591,532	1,805,000	828,086	1.36
2020	3,495,735	-0-	-0-	-0-	2,886,799	1,955,000	763,226	1.06
2021	3,770,384	-0-	-0-	-0-	2,259,918	2,120,000	692,933	0.80
2022	4,080,380	-0-	-0-	-0-	4,083,103	2,295,000	372,590	1.53
2023	4,234,550	-0-	-0-	-0-	5,394,924	2,160,000	511,300	2.02
2024	4,221,321	-0-	-0-	-0-	5,497,865	2,315,000	454,975	1.98
2025	4,221,321	-0-	-0-	-0-	5,497,865	2,315,000	454,975	1.98

Sandy City
Demographic and Economic Statistics (Unaudited)
Last Ten Fiscal Years Ended June 30

Fiscal Year	Population¹	Personal Income (AGI)²	Per Capita Personal Income	Median Age¹	Unemployment Rate³	School Enrollment⁴
2016	97,082	\$ 3,356,529,172	\$ 34,574	33.8	3.2%	17,618
2017	97,082	3,606,213,177	37,146	33.8	3.0%	17,612
2018	97,857	3,680,152,101	37,607	33.8	3.1%	17,458
2019	98,849	3,714,361,915	37,576	36.4	2.9%	18,355
2020	99,700	3,870,664,992	38,823	35.9	3.9%	17,963
2021	99,235	4,330,142,437	43,635	36.5	3.5%	18,920
2022	99,848	4,381,949,001	43,886	36.0	2.1%	18,946
2023	97,984	4,529,320,908	46,225	36.3	2.3%	19,226
2024 ⁵	91,943	N/A	N/A	40.4	2.8%	19,359
2025 ⁵	92,840	N/A	N/A	39.0	3.3%	18,417

¹Source: Census Bureau

²Source: Adjusted Gross Income from Utah State Tax Commission (Based on a calendar year)

³Source: The United States Bureau of Labor Statistics

⁴Source: Canyons School District

⁵Information from the Utah State Tax Commission was unavailable at the time of this report.

Sandy City
Principal Employers (Unaudited)
For the Years Ended June 30, 2025 and 2016

Employer	2025			2016		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
BECTON DICKINSON INFUSN THRPY	1,092	1	3.83%	1,092	2	3.76%
AMERICAN EXPRESS TRAVEL RELATED SERVICES CO INC	791	2	2.77%			
MOUNTAIN AMERICA CREDIT UNION	749	3	2.62%			
NICE INCONTACT	700	4	2.45%	660	3	2.27%
MORGAN STANLEY SMITH BARNEY LLC	570	5	2.00%			
WCF MUTUAL INSURANCE COMPANY	432	6	1.51%			
GALILEO FINANCIAL TECHNOLOGIES LLC	432	7	1.51%			
AETNA LIFE INSURANCE COMPANY	376	8	1.32%			
TELARUS LLC	345	9	1.21%			
INTERMOUNTAIN HEALTH ALTA VIEW HOSPITAL	332	10	1.16%	332	8	1.14%
GENERAL DYNAMICS INFORMATION				1,573	1	5.42%
XEROX COMMERCIAL SOLUTIONS				595	4	2.05%
SANDY CITY CORPORATION				558	5	1.92%
TELEPERFORMANCE USA				459	6	1.58%
E*TRADE FINANCIAL				423	7	1.46%
WORKERS COMPENSATION FUND				320	9	1.10%
SCHEELS ALL SPORTS INC				300	10	1.03%
Total	<u>5,819</u>		<u>20.39%</u>	<u>6,312</u>		<u>21.73%</u>

Note: Annual amounts are shown only for the top ten principal employers. Including the other amounts would skew the overall total and percentage for the top ten principal employers.

Source: Sandy City Business License Division and the United States Bureau of Labor Statistics

Sandy City

Full-time Equivalent City Government Employees by Function (Unaudited)

Last Ten Fiscal Years Ended June 30

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities:										
General Government										
Mayor	3.6	3.6	3.6	2.6	4.6	4.6	4.6	4.6	4.6	4.6
City Administrator	17.5	18.1	18.2	17.2	16.3	14.4	15.4	15.4	15.4	15.4
City Council	3.5	3.5	3.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0
City Attorney	14.6	14.6	14.6	15.3	15.8	15.8	15.8	16.5	16.5	16.5
Court Services	16.5	16.5	16.8	16.3	16.0	16.0	16.0	16.0	16.0	15.5
Administrative Services	48.3	48.3	48.3	54.2	57.9	55.1	56.1	56.6	56.6	56.6
Non-Departmental	2.0	2.0	2.0	2.0	-0-	-0-	-0-	-0-	-0-	-0-
Police and Animal Services	156.2	158.7	160.7	156.0	162.4	162.1	162.6	162.7	162.9	165.1
Fire	78.2	79.0	80.0	80.0	87.0	87.0	87.0	88.0	96.0	102.0
Public Works	51.0	51.4	52.4	52.1	53.1	53.1	53.1	48.4	48.4	47.4
Parks and Cemetery	51.5	54.0	55.3	50.1	50.5	49.8	49.8	49.8	50.8	50.8
Recreation and Cultural Events	14.5	14.5	14.5	14.5	15.6	15.8	15.8	15.8	15.8	15.8
Street Lighting	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Storm Water Utility	21.1	21.1	20.1	20.1	20.1	20.1	20.1	20.1	20.1	20.1
Community Development	26.1	26.4	26.4	26.3	26.7	26.7	26.7	27.7	27.7	27.7
Economic Development	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Business-Type Activities:										
Alta Canyon Sports Center	29.9	29.9	29.9	30.9	30.9	30.9	28.9	28.9	28.9	28.9
Water	40.3	40.3	41.8	41.8	42.8	43.8	43.8	43.8	43.8	43.8
Waste Collection	4.0	4.0	4.0	4.0	4.0	4.0	4.0	9.7	9.7	9.7
River Oaks Golf Course	12.2	12.2	12.2	12.2	12.2	12.2	12.2	12.5	12.5	13.0
Total	596.2	603.4	608.9	603.8	624.1	619.6	621.1	625.7	634.9	642.1

Source: Sandy City Payroll Division

Sandy City
Operating Indicators by Function (Unaudited)
Last Ten Fiscal Years Ended June 30

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Police										
Physical arrests	2,251	2,115	2,210	2,140	1,990	1,937	2,145	2,086	1,998	1,804
Nonmoving traffic citations	4,053	6,020	3,155	2,211	1,999	2,122	2,137	2,314	2,256	1,598
Moving traffic citations	12,164	11,232	13,559	8,563	6,139	5,109	5,730	7,079	6,115	6,165
Fire										
Number of fire calls answered	1,495	1,834	1,927	1,937	2,010	5,860	2,011	2,181	2,604	2,236
Number of medical calls answered	4,593	5,664	5,686	5,723	5,510	1,895	6,497	6,961	7,032	7,413
Public Works										
Street resurfacing (miles)										
Overlays	1.47	0.49	0.49	1.60	1.20	0.69	0.98	1.51	1.01	21.01
Slurry	35.97	33.91	35.75	44.06	-0-	41.80	37.35	29.12	36.59	28.37
Potholes repaired	1,037	1,189	2,060	1,743	1,126	1,415	1,386	4,163	1,050	751
Sanitation										
Number of garbage cans per month	31,686	31,818	31,983	32,196	32,783	33,020	33,163	33,441	33,696	33,905
Number of recycle cans/month	24,288	24,348	24,413	24,467	24,520	25,006	25,292	25,548	25,673	25,771
Parks, recreation, and cemetery										
Number of program participants	18,683	17,554	16,126	15,991	11,229	13,810	16,275	15,163	15,527	16,041
Cemetery plots sold ¹	2	288	409	126	75	87	72	54	77	58
Atta Canyon										
Members	1,160	1,481	1,337	926	689	1,867	1,588	3,240	3,008	2,901
Class participants	34,392	24,637	23,974	25,228	19,430	19,975	22,958	22,795	22,656	23,279
Golf										
Number of 18 hole rounds played	18,506	18,142	16,907	27,649	15,682	26,648	24,466	24,959	27,325	29,990
Number of 9 hole rounds played	19,924	18,035	20,579	17,696	21,059	33,986	21,891	25,178	29,553	32,610
Number of tournaments	53	43	47	48	30	31	63	63	51	56
Sandy Arts Guild										
Number of tickets sold	20,752	22,557	11,212	11,649	9,114	5,088	4,127	5,477	7,871	10,686
Number of performances	34	28	17	35	16	32	28	27	26	32
Water										
New connections	106	101	266	154	131	93	92	125	62	46
Water mainline breaks	62	87	77	64	84	65	79	71	93	80
Average daily consumption (gallons)	22,015,833	23,248,333	22,570,000	20,505,000	21,964,167	23,091,667	17,966,667	18,586,667	18,499,167	20,552,500

¹Fiscal Year 17 A new section of the Sandy City Cemetery has been opened, bringing 3,000 new grave plots and 396 niches.

Source: Various City Departments

Sandy City

Capital Assets Statistics by Function (Unaudited)

Last Ten Fiscal Years Ended June 30

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Substations	4	4	4	4	3	3	5	2	2	2
Vehicles and Motorcycles	173	174	166	167	184	167	166	180	174	183
Fire										
Fire Stations	5	5	5	5	5	5	5	5	5	5
Fire Engines	7	7	7	7	7	6	6	6	7	7
Ladder Truck 100'	1	1	1	2	2	2	2	2	2	2
Telesquirt 50'	1	1	1	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Ambulance	5	5	5	5	5	5	5	5	5	6
Training Towers	1	1	1	1	1	1	1	1	1	1
Public Works										
Streets (road miles)	313	317	318	322	319	320	322	322	322	323
Traffic Signals	43	40	42	42	42	44	44	44	44	45
Streetlights	8,042	8,174	8,187	8,374	8,307	8,372	8,405	8,491	8,524	8,520
Culture and Recreation										
Parks Acreage	314	314	314	314	314	314	314	314	314	314
Parks	32	32	32	32	32	32	32	32	32	32
Swimming Pools	1	1	1	1	1	1	1	1	1	1
Tennis Courts	29	31	31	31	31	24	24	24	24	23
Pickle Ball Courts	4	4	4	4	4	5	13	17	17	21
18-Hole Golf Course	1	1	1	1	1	1	1	1	1	1
Water										
Water Mains (miles)	426	427	428	424	426	426	428	431	429	441
Fire Hydrants	4,428	4,468	4,517	4,456	4,468	4,497	4,512	4,545	4,567	4,608
Maximum Daily Capacity (millions of gallons per day)	157.875	157.875	154.625	157.875	158.875	154.625	152.660	152.660	136.980	136.980
Storm Water Drains (miles) ¹	148	157	159	159	254	255	261	164	165	166

Source: Various City Departments

¹Decrease in 2023 due to separation of entity ownership. Only what Sandy City owns and maintains is shown.

INTERNAL CONTROL AND STATE LEGAL COMPLIANCE REPORTS



Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Members of City Council
City of Sandy, 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Sandy City (the City), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements and have issued our report thereon dated February 24, 2026. Our report includes a reference to other auditors who audited the financial statements of Trans-Jordan Cities, as described in our report on the City’s financial statements. This report does not include the result of the other auditors’ testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as item 2025-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Sandy City's Response to Findings

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

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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Salt Lake City, Utah
February 24, 2026



**Independent Auditor's Report on Compliance and Report on Internal Control over Compliance as
Required by the *State Compliance Audit Guide***

To the Members of the City Council
City of Sandy, Utah

Report on Compliance

We have audited Sandy City's compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, for the year ended June 30, 2025.

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

- Budgetary Compliance
- Fund Balance
- Justice Court
- Restricted Taxes and Related Restricted Revenue
- Fraud Risk Assessment
- Government Fees
- Enterprise Fund Transfers, Reimbursements, Loans, and Services
- Tax Levy Revenue Recognition
- Utah Retirement Systems
- Crime Insurance for Public Treasurers

Opinion on Compliance

In our opinion, Sandy City complied, in all material respects, with the state compliance requirements referred to above for the year ended June 30, 2025.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the *State Compliance Audit Guide* (Guide), issued by the Office of the Utah State Auditor. Our responsibilities under those standards and the *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 Sandy 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 Sandy City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Sandy 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 Sandy 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 Sandy 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 Sandy 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 Sandy 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 Guide but not for the purpose of expressing an opinion on the effectiveness of Sandy City's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Guide and which is described in the accompanying schedule of findings and responses as item 2025-002. Our opinion on compliance is not modified with respect to this matter.

Government Auditing Standards require the auditor to perform limited procedures on Sandy City's response to the noncompliance findings identified in our audit described in the accompanying schedule

of findings and responses. Sandy City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report On Internal Control over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control and compliance and the results of that testing based on the requirements of the Guide. Accordingly, this report is not suitable for any other purpose. However, pursuant to *Utah Code* Title 63G, Chapter 2, this report is a matter of public record, and as such, its distribution is not limited.



Salt Lake City, Utah
February 24, 2026

Section I – Financial Statement Findings

**2025-001 Audit Adjustments and Prior Year Restatement
Material Weakness in Internal Control**

Criteria: Sandy City and its management are responsible 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 in accordance with accounting principles generally accepted in the United States, whether due to fraud or error.

Condition: During the audit we identified audit adjustments that in the aggregate represent a material adjustment to the financial statements. A restatement to the prior year financial statements was required due to an overstatement of payroll liabilities. In addition, audit adjustments were proposed that impacted receivables, capital assets, lease receivables, lease liabilities, subscription-based information technology arrangements, accrued liabilities, compensated absence liabilities, long-term debt and deferred inflows of resources.

Cause: Schedules supporting financial statement balances contained errors leading to inaccurate financial reporting. These issues were not adequately reconciled or reviewed by an appropriate individual prior to the initial financial close or during the financial statement preparation process.

Effect: If the audit adjustments had not been made, the financial statements could have misstatements.

Recommendation: We recommend that management review the process and timing of reconciliation of year end items, as well as continuing to provide training to those performing those reconciliations.

Views of Responsible Officials: We agree with the auditor’s recommendation to review the process and timing of year-end reconciliation items and will do so before the fiscal year 2026 audit commences.

Section II – Compliance Findings

**2025-002 Budgetary Compliance
Instance of Noncompliance with State Compliance Requirements**

Criteria: Under *Utah Code Annotated* (UCA) 10-6-123, total expenditures by fund or department are not allowed to exceed the amounts appropriated in the final adopted budget.

Condition: Total expenditures for the Recreation Fund exceeded the amounts appropriated in the final adopted budget by approximately \$5,000.

Cause: The City had more expenditures in the Recreation Fund than appropriated by the final adopted budget.

Effect: The City was not in compliance with UCA 10-6-123 in relation to ensuring that total expenditures did not exceed the amount appropriated by the final adopted budget.

Recommendation: We recommend that management review the budgeting process to ensure that expenditures to not exceed budgeted amounts.

Views of Responsible Officials: Management agrees with the finding.