



**ANNUAL COMPREHENSIVE
FINANCIAL REPORT
FOR BRIGHAM CITY CORPORATION
FOR THE FISCAL YEAR ENDED
JUNE 30, 2025
BRIGHAM CITY, UTAH**



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PREPARED BY:

BRIGHAM CITY FINANCE DEPARTMENT

**TOM KOTTER
DIRECTOR OF FINANCE**

BRIGHAM CITY CORPORATION
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2025

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INTRODUCTORY SECTION



December 18, 2025

Members of the Brigham City Council,

In accordance with state statutes, I hereby transmit the annual financial report of Brigham City as of June 30, 2025, and for the fiscal year then ended. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. Management believes that the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of the operation of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are discussed by the Finance Director in his accompanying letter of transmittal, and within that framework, I believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

This report has been prepared following the guidelines recommended by the Government Finance Officers Association of the United States and Canada.

State law requires that the financial statements of Brigham City be audited by a Certified Public Accountant selected by the City Council. This requirement has been complied with, and our auditor's opinion is included in the financial section of this report.

The preparation of the financial report could not have been accomplished without the dedicated effort of the Finance Director and his entire staff. Their efforts over the past year in continuing to upgrade the accounting and financial systems of Brigham City have led substantially to the improved quality of the information being reported to the City Council, state oversight boards, and the citizens of Brigham City.

Respectfully submitted,

Dennis J. Bott, Mayor



December 18, 2025

To the Honorable Mayor, Members of the City Council, City Administrator, and Citizens of Brigham City,

It is with great pleasure that the Annual Comprehensive Financial Report (ACFR) for Brigham City for the year ended June 30, 2025, is presented.

In addition to the fund financial information currently presented in the Government's financial statements, this report includes government-wide financial statements. The government-wide financial statements include a statement of net position that provides the total net position of the Government, including all capital assets (including infrastructure), and the statement of activities which shows the cost of providing government services.

This report consists of management's representations concerning the finances of the Government. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management has established an internal control framework that is designed to both protect the assets of the Government from loss, theft, or misuse and to allow for the compiling of reliable information for the preparation of the Government's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the Government's internal control procedures have been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. To the best of management's knowledge and belief, this financial report is complete and reliable in all material respects.

The Government's financial statements have been audited by a firm of licensed certified public accountants, K&C, Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the Government's financial statements are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, there was a reasonable basis for rendering an unmodified opinion on Governments financial statements for the fiscal year ended June 30, 2024. The independent auditor's report is presented as the first component of the financial section of this report.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Government's MD&A can be found immediately following the report of the independent auditors.

The financial reporting entity includes all funds of the Primary Government (i.e., Brigham City Corporation as legally defined), as well as its component units. Component units are legally separate entities for which the primary government is financially accountable. The Redevelopment Agency and Municipal Building Authority of Brigham City component units are reported in the statements as special revenue funds.

GOVERNMENT STRUCTURE

The Government was incorporated under Utah law and governed by a Mayor and five City Councilmembers elected at large for staggered four-year terms. The Mayor presides over all meetings but casts no vote in the City Council other than in the case of a tie or matters affecting the authority of the Mayor. The Government has a City Administrator that reports to the Mayor. Operational directors are full-time employees of the Government and are responsible for day-to-day operations within the policy framework of the governing body. Operational directors report to the City Administrator. The principal powers and duties of municipalities are to maintain law and order, abate nuisances, guard public health and sanitation, promote recreation, provide fire protection, and construct and maintain streets, sidewalks, waterworks

and sewers. Municipalities also regulate commercial and residential development within their boundaries by means of zoning ordinances, building codes and licensing procedures.

ECONOMIC CONDITION AND OUTLOOK

Incorporated in 1867, Brigham City is the largest city in Box Elder County. Brigham City is known for its beautiful Main Street, and the "Gateway to the World's Greatest Wild Bird Refuge."

Brigham City is located in northern Utah along the Wasatch Front and continues to experience strong economic conditions and a positive outlook. Autoliv remains the largest employer within the City, with its automotive division producing air bags locally—supporting jobs, strengthening the tax base, and contributing significantly to utility revenues. The City's economy has also diversified in recent years, with major employers such as Box Elder School District, Nucor Building Systems, Nucor Vulcraft, Storm Products, Whitaker Construction, ABC Construction, and GEM Building Systems. Nucor is further expanding its presence with a new Towers & Structures facility. Additionally, Governor Cox recently announced Brigham City as a key center for "Operation Gigawatt," a major initiative to build a nuclear energy ecosystem in northern Utah—positioning the community for long-term economic growth and innovation.

The City provides certain tax abatements under state-authorized programs to qualified recipients, primarily through the redirection of City property tax to the Brigham City Redevelopment Agency (RDA). Under GASB 77, these arrangements are considered tax abatements because the City agrees to forgo a portion of its property tax revenue in exchange for investments and activities that support community development. Although the City temporarily forgoes this revenue, these incentives are intended to promote long-term benefits such as increased private investment, job creation, stronger neighborhood redevelopment, and future growth of the overall tax base.

The airport has the capacity for a Boeing 737 to land; however, no commercial service is available. The airport also has space for future development and has completed further expansion of taxiways.

The Government's economy is stable and is improving through expanded development within the City. The Government has been able to maintain a high level of service to the residents through prudent management of limited resources.

MAJOR INITIATIVES

The Government has identified several major initiatives to meet citizens' needs for services, to safeguard the environment, in conformity with applicable federal and state standards. The Government purchases most of its wholesale power from Utah Associated Municipal Power Systems (UAMPS). Diversification of wholesale power sources was identified as the highest level of concern for the Government for the future. The Government continues to explore new power sourcing options and continues to participate in a small modular nuclear reactor project in association with UAMPS. The Government's general infrastructure such as roads, curbs and gutters, and sidewalks remain a major concern as well. Utility infrastructure including the water, sewer, and electrical distribution systems continues to be prioritized on a systematic approach, replacing older lines and systems as budget allows.

The Government transfers funds from the enterprise funds to the general fund to offset costs of general governmental programs. For the year ended June 30, 2025, this transfer was calculated at 12% of the enterprise fund's sales revenues. In the 2025-26 budget, the enterprise fund transfer was held the same.

FUTURE PROJECTS

The fiscal year 2025–26 budget includes major capital investments focused on transportation, water, and power system reliability. Key projects total over \$44 million, highlighted by the Forest Street Overpass, Penstock Waterline Replacement, and the Watery Lane/Nucor Substation. Additional electric upgrades and roadway improvements further position the City to meet growing service demands and maintain resilient infrastructure.

FINANCIAL INFORMATION

Financial policies. The Government's financial policies had no significant impact on the current period's financial statements.

Long-term financial planning. The Government prides itself on conservative financial management and prudent financial planning. The Government maintains a pay-as-you-go financing mechanism for most of the capital facility needs, but also utilizes the debt markets as market conditions become favorable and need arises. The Government prepares and regularly updates its twenty-five-year capital

improvement plan to ensure that capital needs are identified and funded. Operating budgets are reviewed extensively and balanced annually with conservatively estimated revenues, expenditures, and expenses.

OTHER INFORMATION

Awards. The Government Finance Officers Association (GFOA) awarded a certificate of achievement for excellence in financial reporting to the Government for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024. This was the thirty-ninth consecutive year that the Government has received this prestigious award. To be awarded a certificate of achievement, the Government published an easily readable and efficiently organized Annual Comprehensive Financial Report. This report satisfies both generally accepted accounting principles and applicable legal requirements.

A certificate of achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the certificate of achievement program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments. The preparation of the Annual Comprehensive Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the Department has my sincere appreciation for the contributions made in the preparation of this report. In closing, without the leadership and support of the governing body of the Government, preparation of this report would not have been possible.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Ketter", is written over a horizontal line.

Tom Ketter
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Brigham City Corporation
Utah**

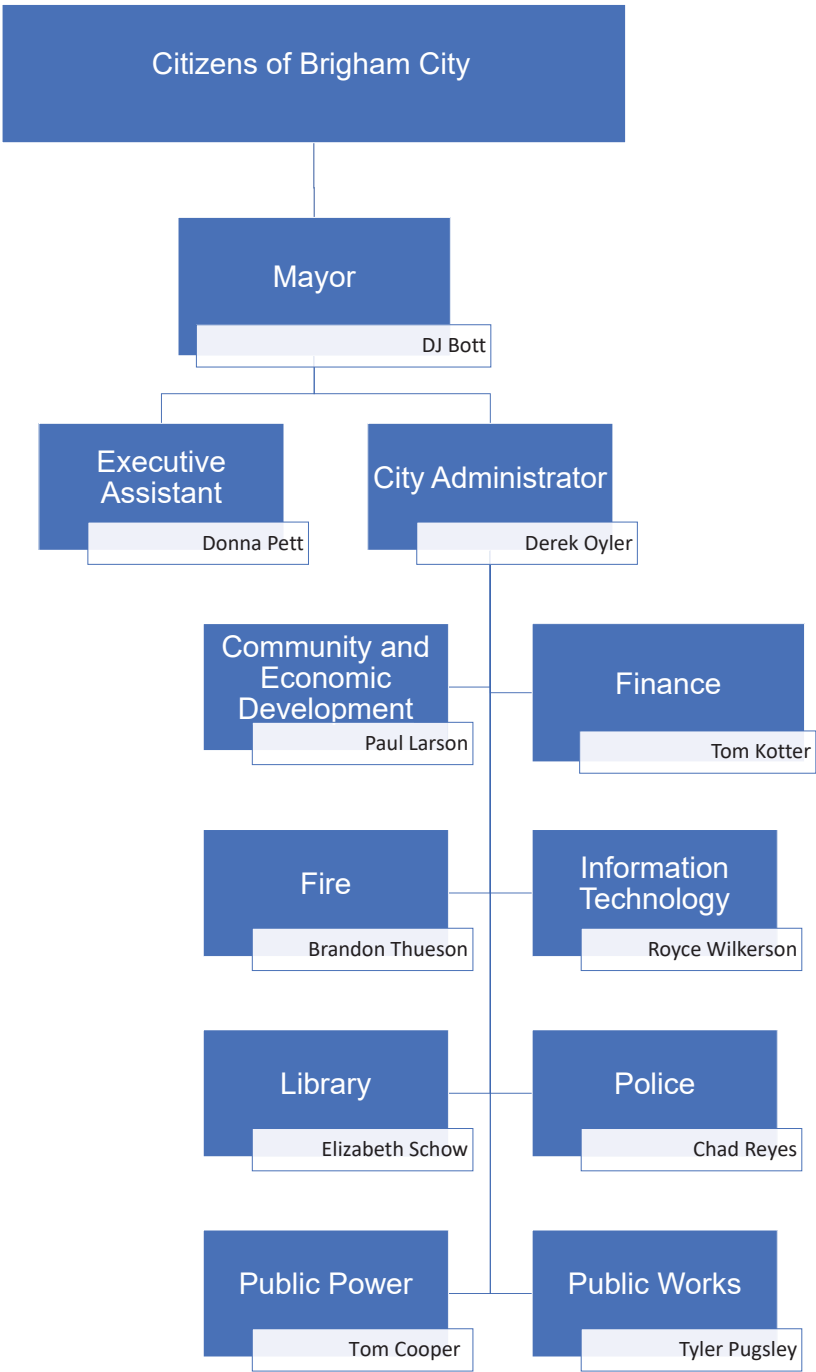
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

Brigham City Organizational Structure & Principal Officials
June 30, 2024



FINANCIAL SECTION



CERTIFIED PUBLIC
ACCOUNTANTS

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

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of City Council
Brigham City, Utah

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the 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 Brigham City, Utah, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund statements and budgetary comparison schedules are fairly stated, in all material respects, in relation to the 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 a report dated December 18, 2025, on our consideration of Brigham City, Utah's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

KYC, CPA

Woods Cross, Utah
December 18, 2025

**Brigham City Corporation
Management's Discussion and Analysis
For the Year Ended June 30, 2025**

ABOUT BRIGHAM CITY



Brigham City is a full-service municipality located in Box Elder County, Utah, approximately 60 miles north of Salt Lake City. Incorporated in 1867, the City serves as the primary commercial, governmental, and cultural center for the region. With an estimated population of approximately 20,000 residents, Brigham City provides a broad range of municipal services, including police, fire, emergency medical services, parks and recreation, water, sewer, stormwater, refuse collection, and a municipally owned electric utility.

Brigham City's economy features a diverse mix of manufacturing, construction, retail, and service-based industries. Major employers include Nucor (Vulcraft, Building Systems, and Insulated Panels), Whitaker Construction, and Autoliv. The City is also preparing for the addition of Nucor Tower & Structures, which will further expand the local manufacturing base. Brigham City's strategic location along the I-15 and I-84 transportation corridors, together with access to freight rail and its proximity to the Wasatch Front, continues to

support sustained economic activity and long-term investment.

Brigham City maintains a stable financial position supported by conservative fiscal management, long-range capital planning, and a continued commitment to reliable public infrastructure and essential services. Operating under a Mayor-Council form of government, the City remains focused on responsible growth, strengthening its economic foundation, and preserving the high quality of life enjoyed by residents and visitors.

The financial statements of Brigham City have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the authoritative standard-setting body for establishing accounting and financial reporting principles for state and local governments. Brigham City's financial statements are presented in accordance with these standards and include all funds, departments, and activities for which the City is financially accountable.

Our discussion and analysis of the Government's financial performance provide an overview of the Government's financial activities for the fiscal year ended June 30, 2025. Please read in conjunction with the Government's basic financial statements.

FINANCIAL HIGHLIGHTS

- The City's total net position increased by \$23.5 million, from \$139.5 million at June 30, 2024 to \$163.0 million at June 30, 2025.
- Governmental activities reported an increase in net position of approximately \$9.4 million, while business-type activities reported an increase of approximately \$14.2 million.
- At year-end, the City's unrestricted net position totaled \$45.6 million, providing flexibility to meet ongoing operational needs and future obligations.

The Government's change in net position (in thousands):

Brigham City Corporation's Changes in Net Position (In Thousands)						
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program Revenues:						
Charges for Services	\$ 7,031	\$ 7,325	\$ 37,321	\$ 37,672	\$ 44,352	\$ 44,997
Operating Grants & Contributions	4,944	3,310	-	-	4,944	3,310
Capital Grants & Contributions	8,272	6,286	10,918	3,853	19,190	10,139
General Revenues:						
Property Taxes	4,088	3,658	-	-	4,088	3,658
Sales Taxes	7,467	8,634	-	-	7,467	8,634
Franchise Taxes	1,950	2,229	-	-	1,950	2,229
Multipurpose Grants & Contributions	541	524	-	-	541	524
Gain on Disposal of Assets	277	2,247	252	3	529	2,250
Interest and Investment Earnings	1,951	2,195	2,108	1,420	4,059	3,615
Miscellaneous	215	93	-	-	215	93
Total Revenues	36,736	36,501	50,599	42,948	87,335	79,449
Expenses:						
General Government	4,481	5,036	-	-	4,481	5,036
Public Safety	13,093	11,448	-	-	13,093	11,448
Public Works	5,267	4,015	-	-	5,267	4,015
Culture, Parks and Recreation	6,937	6,468	-	-	6,937	6,468
Community & Economic Development	1,690	2,095	-	-	1,690	2,095
Interest and Other Fiscal Charges	168	205	-	-	168	205
Water	-	-	5,345	4,020	5,345	4,020
Waste Treatment	-	-	3,500	3,601	3,500	3,601
Electric	-	-	20,229	18,174	20,229	18,174
Waste Collection	-	-	1,949	1,889	1,949	1,889
Storm Drainage	-	-	1,155	1,076	1,155	1,076
Total Expenses	31,636	29,267	32,178	28,760	63,814	58,027
Increase in Net Position Before Transfers	5,100	7,234	18,421	14,188	23,521	21,422
Transfers	4,257	4,007	(4,257)	(4,007)	-	-
Increase in Net Position	9,357	11,241	14,164	10,181	23,521	21,422
Net Position, Beginning of Year	64,793	53,552	74,661	64,480	139,454	118,032
Net Position, End of Year	\$ 74,150	\$ 64,793	\$ 88,825	\$ 74,661	\$ 162,975	\$ 139,454

OVERVIEW OF THE FINANCIAL STATEMENTS

This Annual Comprehensive Financial Report (ACFR) includes several financial statements that present Brigham City's finances from both long-term and short-term perspectives. The government-wide financial statements—the Statement of Net Position and the Statement of Activities—provide a broad overview of the City's overall financial condition and operating results. These statements present information for the City as a whole and are designed to show whether the City's financial position improved or declined during the fiscal year.

The fund financial statements provide a more detailed look at the City's most significant individual funds. These statements demonstrate how services were financed during the year and identify the resources available to meet future spending needs.

Government-Wide Financial Statements

The government-wide financial statements are designed to answer one of the most important questions about Brigham City's financial condition:

"Is the City, as a whole, better off or worse off at the end of the year than it was at the beginning?"

These statements are prepared using the accrual basis of accounting, similar to private-sector financial reporting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of when cash is received or paid. This approach provides a long-term view of the City's financial position by capturing all assets, deferred outflows of resources, liabilities, and deferred inflows of resources.

The difference between the City's assets and deferred outflows of resources and its liabilities and deferred inflows of resources is reported as net position, which serves as a key indicator of overall financial health. Over time, increases or decreases in net position may indicate whether the City's financial condition is improving or declining. These results should be evaluated in conjunction with nonfinancial factors such as changes in the property tax base, population growth, service demands, and the condition of the City's capital assets, including roads, buildings, and utility infrastructure.

In the government-wide statements, Brigham City's activities are reported in two categories:

Governmental Activities

Governmental activities include most of the City's essential public services, such as police, fire and emergency medical services, streets and public works, parks and recreation, community and economic development, and general administration. These activities are primarily financed through property taxes, sales taxes, grants, and intergovernmental revenues.

Business-Type Activities

Business-type activities are those that operate in a manner similar to private enterprises, where the intent is that user charges cover all or most of the cost of providing services. Brigham City's electric, water, sewer, refuse collection, and storm drain utilities are reported as business-type activities.

Fund Financial Statements

While the government-wide statements provide a comprehensive view of Brigham City as a single economic entity, the fund financial statements focus on individual funds and provide greater detail regarding the City's most significant financial activities. Some funds are required by state law, while others are established by the City Council to account for resources dedicated to specific purposes, such as Redevelopment Agency (RDA) project areas, debt service, or major capital projects.

Brigham City reports its funds using two primary fund types—governmental funds and proprietary funds—each with a different measurement focus and basis of accounting.

Governmental Funds

Governmental funds account for most of the City's basic services. These statements emphasize current financial resources, showing how funds are received and spent during the year and the balances available at year-end. Governmental funds use the modified accrual basis of accounting, under which revenues are recognized when they are both measurable and available, and expenditures are recognized when they are due and payable.

These statements provide a short-term view of the City's general government operations. Reconciliations following the governmental fund statements explain the differences between this short-term, current financial resources perspective and the long-term economic resources perspective presented in the government-wide financial statements.

Proprietary Funds

Proprietary funds are used to account for activities for which Brigham City charges fees to recover the full cost of providing services. These funds are reported using the accrual basis of accounting, consistent with the government-wide statements.

- **Enterprise Funds** account for the City's utility operations, including electric, water, sewer, refuse collection, and storm drainage. In addition to operating results, these statements provide cash flow information, which is particularly useful in assessing the utilities' ability to generate sufficient cash to meet operating and capital needs.

- **Internal Service Funds** account for services provided internally to other City departments, such as fleet management, facilities, information technology, and risk management. The purpose of these funds is to allocate the cost of internal services to the departments that use them, providing a more accurate measure of program costs. The results of internal service funds are reported within governmental activities in the government-wide statements.

THE GOVERNMENT AS A WHOLE

The Government's combined net position increased to \$163.0 million at June 30, 2025, from \$139.5 million at June 30, 2024. This increase reflects favorable financial activity in both governmental and business-type activities.

Within governmental activities, cash and cash equivalents remained elevated at year-end, primarily related to UDOT overpass funding received in prior years and recognized during the current fiscal year. These resources are associated with ongoing capital construction and will be expended as the project progresses.

The analysis that follows focuses on the net position and changes in net position of the Government's governmental and business-type activities.

Brigham City Corporation's Net Position (In Thousands)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and Other Assets	\$ 49,295	\$ 55,209	\$ 65,285	\$ 36,111	\$ 114,580	\$ 91,320
Capital Assets	60,431	51,806	65,491	56,534	125,922	108,340
Total Assets	109,726	107,015	130,776	92,645	240,502	199,660
Total Deferred Outflows of Resources	2,833	2,664	943	873	3,776	3,537
Long-term Liabilities Outstanding	11,282	11,283	38,426	14,578	49,708	25,861
Other Liabilities	21,104	28,063	4,460	4,274	25,564	32,337
Total Liabilities	32,386	39,346	42,886	18,852	75,272	58,198
Total Deferred Inflows of Resources	6,023	5,540	8	5	6,031	5,545
Net Position:						
Net Investment in Capital Assets	54,270	45,061	55,063	42,970	109,333	88,031
Restricted	5,933	4,530	2,088	1,863	8,021	6,393
Unrestricted	13,947	15,202	31,674	29,828	45,621	45,030
Total Net Position	<u>\$ 74,150</u>	<u>\$ 64,793</u>	<u>\$ 88,825</u>	<u>\$ 74,661</u>	<u>\$ 162,975</u>	<u>\$ 139,454</u>

The net position of the Government's governmental activities increased by approximately \$9.4 million, from \$64.8 million at June 30, 2024 to \$74.1 million at June 30, 2025. Unrestricted net position, which represents the portion of net position available to finance day-to-day operations without constraints imposed by debt covenants, enabling legislation, or other legal requirements, totaled approximately \$13.9 million at June 30, 2025, compared to \$15.2 million at June 30, 2024.

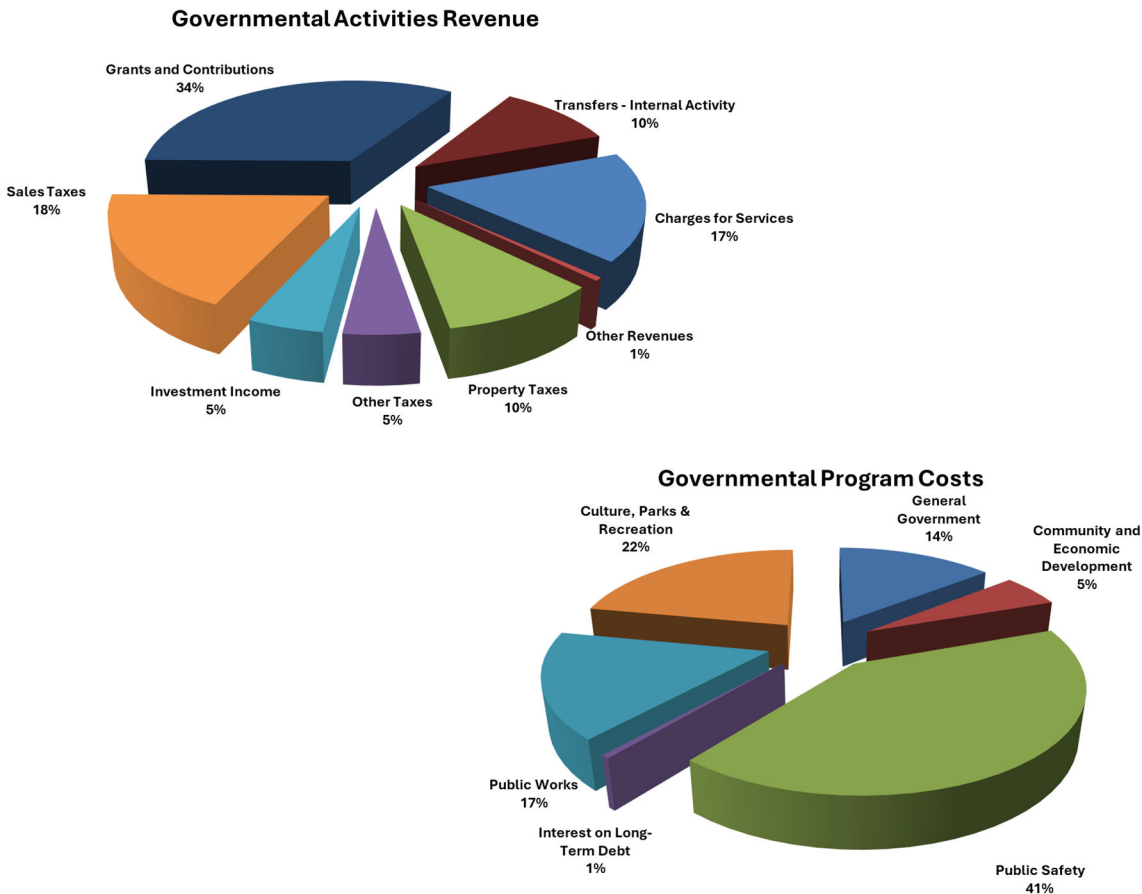
The increase in governmental activities net position was primarily attributable to growth in current assets, operating and capital grants, charges for services, interest earnings, and sales tax revenues during the fiscal year. Total liabilities decreased, reflecting scheduled debt repayments and changes in long-term obligations. Net investment in capital assets for governmental activities increased as a result of continued investment in infrastructure and capital improvements.

The net position of business-type activities increased by approximately \$14.2 million, from \$74.7 million at June 30, 2024 to \$88.8 million at June 30, 2025. The increase was driven by positive operating results across the City’s utility funds and significant capital contributions, partially offset by higher operating and wholesale power costs.

Unrestricted net position of business-type activities increased during the year, reflecting the utilities’ ability to recover operating costs, fund capital needs, and maintain adequate reserves. While the Power Purchase Adjustment Clause (PPAC) was reduced during the year, the City continued to strengthen its rate stabilization fund, providing a buffer against future wholesale power cost volatility.

The City generally uses the net position of its business-type activities to support the ongoing operations of the electric, water, sewer, storm drain, and refuse services. Transfers from these operations to governmental activities are made to help finance governmental programs in accordance with adopted policies. Overall, the increase in net position reflects the City’s continued focus on balancing rate adjustments, managing costs, and maintaining financial reserves, while preserving long-term operational stability.

The following graphs illustrate the make-up of the governmental activities revenues, programs, and transfers.



The table below presents the net cost of services (total expenses less program revenues) for each of the Government's five largest governmental programs: general government, public safety, public works, community and economic development, and culture, parks, and recreation. The net cost of services illustrates the portion of each program's cost that was not covered by program revenues and therefore required funding from general governmental revenues, such as property taxes, sales taxes, and other unrestricted revenues.

Included within public safety are police, fire, ambulance, and emergency medical services. The primary source of program revenue for public safety continues to be ambulance service charges, which partially offset the overall cost of providing these services.

Brigham City Corporation
Governmental Activities
Net Cost of Services
(In Thousands)

	<u>2025</u>	<u>2024</u>
General Government	\$ 4,444	\$ 4,999
Public Safety	7,429	8,056
Public Works	(4,360)	(3,958)
Community & Economic Development	(21)	1,976
Culture, Parks, & Recreation	3,730	1,067

BUSINESS-TYPE FUNDS

The Government's business-type activities include the Public Utility Fund and the Storm Drain Fund. The Public Utility Fund accounts for the City's electric, water, wastewater, and solid waste collection operations. These activities are combined and reported within a single enterprise fund, and one balance sheet and statement of revenues, expenses, and changes in net position are maintained for the Public Utility Fund.

Presented below is a summary of net income (loss) for each of the major operating activities within the Public Utility Fund, as well as the Storm Drain Fund, for the fiscal year ended June 30, 2025 (in thousands).

	Net Profit Before Transfers		Transfers In		Transfers To General Fund		Transfers To Other Funds		Net Profit After Transfers	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Water	\$ 9,679	\$ 2,943	\$ -	\$ 121	\$ (773)	\$ (691)	\$ -	\$ -	\$ 8,906	\$ 2,373
Waste Treatment	2,210	1,742	-	-	(496)	(482)	-	-	1,714	1,260
Electric	6,037	9,052	-	-	(2,645)	(2,622)	(120)	-	3,272	6,430
Waste Collection	(31)	(36)	-	-	(188)	(177)	-	-	(219)	(213)
Storm Drainage	526	487	-	-	(35)	(35)	-	(121)	491	331
	<u>\$ 18,421</u>	<u>\$ 14,188</u>	<u>\$ -</u>	<u>\$ 121</u>	<u>\$ (4,137)</u>	<u>\$ (4,007)</u>	<u>\$ (120)</u>	<u>\$ (121)</u>	<u>\$ 14,164</u>	<u>\$ 10,181</u>

Transfers to the General Fund represent a return of utility-generated resources to support general governmental services that benefit utility customers and residents citywide.

Financial Analysis of the Government's Funds

The focus of the Government's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. This information is useful in assessing the Government's current financing requirements and its ability to meet ongoing obligations.

The Government's governmental funds (general, capital projects, debt service, and special revenue funds) reported combined fund balances of \$19.6 million at June 30, 2025, compared to \$18.6 million at June 30, 2024. This represents an increase of approximately \$1.0 million during the fiscal year. The increase in fund balances was primarily attributable to strong interest earnings, continued intergovernmental revenues, and stable sales tax collections, partially offset by increased operating and capital-related expenditures.

The General Fund is the primary operating fund of the Government. All activities not required to be accounted for in another fund—either by state or local ordinance or because they are accounted for in proprietary or fiduciary funds—are reported in the General Fund.

For the fiscal year ended June 30, 2025, the General Fund reported a net increase in fund balance of approximately \$1.2 million, reflecting favorable revenue performance and continued management of expenditures during the year.

Brigham City Corporation General Fund Revenue And Transfers In (In Thousands)

	2025	2024
Taxes - Property	\$ 2,719	\$ 2,363
Taxes - Sales	7,467	8,634
Taxes - Other	1,951	2,229
Licenses and Permits	1,388	1,398
Intergovernmental Revenues	12,695	8,436
Charges for Services	2,951	2,814
Fines and Forfeitures	107	130
Sale of Assets	136	23
Interest Income	1,488	1,742
Miscellaneous	389	300
Transfers In	4,137	4,007
Total	<u>\$35,428</u>	<u>\$ 32,074</u>

The table above details the General Fund revenues for fiscal year 2025, compared to the prior year. The Government's policy of transferring monies from the Public Utility Funds—primarily the electric utility—to supplement General Fund operations continued during the year, though transfers represented a smaller portion of total General Fund revenues compared to the prior year.

Sales tax revenues remained one of the largest sources of General Fund revenue in fiscal year 2025, while intergovernmental revenues increased, reflecting the timing and recognition of grant and reimbursement activity during the year. Property tax revenues continued to provide a stable source of funding for General Fund operations.

Overall, General Fund revenues in fiscal year 2025 reflect a diversified revenue structure, with reduced reliance on utility transfers and continued contributions from sales taxes, intergovernmental revenues, and property taxes.

Brigham City Corporation
General Fund Expenditures And Transfers Out
(In Thousands)

	2025	2024
General Government	\$ 4,456	\$ 5,188
Public Safety	\$12,326	11,127
Public Works	\$12,988	7,475
Culture, Parks and Recreation	\$ 3,990	3,526
Transfers Out	\$ 469	760
Total	<u>\$34,229</u>	<u>\$ 28,076</u>

The table above details General Fund expenditures and transfers out for fiscal year 2025, compared to the prior year. Public safety continued to represent the largest expenditure category within the General Fund, reflecting the City's ongoing emphasis on police, fire, and emergency medical services.

For fiscal year 2025, public safety expenditures totaled \$12.3 million, accounting for approximately 36 percent of total General Fund expenditures, compared to \$11.1 million, or approximately 40 percent, in fiscal year 2024. Within public safety, the Police Department remains the largest component, representing a significant portion of overall public safety costs.

Public works expenditures increased significantly in fiscal year 2025, reflecting increased infrastructure maintenance and capital-related activity funded through the General Fund. General government expenditures decreased compared to the prior year, while culture, parks, and recreation expenditures increased modestly, consistent with service levels and program activity.

Transfers out of the General Fund decreased in fiscal year 2025, reflecting reduced interfund support compared to the prior year. Overall, the increase in General Fund expenditures during fiscal year 2025 reflects changes in service demands, infrastructure needs, and cost pressures, while maintaining alignment with adopted budget priorities

General Fund Budgetary Highlights

During the fiscal year, the General Fund original budget was amended from total budgeted appropriations of \$46.5 million to a final budget of \$48.6 million, representing a net increase of approximately \$2.1 million, or about 5 percent. Significant differences between the original and final budget are summarized as follows:

- Increase \$435,000 in administrative/ information technology services.
- Increase \$ 348,000 in public safety for personnel costs.
- Increase \$705,000 in streets and highway for capital outlay.

Significant differences between the final budget and actual results for fiscal year 2025 include the following:

- Sales tax - transportation revenue came in \$657,000 under budget.
- State shared revenue came in \$11,560,000 under budget. A significant portion was deferred. This is related to a capital project.
- Licenses and permits revenue came in \$644,000 over budget.
- Public works capital outlay expenditures came in \$12,000,000 under budget due to project being delayed.
- Culture, parks, and recreation expenditures came in \$610,000 under budget due to a delay in a capital project.

The Government budgets revenues conservatively, anticipating that certain revenue sources may exceed estimates. The General Fund did not exceed its budgeted appropriations for fiscal year 2025, reflecting continued emphasis on conservative budgeting and fiscal discipline.

Other Governmental Major Funds

The Redevelopment Agency (RDA) Special Revenue Fund reported a positive fund balance at June 30, 2025, all of which is restricted for redevelopment purposes. During the fiscal year, tax increment revenues exceeded redevelopment expenditures, resulting in an increase in fund balance. These resources will be used to support future eligible redevelopment activities in accordance with adopted project area plans and state statute.

The Improvement (Capital Projects) Funds account for resources restricted or committed for capital outlays related to infrastructure, facilities, and equipment. At June 30, 2025, these funds reported a positive combined fund balance, reflecting the timing of project-related revenues, interest earnings, and capital expenditures. Fund balances are expected to fluctuate based on the timing of capital projects and will be used to support future improvements consistent with the City's capital planning objectives.

Key Financial Ratios and Indicators

To provide additional insight into Brigham City Corporation's financial condition and operational performance, several key financial ratios were analyzed. Collectively, these measures illustrate the City's ability to maintain liquidity, manage operating costs, and invest in infrastructure and essential public services, while preserving long-term financial stability.

Liquidity Ratio – 30% At June 30, 2025, the City's unassigned General Fund balance represented approximately 30 percent of annual General Fund expenditures. This ratio demonstrates strong liquidity and reflects the City's ability to meet short-term obligations, manage cash flow timing, and respond to unforeseen events without disrupting ongoing operations. The City's liquidity position reflects prudent reserve management and conservative financial practices.

Financial Flexibility Ratio (Governmental Activities) – 19% Unrestricted net position for governmental activities represented approximately 19 percent of total governmental net position at year-end. This ratio indicates that a meaningful portion of the City's resources is available for general use and not externally

restricted. Maintaining this level of financial flexibility supports the City's ability to adapt to changing economic conditions and future service demands.

Governmental Fund Balance Growth – 5% Total governmental fund balances increased by approximately 5 percent during fiscal year 2025. This increase reflects favorable revenue performance and disciplined expenditure management. Growth in fund balance supports the City's capacity to fund capital needs, maintain reserves, and manage economic uncertainty.

Program Cost Structure – Public Safety – 36% Public safety expenditures accounted for approximately 36 percent of total General Fund expenditures in fiscal year 2025. This ratio highlights the City's continued emphasis on police, fire, and emergency medical services and reflects the labor-intensive nature of these core governmental functions.

Program Cost Structure – Public Works – 38% Public works expenditures represented approximately 38 percent of total General Fund expenditures. This elevated share reflects increased infrastructure maintenance and capital-related activity during the year and demonstrates the City's ongoing investment in streets, facilities, and other essential infrastructure.

Cost Recovery Ratio (Business-Type Activities) – 1.5 Business-type activities generated revenues sufficient to cover operating and capital costs, resulting in a cost recovery ratio of approximately 1.5. This ratio demonstrates that the City's utility operations remain financially self-supporting and capable of funding operations, capital investment, and reserves.

Capital Investment Share – 73% Approximately 73 percent of governmental activities net position was invested in capital assets at June 30, 2025. This ratio reflects the City's capital-intensive service model and its continued commitment to maintaining and improving infrastructure that supports long-term service delivery.

Overall Assessment Overall, fiscal year 2025 ratios reflect a year of stable operations and continued investment, supported by strong liquidity, moderate financial flexibility, and self-supporting utility operations. The City's financial position remains sound and aligned with its long-term service and infrastructure objectives.

CAPITAL ASSET AND DEBT ADMINISTRATION

CAPITAL ASSETS

At June 30, 2025, the Government had \$126 million net investment in a broad range of capital assets, including police and fire equipment, buildings, park facilities, roads, bridges, airport facilities, fiber optic infrastructure, water and sewer lines, waste treatment plant, electrical system and storm drain. This amount represents a net increase (including additions and deductions) of approximately \$17.6 million, or 16.2% over last year.

Brigham City Corporation's Capital Assets (Net of Depreciation, In Thousands)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land and Water Rights	\$ 8,161	\$ 7,802	\$ 10,273	\$ 9,630	\$ 18,434	\$ 17,432
Construction in progress	17,495	7,805	14,515	2,737	32,010	10,542
Buildings	17,296	17,296	13,089	13,089	30,385	30,385
Improvements Other Than Buildings	83,044	81,715	104,175	104,065	187,219	185,780
Equipment	22,041	21,349	3,107	2,852	25,148	24,201
Right to Use Leased Equipment	278	514	-	-	278	514
Right to Use Subscription Asset	58	80	-	10	58	90
Subtotal	148,373	136,561	145,159	132,383	293,532	268,944
Accumulated Depreciation	(87,942)	(84,749)	(79,668)	(75,847)	(167,610)	(160,596)
Total	\$ 60,431	\$ 51,812	\$ 65,491	\$ 56,536	\$ 125,922	\$ 108,348

Significant additions to governmental activities included the Forest Street Overpass (CIP), vehicles and equipment, while major additions to business-type activities focused on infrastructure improvements, waterline replacements, and land acquisitions.

The Government's 2026 capital budget included \$44.8 million on capital projects. A major portion of this spending will be dedicated to the complete replacement of the City's penstock lines, which provide culinary and secondary water. Other planned projects include a water transmission line, a 46kV loop line, a substation for Project Charm, and the relocation of power lines in the Staker Parson gravel pit.

More detailed information about the Government's capital assets is presented in Note 8 to the Basic Financial Statements.

DEBT

At year-end, the Government had \$43.3 million in debts outstanding versus \$20.3 million last year, a increase of 114% as shown in the table below.

Brigham City Corporation's Outstanding Debt (In Thousands)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenue Bonds Payable	\$ 6,078	\$ 6,596	\$ 34,619	\$ 12,718	\$ 40,697	\$ 19,314
Notes Payable	-	-	2,543	843	2,543	843
Leases Payable	57	112	-	-	57	112
Total	\$ 6,135	\$ 6,708	\$ 37,162	\$ 13,561	\$ 43,297	\$ 20,269

The bond rating agencies have rated the Government's outstanding bonds as follows:

Sales Tax Revenue Bonds - Series 2014	AA+ (S&P)
Water, Sewer, and Electric Rev Bonds -Series 2024	AA- (Fitch)

Additional information on the outstanding debt obligations of the Government can be found in Note 19 to the Basic Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- The unemployment rate for Box Elder County (of which the Government is the largest city) was 3.2% compared with a state unemployment rate of 3.2% and a national rate of 4.1%.
- In preparing the fiscal year 2026 budget and establishing tax year 2026 rates, the City considered several economic and policy factors affecting ongoing operations and long-term financial sustainability. Inflationary pressures continue to impact wages, utilities, construction costs, and contracted services. To maintain existing service levels and avoid erosion of purchasing power, the City plans to utilize Truth in Taxation for tax year 2026. The proposed adjustment is intended to keep pace with inflation rather than to expand services.
- Beginning in fiscal year 2026, the Library is no longer reported as a separate fund and has been incorporated into the General Fund. This change more accurately reflects how the service is funded and managed and improves financial transparency.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Brigham City Corporation's finances for all those with an interest in the Government's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to Brigham City Corporation, Finance Director, P.O. Box 1005, Brigham City, UT 84302.

BASIC FINANCIAL STATEMENTS

BRIGHAM CITY CORPORATION
STATEMENT OF NET POSITION
June 30, 2025

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 16,565,050	\$ 8,823,442	\$ 25,388,492
Receivables (Net)	3,990,025	6,338,258	10,328,283
Property Tax Receivable	4,007,604	-	4,007,604
Leases Receivable – Current	74,200	-	74,200
Internal Balances – Current	66,742	(66,742)	-
Investments	3,228,427	15,030,554	18,258,981
Prepaid Assets	38,971	-	38,971
Inventories	7,922	4,083,594	4,091,516
Restricted Cash	20,717,716	28,037,041	48,754,757
Total Current Assets	48,696,657	62,246,147	110,942,804
Noncurrent Assets:			
Leases Receivable – Noncurrent	1,402,292	-	1,402,292
Internal Balances – Noncurrent	(1,039,465)	1,039,465	-
Notes Receivable – Noncurrent	-	2,000,000	2,000,000
Capital Assets:			
Not Being Depreciated or Amortized	25,655,311	24,788,597	50,443,908
Net of Accumulated Depreciation and Amortization	34,775,477	40,701,977	75,477,454
Net Pension Asset	235,312	-	235,312
Total Noncurrent Assets	61,028,927	68,530,039	129,558,966
Total Assets	109,725,584	130,776,186	240,501,770
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related	2,832,575	942,723	3,775,298
Total Deferred Outflows of Resources	2,832,575	942,723	3,775,298
Total Assets and Deferred Outflows of Resources	\$ 112,558,159	\$ 131,718,909	\$ 244,277,068
LIABILITIES			
Current Liabilities:			
Accounts Payable and Accruals	\$ 5,124,524	\$ 3,006,371	\$ 8,130,895
Due to Other Governments	226,422	-	226,422
Accrued Interest Payable	42,404	109,516	151,920
Unearned Revenue	15,710,806	1,343,662	17,054,468
Compensated Absences – Current	968,941	277,564	1,246,505
Claims and Judgments – Current	35,666	23,549	59,215
SBITAs Payable – Current	8,069	-	8,069
Leases Payable – Current	56,560	-	56,560
Bonds and Notes Payable – Current	513,000	2,658,000	3,171,000
Total Current Liabilities	22,686,392	7,418,662	30,105,054
Noncurrent Liabilities:			
Developer and Customer Deposits	1,167,577	213,994	1,381,571
Accounts Payable from Restricted Funds	100,000	-	100,000
Compensated Absences – Noncurrent	254,944	25,355	280,299
Claims and Judgments – Noncurrent	118,623	26,080	144,703
SBITAs Payable – Noncurrent	17,258	-	17,258
Bonds and Notes Payable – Noncurrent	5,565,649	34,503,993	40,069,642
Net Pension Liability	2,475,257	697,793	3,173,050
Total Noncurrent Liabilities	9,699,308	35,467,215	45,166,523
Total Liabilities	32,385,700	42,885,877	75,271,577
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax Revenue	3,918,419	-	3,918,419
Deferred Special Assessment Revenue	629,410	-	629,410
Deferred Lease Revenue	1,439,307	-	1,439,307
Pension Related	35,483	7,913	43,396
Total Deferred Inflows of Resources	6,022,619	7,913	6,030,532
NET POSITION			
Net Investment in Capital Assets	54,270,252	55,063,349	109,333,601
Restricted for:			
Capital Projects	1,893,911	-	1,893,911
Debt Service	234,466	1,851,658	2,086,124
Cemetery Perpetual Care	1,420,971	-	1,420,971
Redevelopment	1,412,271	-	1,412,271
Other Purposes	971,871	236,769	1,208,640
Unrestricted	13,946,098	31,673,343	45,619,441
Total Net Position	74,149,840	88,825,119	162,974,959
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 112,558,159	\$ 131,718,909	\$ 244,277,068

The accompanying notes are an integral part of this statement.

BRIGHAM CITY CORPORATION
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Governmental Activities							
General Government	\$ 4,481,283	\$ -	\$ 37,500	\$ -	\$ (4,443,783)	\$ -	\$ (4,443,783)
Public Safety	13,092,669	2,806,561	2,721,707	135,171	(7,429,230)	-	(7,429,230)
Public Works	5,266,903	1,805,696	238,205	7,582,958	4,359,956	-	4,359,956
Culture, Parks and Recreation	6,937,275	2,401,787	251,876	553,995	(3,729,617)	-	(3,729,617)
Community and Economic Development	1,690,073	16,497	1,694,995	-	21,419	-	21,419
Interest and Other Fiscal Charges	168,321	-	-	-	(168,321)	-	(168,321)
Total Governmental Activities	31,636,524	7,030,541	4,944,283	8,272,124	(11,389,576)	-	(11,389,576)
Business-type Activities							
Water	5,344,912	5,729,068	-	9,238,927	-	9,623,083	9,623,083
Waste Treatment	3,500,187	4,472,479	-	947,113	-	1,919,405	1,919,405
Electric	20,228,677	23,898,397	-	498,636	-	4,168,356	4,168,356
Waste Collection	1,948,949	1,917,948	-	-	-	(31,001)	(31,001)
Storm Drainage	1,154,844	1,303,267	-	232,924	-	381,347	381,347
Total Business-type Activities	32,177,569	37,321,159	-	10,917,600	-	16,061,190	16,061,190
Total Primary Government	\$ 63,814,093	\$ 44,351,700	\$ 4,944,283	\$ 19,189,724	(11,389,576)	16,061,190	4,671,614
General Revenues							
Property Taxes					4,087,620	-	4,087,620
Sales Taxes					7,467,215	-	7,467,215
Franchise Taxes					1,950,536	-	1,950,536
Multipurpose Grants and Contributions					541,369	-	541,369
Gain on Disposal of Assets					277,525	251,575	529,100
Interest and Investment Earnings					1,950,639	2,108,334	4,058,973
Miscellaneous					214,796	-	214,796
Transfers					4,257,174	(4,257,174)	-
Total General Revenues and Transfers					20,746,874	(1,897,265)	18,849,609
Changes in Net Position					9,357,298	14,163,925	23,521,223
Net Position, Beginning of Year					64,792,542	74,661,194	139,453,736
Net Position, End of Year					\$ 74,149,840	\$ 88,825,119	\$ 162,974,959

The accompanying notes are an integral part of this statement.

BRIGHAM CITY COPORATION
BALANCE SHEET – GOVERNMENTAL FUNDS
June 30, 2025

		<u>Special Revenue</u>			
	<u>General</u>	<u>Redevelopment</u>	<u>General</u>	<u>Other</u>	<u>Total</u>
	<u>Fund</u>	<u>Agency</u>	<u>Government</u>	<u>Governmental</u>	<u>Governmental</u>
			<u>Improvements</u>	<u>Funds</u>	<u>Funds</u>
<u>ASSETS</u>					
Cash and Cash Equivalents	\$ 9,188,103	\$ 1,858,029	\$ 1,225,240	\$ 3,162,954	\$ 15,434,326
Receivables (Net)	3,171,026	-	-	818,999	3,990,025
Property Tax Receivable	3,583,053	400,576	-	23,975	4,007,604
Leases Receivable	278,564	-	-	1,197,928	1,476,492
Investments	2,403,526	-	824,901	-	3,228,427
Prepaid Assets	38,971	-	-	-	38,971
Restricted Cash	20,291,254	217	129,407	296,838	20,717,716
Due from Other Funds	553,004	171,009	-	-	724,013
Total Assets	\$ 39,507,501	\$ 2,429,831	\$ 2,179,548	\$ 5,500,694	\$ 49,617,574
<u>LIABILITIES</u>					
Accounts Payable and Accruals	\$ 5,703,867	\$ -	\$ 25,440	\$ 351,339	\$ 6,080,646
Accounts Payable from Restricted Assets	100,000	-	-	-	100,000
Unearned Revenue	15,581,399	-	129,407	-	15,710,806
Due to Other Governments	226,422	-	-	-	226,422
Due to Other Funds	-	616,767	-	724,013	1,340,780
Total Liabilities	21,611,688	616,767	154,847	1,075,352	23,458,654
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Property Tax Revenue	3,517,843	400,576	-	-	3,918,419
Unavailable Revenue	549,907	-	-	-	549,907
Deferred Lease Revenue	267,177	-	-	1,172,130	1,439,307
Deferred Special Assessment Revenue	-	-	-	629,410	629,410
Total Deferred Inflows of Resources	4,334,927	400,576	-	1,801,540	6,537,043
<u>FUND BALANCES</u>					
Nonspendable	38,971	-	-	-	38,971
Restricted	3,382,248	1,412,488	-	903,442	5,698,178
Committed	-	-	-	1,795,678	1,795,678
Assigned	-	-	2,024,701	648,695	2,673,396
Unassigned	10,139,667	-	-	(724,013)	9,415,654
Total Fund Balances	13,560,886	1,412,488	2,024,701	2,623,802	19,621,877
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 39,507,501	\$ 2,429,831	\$ 2,179,548	\$ 5,500,694	\$ 49,617,574

The accompanying notes are an integral part of this statement.

BRIGHAM CITY CORPORATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2025

Total Fund Balances—Governmental Funds	\$ 19,621,877
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 the governmental funds.	
Governmental Capital Assets	\$ 125,147,387
Less: Accumulated Depreciation and Amortization	<u>(72,856,909)</u>
	52,290,478
The net pension asset reported in governmental activities is not a financial resource and, therefore, is not reported in the governmental funds.	
	235,312
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	
Revenue Bonds Payable	\$ (6,078,649)
SBITAs Payable	(25,327)
Interest Payable	(41,716)
Compensated Absences	(1,160,001)
Claims and Judgments	(154,289)
Net Pension Liability	<u>(2,378,369)</u>
	(9,838,351)
Unavailable revenue is recorded as a deferred inflow in the governmental funds but not in the governmental activities because it qualifies for recognition under the economic resources measurement focus.	
	549,907
Deferred outflows and inflows of resources related to pensions are applicable to future reporting periods and, therefore, are not reported in the funds.	
Deferred Outflows Related to Pensions	\$ 2,701,679
Deferred Inflows Related to Pensions	<u>(34,385)</u>
	2,667,294
Internal service funds are used by management to charge the cost of fleet and facilities services to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities of the statement of net position.	
	<u>8,623,323</u>
Total Net Position—Governmental Activities	<u>\$ 74,149,840</u>

The accompanying notes are an integral part of this statement.

BRIGHAM CITY COPORATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2025

	General Fund	Special Revenue Redevelopment Agency	General Government Improvements	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property Tax	\$ 2,718,803	\$ 368,782	\$ -	\$ 1,000,035	\$ 4,087,620
Sales Tax	7,467,215	-	-	-	7,467,215
Franchise Tax	1,950,536	-	-	-	1,950,536
Licenses and Permits	1,387,934	-	-	-	1,387,934
Intergovernmental	12,694,857	1,694,995	-	257,970	14,647,822
Charges for Services	2,951,017	16,497	-	1,400,298	4,367,812
Fines and Forfeitures	106,809	-	-	-	106,809
Special Assessments	-	-	-	54,754	54,754
Interest Earnings	1,488,374	81,120	109,901	222,665	1,902,060
Miscellaneous	389,159	2,000	-	15,652	406,811
Total Revenues	31,154,704	2,163,394	109,901	2,951,374	36,379,373
EXPENDITURES					
Current:					
General Government	4,455,826	-	-	-	4,455,826
Public Safety	12,326,321	-	131,968	-	12,458,289
Public Works	12,988,182	-	376,006	138,731	13,502,919
Culture, Parks and Recreation	3,989,822	-	429,561	2,155,902	6,575,285
Community and Economic Development	-	1,430,355	-	-	1,430,355
Capital Outlay	-	-	-	416,130	416,130
Debt Service:					
Principal	3,267	355,817	-	148,991	508,075
Interest and Fiscal Charges	66	165,805	-	28,237	194,108
Total Expenditures	33,763,484	1,951,977	937,535	2,887,991	39,540,987
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,608,780)	211,417	(827,634)	63,383	(3,161,614)
OTHER FINANCING SOURCES (USES)					
Proceeds from Sale of Assets	136,463	-	-	-	136,463
Transfers In	4,137,048	177,068	-	259,655	4,573,771
Transfers Out	(468,723)	(98,000)	-	-	(566,723)
Total Other Financing Sources (Uses)	3,804,788	79,068	-	259,655	4,143,511
Net Change in Fund Balances	1,196,008	290,485	(827,634)	323,038	981,897
Fund Balance, Beginning of Year	12,364,878	1,122,003	2,852,335	2,300,764	18,639,980
Fund Balance, End of Year	\$ 13,560,886	\$ 1,412,488	\$ 2,024,701	\$ 2,623,802	\$ 19,621,877

The accompanying notes are an integral part of this statement.

BRIGHAM CITY CORPORATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2025

Total Net Change in Fund Balances—Governmental Funds	\$	981,897
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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 or amortization expense:

Capital Outlay		11,514,534
Depreciation and Amortization Expense		(3,458,795)

Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		507,797
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Some expenses reported in the statement of activities do not require the use of current resources and, therefore, are not reported as expenditures in governmental funds:

Accrued Interest Expense		25,241
Net Pension Liability Adjustments		(478,807)
Change in Compensated Absences		(126,858)
Change in Claims and Judgments		44,309

Governmental funds recognize revenues when they are both measurable and available; however, in the statement of activities, revenue is recognized when earned.		31,171
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An internal service fund is used by management to charge the cost of fleet and facilities services to individual funds. The net expense of the internal service is reported within the governmental activities.		316,809
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Change in Net Position—Governmental Activities	\$	<u>9,357,298</u>
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BRIGHAM CITY CORPORATION
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
June 30, 2025

	Business-type Activities Enterprise Funds			Governmental Activities
	Public Utility	Storm Drain	Total	Internal Service Funds
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 5,608,298	\$ 3,215,144	\$ 8,823,442	\$ 1,130,724
Receivables (Net)	6,183,430	154,828	6,338,258	-
Investments	15,030,554	-	15,030,554	-
Inventories	4,083,594	-	4,083,594	7,922
Restricted Cash	27,889,078	147,963	28,037,041	-
Due from Other Funds – Current	148,673	-	148,673	-
Total Current Assets	58,943,627	3,517,935	62,461,562	1,138,646
Noncurrent Assets:				
Due from Other Funds – Noncurrent	1,039,465	-	1,039,465	-
Notes Receivable – Noncurrent	2,000,000	-	2,000,000	-
Capital Assets:				
Not Being Depreciated or Amortized	21,120,792	3,667,805	24,788,597	999,027
Net of Accumulated Depreciation and Amortization	36,306,330	4,395,647	40,701,977	7,141,283
Total Noncurrent Assets	60,466,587	8,063,452	68,530,039	8,140,310
Total Assets	119,410,214	11,581,387	130,991,601	9,278,956
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related	942,723	-	942,723	130,896
Total Deferred Outflows of Resources	942,723	-	942,723	130,896
Total Assets and Deferred Outflows of Resources	\$ 120,352,937	\$ 11,581,387	\$ 131,934,324	\$ 9,409,852
LIABILITIES				
Current Liabilities:				
Accounts Payable and Accruals	\$ 2,987,534	\$ 18,837	\$ 3,006,371	\$ 211,459
Accrued Interest Payable	109,516	-	109,516	688
Unearned Revenue	1,332,474	11,188	1,343,662	-
Compensated Absences – Current	277,564	-	277,564	56,133
Claims and Judgments – Current	23,549	-	23,549	-
Due to Other Funds – Current	-	-	-	91,249
Leases Payable – Current	-	-	-	56,560
Bonds and Notes Payable – Current	2,658,000	-	2,658,000	-
Total Current Liabilities	7,388,637	30,025	7,418,662	416,089
Noncurrent Liabilities:				
Customer Deposits	213,994	-	213,994	-
Compensated Absences – Noncurrent	25,355	-	25,355	7,751
Claims and Judgments – Noncurrent	26,080	-	26,080	-
Due to Other Funds – Noncurrent	-	-	-	480,122
Bonds and Notes Payable – Noncurrent	34,503,993	-	34,503,993	-
Net Pension Liability	697,793	-	697,793	96,888
Total Noncurrent Liabilities	35,467,215	-	35,467,215	584,761
Total Liabilities	42,855,852	30,025	42,885,877	1,000,850
DEFERRED INFLOWS OF RESOURCES				
Pension Related	7,913	-	7,913	1,098
Total Deferred Inflows of Resources	7,913	-	7,913	1,098
NET POSITION				
Net Investment in Capital Assets	46,999,897	8,063,452	55,063,349	8,083,750
Restricted for:				
Debt Service	1,851,658	-	1,851,658	-
Impact Fees	88,806	147,963	236,769	-
Unrestricted	28,548,811	3,339,947	31,888,758	324,154
Total Net Position	77,489,172	11,551,362	89,040,534	8,407,904
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 120,352,937	\$ 11,581,387	\$ 131,934,324	\$ 9,409,852
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time			(215,415)	
Total Net Position–Business-type Activities			\$ 88,825,119	

The accompanying notes are an integral part of this statement.

BRIGHAM CITY CORPORATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2025

	Business-type Activities Enterprise Funds			Governmental Activities
	Public Utility	Storm Drain	Total	Internal Service Funds
<u>OPERATING REVENUES</u>				
Charges for Services	\$ 35,483,924	\$ 1,268,559	\$ 36,752,483	\$ -
Interfund Services Provided	533,968	34,708	568,676	3,747,350
Total Operating Revenues	36,017,892	1,303,267	37,321,159	3,747,350
<u>OPERATING EXPENSES</u>				
Salaries and Wages	5,661,468	316,379	5,977,847	831,333
Material and Supplies	1,623,692	212,759	1,836,451	1,624,297
Services	237,083	-	237,083	83,215
Special Department Supplies	3,283,180	-	3,283,180	-
Other Charges	877,817	-	877,817	-
Power Purchase	12,885,139	-	12,885,139	-
Sundry Expenses	95,817	-	95,817	-
Intragovernmental Charges	1,694,988	100,476	1,795,464	-
Depreciation and Amortization	3,310,321	519,051	3,829,372	1,371,808
Total Operating Expenses	29,669,505	1,148,665	30,818,170	3,910,653
Operating Income (Loss)	6,348,387	154,602	6,502,989	(163,303)
<u>NONOPERATING REVENUES (EXPENSES)</u>				
Gain on Disposal of Assets	251,575	-	251,575	141,062
Interest Income	1,963,825	144,509	2,108,334	48,578
Interest Expense	(1,302,260)	-	(1,302,260)	(16,795)
Total Nonoperating Revenues (Expenses)	913,140	144,509	1,057,649	172,845
Net Income Before Transfers and Capital Contributions	7,261,527	299,111	7,560,638	9,542
Capital Contributions	10,684,676	232,924	10,917,600	-
Transfers In	-	-	-	250,126
Transfers Out	(4,222,470)	(34,704)	(4,257,174)	-
Change in Net Position	13,723,733	497,331	14,221,064	259,668
Net Position, Beginning of Year	63,765,439	11,054,031	74,819,470	8,148,236
Net Position, End of Year	\$ 77,489,172	\$ 11,551,362	\$ 89,040,534	\$ 8,407,904
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds			(57,139)	
Change in Net Position—Business-type Activities			\$ 14,163,925	

The accompanying notes are an integral part of this statement.

BRIGHAM CITY CORPORATION
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2025

	Business-type Activities Enterprise Funds			Governmental Activities
	Public Utility	Storm Drain	Total	Internal Service Funds
Cash Flows from Operating Activities:				
Receipts From Customers	\$ 34,635,317	\$ 1,281,420	\$ 35,916,737	\$ -
Receipts From Interfund Services	533,968	34,708	568,676	3,747,350
Payments To Suppliers	(18,531,321)	(208,234)	(18,739,555)	(1,585,810)
Payments To Employees	(5,468,511)	(316,343)	(5,784,854)	(794,311)
Payments To Interfund Services	(1,694,988)	(100,476)	(1,795,464)	-
Net Cash Provided by Operating Activities	9,474,465	691,075	10,165,540	1,367,229
Cash Flows from Noncapital Financing Activities:				
Transfers (To) From Other Funds	(4,222,470)	(34,704)	(4,257,174)	250,126
Loans (To) From Other Funds	128,156	-	128,156	(74,539)
Proceeds From Noncapital Debt	2,000,000	-	2,000,000	-
Loans To Other Entities	(2,000,000)	-	(2,000,000)	-
Net Cash Provided (Used) by Noncapital Financing Activities	(4,094,314)	(34,704)	(4,129,018)	175,587
Cash Flows from Capital and Related Financing Activities:				
Proceeds From Capital Grants And Contributions	10,454,509	232,924	10,687,433	-
Proceeds From Capital Debt	24,324,203	-	24,324,203	-
Proceeds From Sale Of Capital Assets	251,575	-	251,575	181,564
Purchase Of Capital Assets	(12,833,883)	(263,747)	(13,097,630)	(1,980,937)
Principal Payments on Capital Debt, Leases, and SBITAs	(2,610,267)	-	(2,610,267)	(55,544)
Interest and Fees Paid on Capital Debt, Leases, and SBITAs	(1,270,520)	-	(1,270,520)	(16,795)
Net Cash (Used) by Capital and Related Financing Activities	18,315,617	(30,823)	18,284,794	(1,871,712)
Cash Flows from Investing Activities:				
Interest Received	353,295	144,509	497,804	48,578
Net Cash Provided by Investing Activities	353,295	144,509	497,804	48,578
Net Increase (Decrease) in Cash and Cash Equivalents	24,049,063	770,057	24,819,120	(280,318)
Cash and Cash Equivalents, Beginning of Year	9,448,313	2,593,050	12,041,363	1,411,042
Cash and Cash Equivalents, End of Year	\$ 33,497,376	\$ 3,363,107	\$ 36,860,483	\$ 1,130,724
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Operating Income (Loss)	\$ 6,348,387	\$ 154,602	\$ 6,502,989	\$ (163,303)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation and Amortization	3,310,321	519,051	3,829,372	1,371,808
Pension Expense Adjustment	143,481	-	143,481	20,243
Changes in Operating Assets, Deferred Inflows, Liabilities, and Deferred Outflows:				
(Increase) Decrease in Receivables	(975,603)	9,637	(965,966)	-
(Increase) Decrease in Inventory	200,228	-	200,228	10,188
Increase (Decrease) in Accounts Payable and Accruals	311,372	4,561	315,933	114,393
Increase (Decrease) in Customer Deposits	31,398	-	31,398	-
Increase (Decrease) in Compensated Absences	25,499	-	25,499	13,900
Increase (Decrease) in Claims and Judgments	(16,216)	-	(16,216)	-
Increase (Decrease) in Unearned Revenue	95,598	3,224	98,822	-
Net Cash Provided by Operating Activities	\$ 9,474,465	\$ 691,075	\$ 10,165,540	\$ 1,367,229

The accompanying notes are an integral part of this statement.

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Brigham City Corporation (Government) have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Government's accounting policies are described below.

A. REPORTING ENTITY

Brigham City Corporation is a municipal corporation governed by an elected Mayor and five-member Council. The accompanying financial statements present the Government and its component units, entities for which the Government is financially accountable. Blended component units, although legally separate entities, are, in substance, part of the Government's operations.

BLENDED COMPONENT UNITS:

Redevelopment Agency of Brigham City, Utah. The Government's governing board is the board of the Redevelopment Agency of Brigham City, Utah (Agency). The Agency is financially dependent upon the Government.

Municipal Building Authority of Brigham City (MBA). The Government's governing board is the board of the Municipal Building Authority of Brigham City (Agency) composed of the City Council. The Agency is financially dependent upon the Government.

Related Organizations. The City Council created the Reeder Ranch Public Infrastructure District (PID) Numbers 1, 2, and 3 and appointed a board of trustees for each. Since their creation, the PIDs have had no activity and are not included as part of these financial statements.

Basis of Presentation - Fund Accounting. The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The City's funds are grouped into two broad fund categories and six generic fund types for financial statement presentation purposes. Governmental funds include the general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise funds and two internal service funds. The City does not have fiduciary funds.

B. BASIS OF ACCOUNTING

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all the activities of the Primary Government and its component units. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for support. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the way governmental fund financial statements are prepared. Therefore, governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds. The primary effect of internal activity has been eliminated from the government-wide financial statements.

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The government-wide statement of activities presents a comparison between expenses, both direct and indirect, and program revenues for each segment of the business-type activities of the City and for each governmental program. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a specific function. Indirect expenses for centralized services and administrative overhead are allocated among the programs, functions and segments using a full cost allocation approach and are presented separately to enhance comparability of direct expenses between governments that allocate direct expenses and those that do not. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a specific program. Revenues not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the Government.

Net position should be reported as restricted when constraints placed on net position are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. All other funds are aggregated and presented in a single column.

Fund financial statements report detailed information about the Government. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type.

GOVERNMENTAL FUNDS

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. Revenues are available if they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Government considers revenue to be available if it is collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property tax, sales tax, franchise tax, intergovernmental revenue, and investment earnings are susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are measurable and available when cash is received. For shared funding arrangements with third parties that perform accounting functions, transactions are generally recorded on the cash basis. Fines and permits are not susceptible to accrual because generally they are not measurable until received in cash.

Deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Government has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Government reports the following major governmental funds:

General Fund – The general fund is the Government’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Special Revenue Redevelopment Agency Fund – The Redevelopment fund accounts for the redevelopment activities of all project areas by utilizing tax increment financing. Although the fund does not meet the threshold for a major fund in the current fiscal year, the Government has elected to continue to report it as a major fund.

Capital Project General Improvement Fund – The General CIP fund accounts for significant governmental capital projects funded through budget appropriations. Although the fund does not meet the threshold for a major fund in the current fiscal year, the Government has elected to continue to report it as a major fund.

PROPRIETARY FUNDS

The Government maintains two different types of proprietary funds, enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Government uses enterprise funds to account for its Public Utility Fund and Storm Drain Fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Government’s various functions. The Government uses internal service funds to account for maintenance of its vehicles and capital facilities. Because both services predominantly benefit government rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The accrual basis of accounting is utilized by proprietary fund types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

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

Generally, the effect of inter-fund activity has been eliminated from the Government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and other charges between the Government’s various departments. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The Government reports the following major proprietary funds:

Public Utility – The public utility fund accounts for the activities of the Government’s electric, sewer, water and waste collection activities and operations.

Storm Drain – The storm drain fund accounts for the activities of the Government as they relate to the storm drain system, including improvements, expenses, and maintenance thereof.

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Government reports the following internal service funds:

Fleet Fund – The fleet fund accounts for the costs of operating and maintaining vehicles and equipment owned by the Government.

Facilities Fund - The facilities fund accounts for the costs of operating and maintaining capital facilities owned by the Government.

C. BUDGETS

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general, special revenue, debt service and capital project funds. All annual appropriations lapse at fiscal year-end.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting is not used because the Government cancels all contracts in progress at year end. New contracts are made in the next budget year for the unfinished project after review by the governing body.

D. CASH AND INVESTMENTS

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the Government. The Utah Money Management Act authorizes the government to invest in specific types of investments. Investments are recorded at fair value in accordance with GASB Statement No. 72, Fair Value Measurement and Application. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income. The types of investment are explained in Note 4 and are valued in accordance with GASB Statement 31.

For purposes of the statements of cash flows, the Government considers all highly liquid investments (including restricted assets) with maturity of three months or less when purchased to be cash equivalents. Unrestricted cash balances of all funds are combined to form a pool of cash and investments which is managed by the City Treasurer in accordance with the Utah Money Management Act. Income from the investment of pooled cash is allocated to various funds based on their respective balances. Restricted cash consists of that portion of pooled cash that is restricted for a specific use due to constraints imposed by external parties or enabling legislation, or is cash held in trust in compliance with bond covenants, terms, and conditions. When both restricted and unrestricted sources are available for use, it is the Government's policy to use restricted resources first, then unrestricted resources as they are needed.

Restricted cash includes amounts required for the payment of debt service. The Government currently has \$2,086,124 in cash restricted for debt service payments.

E. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as interfund receivables or interfund payables on the balance sheet.

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. INVENTORIES

Inventories are recorded using the purchases method of accounting with purchases being recorded as expenditures when goods are purchased. Significant inventories are recorded as an asset at year end. Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method.

G. PREPAID ASSETS

Prepaid assets are recorded using the purchases method of accounting with purchases being recorded as expenditures when cash is expended. Significant prepaid assets are recorded at year end.

H. RESTRICTED ASSETS

Assets are restricted because of constraints placed on the assets used by either:

1. Externally approved by creditors;
2. Grantors and/or contributions;
3. Laws or regulations of other governments; or
4. Imposed by law through constitution provisions or enabling legislation.

The following is a summary of assets restricted for specific purposes:

Escrow Funds	\$ 28,241,862
Restrictions set by creditors, grantors or contributors, or other governments	20,083,024
Restricted by enabling legislation	<u>429,871</u>
	<u>\$ 48,754,757</u>

I. CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets, donated works of art, and similar items, and capital assets received in a service concession arrangement are reported at acquisition value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment of the Primary Government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

Buildings	20 to 40 years
Improvements	20 to 40 years
Equipment	3 to 30 years
Vehicles	3 to 8 years
Leased Equipment and SBITAs	3 to 8 years

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. COMPENSATED ABSENCES

The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. A liability for compensated absences is reported in the governmental funds only if they have matured following an employee's resignation or retirement. For governmental funds, compensated absences are typically liquidated through the General Fund and Library Fund. A three-year historical average is used for estimating the current portion of liability for compensated absences.

K. LONG-TERM OBLIGATIONS

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

L. PENSION PLANS

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems Pension Plan (URS) including additions to and deductions from URS's fiduciary net position, have been determined on the same basis as they are reported by URS. For this purpose, benefit payments including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. The City recognizes deferred outflows related to pensions.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The City recognizes deferred inflows related to property taxes, special assessments, leases, unavailable revenue, and pensions.

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. FUND EQUITY

In the fund financial statements, proprietary fund equity is classified as net position, while governmental fund equity is classified as fund balance. The fund balances may be further classified as follows:

1. Non-Spendable – Fund balances that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained.
2. Restricted Fund Balance – Fund balances are reported as restricted when they are constrained by externally imposed legal restrictions, by law through constitutional provisions or enabling legislation, or restrictions set by creditors, grantors, or contributors.
3. Committed Fund Balance – Fund balances are reported as committed when the City Council formally designates the use of resources by ordinance for a specific purpose and cannot be used for any other purpose unless the City Council likewise formally changes the use.
4. Assigned Fund Balance – Fund balances are reported as assigned when the City Council or management intends to use funds for a specific purpose. Normally, funds are assigned by the appropriation process of setting the budget. Additionally, funds in debt service and capital project funds are by their nature assigned to the purpose of those respective funds.
5. Unassigned Fund Balance – Fund balances in the general fund are reported as unassigned when they are neither restricted, committed, nor assigned. They may be used for any governmental purpose. Negative fund balances in special revenue, capital project, and debt service funds are reported as unassigned.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Government considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Government considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds as needed.

Fund balance is committed by the City Council through passage of a council resolution presented by the Mayor prior to the end of the fiscal year. Changing committed fund balance would similarly require a subsequent council resolution. Fund balance is assigned by the City Council through passage of a council resolution presented by the Mayor subsequent to the end of the fiscal year. This policy was established by council resolution and may be changed by the City Council through passage of a new resolution.

O. INTERFUND TRANSACTIONS

Interfund services provided and used are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except interfund services provided and used including reimbursements, are reported as transfers. All other interfund transfers are reported as non-operating transfers.

P. ALLOWANCE FOR BAD DEBTS

An allowance for bad debts of \$50,000 has been deducted from the accounts receivable of the public utility fund.

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. JOINTLY GOVERNED ORGANIZATIONS

Utah Risk Management Agency (URMA) – The Government provides for its general liability risks and worker’s compensation through a joint protection agreement with URMA. During the year ended June 30, 2025, the Government paid premiums of approximately \$112,558 to URMA.

Utah Telecommunication Open Infrastructure Agency (UTOPIA) – UTOPIA was formed under the Utah Interlocal Cooperation Act by its 18 founding cities, of which the Government is a member. This agency has the assignment to design, finance, build, operate, and maintain a fiber-to-home and fiber-to-business fiber optic communication network. UTOPIA is building the infrastructure, but private companies deliver the services over the network. During the fiscal year, the Government paid no membership fees to UTOPIA. See Footnote 15, Contingent Liabilities, for additional information.

Utah Infrastructure Agency (UIA) – UIA was formed under the Utah Interlocal Cooperation Act by its nine-member cities, of which the Government is a member. This agency was organized to provide for the acquisition, construction, and installation of telecommunication and cable television lines to a customer’s premises using a demand utility model.

Utah Associated Municipal Power Systems (UAMPS) – The Power Department is a member of the Utah Associated Municipal Power Systems (UAMPS). UAMPS is a joint action agency and political subdivision of the State of Utah, and was formed by an Organization Agreement dated November 6, 1980, pursuant to the provisions of the Utah Interlocal Co-operation Act. UAMPS’ membership includes 32 Utah municipalities, one Utah electric service district and two Utah water conservancy districts. UAMPS’ purpose includes planning, financing, developing, acquiring, constructing, improving, bettering, operating and maintaining of projects, or ownership interests or capacity rights therein, for the generation, transmission, and distribution of electric energy for the benefit of its members.

R. LEASES – GASB 87

The financial statements include the adoption of GASB Statement No. 87, *Leases*. The primary objective of this statement is to enhance the relevance and consistency of information about government’s leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, see note 17.

S. SUBSCRIPTION-BASED SOFTWARE AGREEMENTS (SBITAs)

The financial statements include the adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, see note 18.

T. CHANGE IN ACCOUNTING PRINCIPLE

For 2025, the City implemented Governmental Accounting Standards Board Statement (GASBS) No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences by aligning it under a unified model to more appropriately reflect when a government incurs an obligation. These changes were incorporated in the City’s 2025 financial statements, but an adjustment was not made to beginning net position because no restatement was necessary.

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 2. RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS

Receivables as of June 30, 2025, for the Government's individual major funds and non-major funds, in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

Governmental Activities	General Fund	Other Governmental Funds
Receivables:		
Sales Taxes	\$ 1,628,811	\$ -
Franchise Taxes	230,071	-
Accounts and Other	950,252	4,599
Court Fines	10,314	-
Intergovernmental	351,578	184,990
Special Assessments	-	629,410
Net Total Receivables	<u>\$ 3,171,026</u>	<u>\$ 818,999</u>
 Business-type Activities		
Receivables:	Public Utility	Storm Drain
Accounts and Other	\$ 5,893,394	\$ 154,828
Contracts	7,852	-
Intergovernmental	332,184	-
Gross Receivables	6,233,430	154,828
Less: Allowance for Uncollectibles	(50,000)	-
Net Total Receivables	<u>\$ 6,183,430</u>	<u>\$ 154,828</u>

NOTE 3. LEGAL COMPLIANCE - BUDGET

Annual budgets are prepared and adopted by the governing body on or before June 30th for the following fiscal year which begins on July 1. Budgets may be increased by resolution of the Government at any time during the year, following a public hearing. Budgets are adopted at sub-department levels; however, budget amendments by resolution are generally required only if the department desires to exceed its total budget appropriation.

Utah state law prohibits an appropriation of the unreserved fund balance in the general fund until it exceeds 5% of total revenues of the general fund. The law prohibits the accumulation of a fund balance in the general fund in excess of 35% of the total estimated revenue of the general fund. Until the unreserved fund balance is greater than the 35% of total actual revenue, it may be used only to provide working capital until tax revenue is received, funding for emergency expenditures, and cover unanticipated deficits if the fund balance is greater than 5% of total revenues. Fund balances may be appropriated (reserved) for specific purposes.

SUMMARY OF THE GOVERNMENT'S BUDGET PROCEDURES AND CALENDAR

1. The State of Utah requires formal budgetary integration as a management control device during the year for the general, special revenue, debt service, and capital project funds.¹ The Government prepares budgets for enterprise² and internal service funds but is not required to report on such budgets. (As such, no budget to actual statements are presented in the financial statements).

¹Utah Code Section 10-6-109

²Utah Code Section 10-6-135

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 3. LEGAL COMPLIANCE – BUDGET (Continued)

2. The Government's budget is a financial plan of all estimated revenues and all appropriations for expenditures. Revenues and expenditures must balance.³
3. The budget is prepared sometime between the 1st of March and the 1st of May.
4. A tentative budget is presented by the Mayor to the governing body by the first regularly scheduled council meeting in May. The tentative budget is reviewed and tentatively adopted by the Governing Body no later than June 30th.⁴
5. The tentative budget is a public record and is available for inspection at the Government's main office for at least ten days prior to adoption of the final budget.⁵
6. Notice of the public hearing on adoption of the final budget is published seven days prior to the public hearing.⁶
7. The public hearing on the tentatively adopted budget is held no later than June 14th.⁷ Final adjustments are made to the tentative budget by the governing body after the public hearing.⁸
8. The final budget is adopted by resolution before June 30th and a copy of the budget certified by the Budget Officer is filed with the State Auditor within thirty days of adoption.⁹
9. In connection with budget adoption:
 - a. An annual tax ordinance establishing the tax rate is adopted before June 22nd.¹⁰
 - b. The Finance Director is to certify the tax rate to the County Auditor before June 22nd.¹¹
10. Budgets for the general, special revenue, debt service, and capital projects funds are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP).

SUMMARY OF ACTION REQUIRED FOR BUDGET CHANGES

1. Transfers of unexpended appropriation from one expenditure account to another in the same department can be made with the consent of the Budget Officer.¹²
2. The governing body may, by resolution, transfer unexpended appropriations from one department to another department within the same fund.¹³
3. The budget appropriation for any department may be reduced by resolution.¹⁴
4. Final budgets may be increased by resolution after the public hearing.¹⁵ Final amendments in the current year budgets shall be adopted by the governing body by the last day of the fiscal year.¹⁶
5. Budgets of enterprise funds may be increased by resolution of the governing body.¹⁷

³Utah Code Section 10-6-110

⁴Utah Code Section 10-6-111

⁵Utah Code Section 10-6-112

⁶Utah Code Section 10-6-113

⁷Utah Code Section 10-6-114

⁸Utah Code Section 10-6-115

⁹Utah Code Section 10-6-118

¹⁰Utah Code Section 10-6-133

¹¹Taxes Other Than Property Tax Require Legislative Enactment, by Continuing Statutes of Ordinances

¹²Utah Code Section 10-6-124

¹³Utah Code Section 10-6-125

¹⁴Utah Code Section 10-6-126

¹⁵Utah Code Section 10-6-113 and 10-6-114

¹⁶Utah Code Section 10-6-128

¹⁷Utah Code Section 10-6-135

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 3. LEGAL COMPLIANCE – BUDGET (Continued)

6. All unexpended appropriations shall lapse at the end of the budget year.¹⁸
7. City officers shall not make or incur expenditures in excess of total appropriations for any department in the budget as adopted or as subsequently amended.¹⁹
8. Budgeted amounts are as originally adopted, or as amended by the City Council during the year ended June 30, 2025.

NOTE 4. DEPOSITS AND INVESTMENTS

The Government maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash and cash equivalents."

Deposits and Custodial Credit Risk. Custodial credit risk is the risk that, in the event of a bank failure, the Government's deposits may not be returned. The Government's policy for managing custodial credit risk is to adhere to the Utah Money Management Act. At year end, the carrying amount of the Government's total deposits was \$10,906,117 and the total bank balance was \$11,175,129 at year end, \$10,675,129 was uninsured and not collateralized. Utah State Statutes do not require deposits to be collateralized. However, the State Commissioner of Financial Institutions monitors financial institutions monthly and establishes limits for deposit of public money at individual financial institutions and the Government follows these recommendations.

Investments. The State of Utah Money Management Council has the responsibility to advise the State Treasurer about investment policies, promote measures and rules that will assist in strengthening the banking and credit structure of the State, and review the rules adopted under the authority of the State of Utah Money Management Act that relate to the deposit and investment of public funds.

Brigham City follows the requirements of the Utah Money Management Act (Utah Code, Title 51, Chapter 7) in handling its depository and investment transactions. The Act requires the depositing of Brigham 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 State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

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

State statutes authorize the Government to invest in negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investors Services or Standard & Poor's; bankers' acceptances; obligations of the United States Treasury including bills, notes, and bonds; bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations; shares of certificates in a money market mutual fund as defined in the Act; and the Utah State Public Treasurer's Investment Fund.

¹⁸Utah Code Section 10-6-130

¹⁹Utah Code Section 10-6-123

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 4. DEPOSITS AND INVESTMENTS (Continued)

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

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

The Government has acquired the services of Moreton Asset Management, LLC; an investment advisor approved by the Utah State Treasurer. This entity invests Government assets in compliance with the Utah Money Management Act.

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

- Level 1: Valuations based on quoted prices in active markets for identical assets or liabilities that the City can access. Since valuations are based on quoted prices that are readily and regularly available in an active market, the valuation of these securities does not entail any significant degree of judgment. Securities classified as Level 1 inputs include U.S. Government securities and other U.S. Agency and sovereign government obligations.
- Level 2: Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly. Securities classified as Level 2 include corporate and municipal bonds, and "brokered" or securitized certificates of deposit; and,
- Level 3: Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The Government's investment balances by the appropriate levels at June 30, 2025, were as follows:

Investment Type	Fair Value	Level 1	Level 2	Level 3
Utah Public Treasurer's Investment Fund	\$ 59,343,585	\$ -	\$ 59,343,585	\$ -
Money Market	4,006,415	4,006,415	-	-
Certificates of Deposit	5,744,750	-	5,744,750	-
U.S. Government Agencies	984,530	-	984,530	-
U.S. Treasuries	9,872,583	-	9,872,583	-
Yankee Bonds	501,282	-	501,282	-
Corporate Notes	1,155,836	-	1,155,836	-
Total	\$ 81,608,981	\$ 4,006,415	\$ 77,602,566	\$ -

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 4. DEPOSITS AND INVESTMENTS (Continued)

The Government's investments, maturities and quality ratings at June 30, 2025 were as follows:

Investment Type	Investment Maturities (in Years)			Quality Rating
	Fair Value	Less Than 1	1-5	
Utah Public Treasurer's Investment Fund	\$ 59,343,585	\$ 59,343,585	\$ -	Unrated
Money Market	4,006,415	4,006,415	-	Unrated
Certificates of Deposit	5,744,750	1,838,206	3,906,544	Unrated
U.S. Government Agencies	984,530	984,530	-	AAA
U.S. Treasuries	9,872,583	9,872,583	-	AAA
Yankee Bonds	501,282	501,282	-	AA
Corporate Notes	1,155,836	650,380	505,456	BBB- to A+
Total	\$ 81,608,981	\$ 77,196,981	\$ 4,412,000	

Interest Rate Risk. Interest rate risk is the risk that changes interest rates and adversely affects the fair value of an investment. The Government's policy for managing exposure to fair value loss arising from increasing interest rates is to comply with the Utah Money Management Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. Except for funds of Institutions of Higher Education acquired by gifts, grants, or the corpus of funds functioning as endowments, the Act further limits the remaining term to maturity on all investments in commercial paper, banker's acceptances, fixed rate negotiable deposits, and fixed rate corporate obligations from 270 to 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.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Government's policy for reducing exposure to credit risk is to comply with the Utah Money Management Act as previously discussed. The Act only allows for investment in securities with the lowest risk of default.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Government's policy for reducing this risk of loss is to comply with the Rules of the Utah Money Management Council. Rule 17 of the Money Management Council limits investments in a single issuer of commercial paper and corporate obligations to 5-10% depending upon the total dollar amount held in the portfolio.

At June 30, 2025 the Government does not hold more than 5 percent of total investments in any single security concentration other than U. S. Government Treasuries.

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. the Government does have a formal policy for custodial credit risk. All investments other than bank deposits or funds invested in the state treasurer's fund are to be held by a third party with securities delivered on a delivery vs. purchase basis. As of June 30, 2025, Brigham City safe-kept all investments with custodian counterparty Principal Financial Group, and all investments which was/were held by the counterparty's trust department or agent are registered in Brigham City's name.

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 5. PROPERTY TAX

Property taxes attach as an enforceable lien on property as of the first day of January, taxes are levied on October 1, and then are due and payable at November 30. The City has a legal right to collect the taxes when the lien is placed on the property on January 1, but these funds will be used to fund activities in the subsequent reporting period. GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, requires that the City record the assets related to these property taxes in the year ended June 30, 2025, but not record the revenue until the subsequent reporting period. The property taxes levied for 2026 have been included in taxes receivable and deferred revenue amounts.

The Government is permitted by the state to levy taxes up to \$7.00 per \$1,000 of taxable valuation for general governmental services other than the payment of principal and interest on long-term debt and in unlimited amounts for the payment of principal and interest on long-term debt. The combined tax rate to finance general governmental services other than the payment of principal and interest on long-term debt, for the year ended June 30, 2025, was \$1.69 per \$1,000 which means that the Government has a tax margin of \$5.31 per \$1,000 and could raise up to \$11,084,229 in additional revenue per year from the present taxable valuation of \$2,087,425,435 before the limit is reached.

NOTE 6. PENSION PLANS

General Information About the Pension Plan

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

Defined Benefit Plans

- Public Employees Noncontributory Retirement System (Noncontributory System) is a multiple-employer, cost-sharing, public employee retirement system.
- Public 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.

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

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

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 6. PENSION PLANS (Continued)

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	2.00% per year all years	Up to 4.0%
Public Safety System	Highest 3 years	20 years, any age 10 years, age 60 4 years, age 65	2.50% per year up to 20 years; 2.00% per year over 20 years	Up to 2.5% or 4.0% depending upon employer
Firefighter System	Highest 3 years	20 years, any age 10 years, age 60 4 years, age 65	2.50% per year up to 20 years; 2.00% per year over 20 years	Up to 4.0%
Tier 2 Public Employees System	Highest 5 years	35 years, any age 20 years, age 60* 10 years, age 62* 4 years, age 65	1.50% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 years	25 years, any age 20 years, age 60* 10 years, age 62* 4 years, age 65	1.50% per year to June 30, 2020; 2.00% per year July 1, 2020 to present	Up to 2.5%

* Actuarial reductions are applied.

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

Contribution Rate Summary

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

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 6. PENSION PLANS (Continued)

Contribution Rates as of June 30, 2025 are as follows:

	<u>Employee</u>	<u>Employer</u>	<u>Employer 401(k)</u>
Noncontributory System			
15 Local Government - Tier 1 - DB System	-	16.97%	-
111 Local Government - Tier 2 - DB Hybrid System	0.70%	15.19%	-
211 Local Government - Tier 2 - 401(k) Option	-	5.19%	10.00%
Public Safety System Noncontributory			
75 Other Div A 4% COLA - Tier 1 - DB System	-	35.21%	-
122 Other Div A 4% COLA - Tier 2 - DB Hybrid System	4.73%	26.49%	-
222 Other Div A 4% COLA - Tier 2 - 401(k) Option	-	12.49%	14.00%
Firefighters Retirement System			
31 Other Division A - Tier 1 - DB System	15.05%	1.61%	-
132 Other Division A - Tier 2 - DB Hybrid System	4.73%	14.08%	-
232 Other Division A - Tier 2 - 401(k) Option	-	0.08%	14.00%

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

Contribution Summary

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

<u>System</u>	<u>Employer</u>	<u>Employee</u>
Noncontributory System	\$ 509,167	\$ -
Public Safety System	413,439	-
Firefighters System	8,109	75,802
Tier 2 Public Employees System	594,080	26,786
Tier 2 Public Safety and Firefighter	569,291	129,433
Tier 2 DC Public Employees Plan	76,486	-
Tier 2 DC Public Safety and Firefighter Plan	30,127	-
Total Contributions	\$ 2,200,699	\$ 232,021

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

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

At June 30, 2025, we reported a net pension asset of \$235,312 and a net pension liability of \$3,173,050.

	<u>Measurement Date: December 31, 2024</u>			<u>Proportionate Share</u>	
	<u>Net Pension Liability</u>	<u>Net Pension Asset</u>	<u>Proportionate Share</u>	<u>Dec. 31, 2023</u>	<u>Change</u>
Noncontributory System	\$ 1,243,500	\$ -	0.3921333%	0.3823188%	0.0098145%
Public Safety System	1,321,063	-	0.8537852%	0.7354918%	0.1182934%
Firefighters System	-	235,312	1.3396486%	1.3569029%	-0.0172543%
Tier 2 Public Employees System	352,244	-	0.1181079%	0.1224841%	-0.0043762%
Tier 2 Public Safety and Firefighter	256,243	-	0.5665467%	0.5338776%	0.0326691%
Total Net Pension Liability/Asset	\$ 3,173,050	\$ 235,312			

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 6. PENSION PLANS (Continued)

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

For the year ended June 30, 2025, we recognized pension expense of \$2,839,684.

At June 30, 2025, we 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	\$ 1,446,493	\$ 15,890
Changes in assumptions	383,085	4,060
Net difference between projected and actual earnings on pension plan investments	709,582	-
Changes in proportion and differences between contributions and proportionate share of contributions	130,973	23,446
Contributions subsequent to the measurement date	1,105,165	-
	<u>\$ 3,775,298</u>	<u>\$ 43,396</u>

\$1,105,165 reported as deferred outflows of resources related to pensions results from contributions made by us 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:

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2025	\$ 1,094,124
2026	1,305,506
2027	(166,292)
2028	17,117
2029	133,406
Thereafter	242,876

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 6. PENSION PLANS (Continued)

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

For the year ended June 30, 2025, we recognized pension expense of \$1,129,268.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 740,947	\$ -
Changes in assumptions	102,860	-
Net difference between projected and actual earnings on pension plan investments	374,562	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	10,923
Contributions subsequent to the measurement date	241,467	-
	<u><u>\$ 1,459,836</u></u>	<u><u>\$ 10,923</u></u>

\$241,467 reported as deferred outflows of resources related to pensions results from contributions made by us 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:

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2025	\$ 705,102
2026	682,083
2027	(151,985)
2028	(27,754)
2029	-
Thereafter	-

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 6. PENSION PLANS (Continued)

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

For the year ended June 30, 2025, we recognized pension expense of \$897,024.

At June 30, 2025, we 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	\$ 139,598	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	228,637	-
Changes in proportion and differences between contributions and proportionate share of contributions	32,759	-
Contributions subsequent to the measurement date	206,533	-
	<u>\$ 607,527</u>	<u>\$ -</u>

\$206,533 reported as deferred outflows of resources related to pensions results from contributions made by us 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:

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2025	\$ 186,162
2026	324,534
2027	(92,868)
2028	(16,834)
2029	-
Thereafter	-

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 6. PENSION PLANS (Continued)

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

For the year ended June 30, 2025, we recognized pension expense of \$58,720.

At June 30, 2025, we 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	\$ 258,536	\$ -
Changes in assumptions	18,874	-
Net difference between projected and actual earnings on pension plan investments	67,260	-
Changes in proportion and differences between contributions and proportionate share of contributions	22,959	1,882
Contributions subsequent to the measurement date	3,995	-
	<u>\$ 371,624</u>	<u>\$ 1,882</u>

The \$3,995 reported as deferred outflows of resources related to pensions results from contributions made by us 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:

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2025	\$ 133,487
2026	191,384
2027	35,092
2028	5,784
2029	-
Thereafter	-

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 6. PENSION PLANS (Continued)

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

For the year ended June 30, 2025, we recognized pension expense of \$384,737.

At June 30, 2025, we 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	\$ 152,278	\$ 2,427
Changes in assumptions	117,645	36
Net difference between projected and actual earnings on pension plan investments	22,514	-
Changes in proportion and differences between contributions and proportionate share of contributions	55,192	4,709
Contributions subsequent to the measurement date	348,395	-
	<u><u>\$ 696,024</u></u>	<u><u>\$ 7,172</u></u>

The \$348,395 reported as deferred outflows of resources related to pensions results from contributions made by us 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:

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2025	\$ 40,629
2026	62,761
2027	27,131
2028	33,289
2029	78,835
Thereafter	97,812

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 6. PENSION PLANS (Continued)

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

For the year ended June 30, 2025, we recognized pension expense of \$369,936.

At June 30, 2025, we 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	\$ 155,133	\$ 13,463
Changes in assumptions	143,705	4,024
Net difference between projected and actual earnings on pension plan investments	16,609	-
Changes in proportion and differences between contributions and proportionate share of contributions	20,063	5,932
Contributions subsequent to the measurement date	304,775	-
	<u><u>\$ 640,285</u></u>	<u><u>\$ 23,419</u></u>

The \$304,775 reported as deferred outflows of resources related to pensions results from contributions made by us 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:

<u>Year Ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2025	\$ 28,743
2026	44,744
2027	16,339
2028	22,631
2029	54,572
Thereafter	145,062

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	3.50 – 9.50 percent, average, including inflation
Investment Rate of Return	6.85 percent, net of pension plan investment expense, including inflation

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

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 6. PENSION PLANS (Continued)

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

The long-term expected rate of return on pension plan investments was determined using a building-block method, in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class and is applied consistently to each defined benefit pension plan. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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

Asset Class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-term Expected Portfolio Real
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	0.00%	0.49%	0.00%
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.

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 table at the top of the next page presents the proportionate share of the net pension liability calculated using the discount rate of 6.85 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.85 percent) or 1-percentage-point higher (7.85 percent) than the current rate.

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 6. PENSION PLANS (Continued)

System	1% Decrease (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
Noncontributory System	\$ 5,258,986	\$ 1,243,500	\$ (2,124,192)
Public Safety System	4,058,496	1,321,063	(912,640)
Firefighters System	512,105	(235,312)	(844,744)
Tier 2 Public Employees System	1,052,066	352,244	(192,149)
Tier 2 Public Safety and Firefighter	873,764	256,243	(237,475)
Total	\$ 11,755,417	\$ 2,937,738	\$ (4,311,200)

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

NOTE 7. DEFINED CONTRIBUTION PLAN

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.

The City participates in the following Defined Contribution Savings Plans with Utah Retirement Systems: 401(k) Plan, 457(b) Plan, Roth IRA Plan, and Traditional IRA Plan.

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

	2025	2024	2023
401(k) Plan			
Employer Contributions	\$ 480,652	\$ 475,896	\$ 407,806
Employee Contributions	538,310	496,817	453,225
457(b) Plan			
Employer Contributions	\$ -	\$ -	\$ -
Employee Contributions	87,651	69,567	74,016
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$ 61,062	\$ 61,235	\$ 59,917
Traditional IRA			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$ 4,750	\$ 4,550	\$ 4,550

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 8. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2025, was as follows:

	Balance June 30, 2024	Additions	Deletions	Balance June 30, 2025
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 7,801,699	\$ 358,882	\$ -	\$ 8,160,581
Construction in Progress	7,805,049	9,689,681	-	17,494,730
Total Capital Assets Not Being Depreciated	15,606,748	10,048,563	-	25,655,311
Capital Assets Being Depreciated/Amortized:				
Buildings	17,296,403	-	-	17,296,403
Improvements Other Than Buildings	81,714,576	1,329,255	-	83,043,831
Equipment	21,349,409	2,120,505	(1,428,621)	22,041,293
Right to Use Leased Equipment	513,905	-	(236,090)	277,815
Right to Use Subscription Asset	79,847	-	(21,740)	58,107
Total Capital Assets Being Depreciated/Amortized	120,954,140	3,449,760	(1,686,451)	122,717,449
Less Accumulated Depreciation/Amortization for:				
Buildings	(10,015,768)	(537,057)	-	(10,552,825)
Improvements Other Than Buildings	(57,447,211)	(2,927,326)	-	(60,374,537)
Equipment	(16,906,505)	(1,273,698)	1,385,270	(16,794,933)
Right to Use Leased Equipment	(349,854)	(74,636)	236,090	(188,400)
Right to Use Subscription Asset	(35,129)	(17,888)	21,740	(31,277)
Total Accumulated Depreciation/Amortization	(84,754,467)	(4,830,605)	1,643,100	(87,941,972)
Total Capital Assets Being Depreciated/Amortized, Net	36,199,673	(1,380,845)	(43,351)	34,775,477
Governmental Activities Capital Assets, Net	<u>\$ 51,806,421</u>	<u>\$ 8,667,718</u>	<u>\$ (43,351)</u>	<u>\$ 60,430,788</u>
Business-type Activities:				
Capital Assets Not Being Depreciated:				
Land and Water Rights	\$ 9,629,808	\$ 643,617	\$ -	\$ 10,273,425
Construction in Progress	2,737,303	11,777,869	-	14,515,172
Total Capital Assets Not Being Depreciated	12,367,111	12,421,486	-	24,788,597
Capital Assets Being Depreciated/Amortized:				
Buildings	13,088,915	-	-	13,088,915
Improvements Other Than Buildings	104,065,325	108,994	-	104,174,319
Equipment	2,851,646	255,146	-	3,106,792
Right to Use Subscription Asset	9,626	-	(9,626)	-
Total Capital Assets Being Depreciated/Amortized	120,015,512	364,140	(9,626)	120,370,026
Less Accumulated Depreciation/Amortization for:				
Buildings	(11,922,041)	(77,302)	-	(11,999,343)
Improvements Other Than Buildings	(62,373,504)	(3,539,475)	-	(65,912,979)
Equipment	(1,546,157)	(209,570)	-	(1,755,727)
Right to Use Subscription Asset	(6,601)	(3,025)	9,626	-
Total Accumulated Depreciation/Amortization	(75,848,303)	(3,829,372)	9,626	(79,668,049)
Total Capital Assets Being Depreciated/Amortized, Net	44,167,209	(3,465,232)	-	40,701,977
Business-type Activities Capital Assets, Net	<u>\$ 56,534,320</u>	<u>\$ 8,956,254</u>	<u>\$ -</u>	<u>\$ 65,490,574</u>

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 8. CAPITAL ASSETS (Continued)

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

Governmental Activities:	
General Government	\$ 1,406,267
Public Safety	244,821
Public Works	2,178,271
Culture, Parks, and Recreation	672,775
Community and Economic Development	<u>328,471</u>
Total Depreciation/Amortization Expense—Governmental Activities	<u>\$ 4,830,605</u>
Business-type activities:	
Water	\$ 1,773,372
Waste Treatment	811,518
Electric	720,393
Waste Collection	5,038
Storm Drainage	<u>519,051</u>
Total Depreciation/Amortization Expense—Business-type Activities	<u>\$ 3,829,372</u>

NOTE 9. INTERFUND RECEIVABLES & PAYABLES & INTERFUND TRANSFERS

Due from and due to balances result from interfund loans and are recorded as assets and liabilities in the financial statements.

The composition of internal receivables and payables at year end June 30, 2025, are as follows:

	Interfund Receivable			Total Interfund Payables
	Governmental Activities		Business-type	
	General Fund	Redevelopment Agency	Activities Public Utility	
Interfund Payable				
Governmental Activities:				
Redevelopment Agency	\$ -	\$ -	\$ 616,767	\$ 616,767
Other Governmental Funds	553,004	171,009	-	724,013
Internal Service Funds	<u>-</u>	<u>-</u>	<u>571,371</u>	<u>571,371</u>
Total Interfund Receivables	<u>\$ 553,004</u>	<u>\$ 171,009</u>	<u>\$ 1,188,138</u>	<u>\$ 1,912,151</u>

The Redevelopment Agency loan is part of an inducement package for purchasing land and site improvements. The funds to accomplish the purchase were advanced by the general fund, public utility fund and the internal service fund. The payback will continue as the tax increment is collected over the next five years.

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 9. INTERFUND RECEIVABLES & PAYABLES & INTERFUND TRANSFERS (Continued)

Interfund Transfers:

Transfers Out	Transfers In				
	Governmental Activities				Total Transfers Out
	General Fund	Redevelopment Agency	Other Governmental Funds	Internal Service Funds	
Governmental Activities:					
General Fund	\$ -	\$ 177,068	\$ 161,655	\$ 130,000	\$ 468,723
Redevelopment Agency	-	-	98,000	-	98,000
Business-type Activities:					
Public Utility Fund	4,102,344	-	-	120,126	4,222,470
Storm Drain Fund	34,704	-	-	-	34,704
Total Transfers In	\$ 4,137,048	\$ 177,068	\$ 259,655	\$ 250,126	\$ 4,823,897

The enterprise funds transfer to the general fund represents a rate of return to the general fund. The general fund transfer to the non-major governmental fund is to cover uncompleted capital projects.

NOTE 10. MUNICIPAL BUILDING AUTHORITY

Outstanding Bonds or Loans of the Agency	\$ 1,536,000
The Actual Amount Expended for Debt Service Costs	168,405

NOTE 11. CAPITAL PROJECT FUNDS

As of June 30, 2025, the Government expensed a total of \$1,365,498 on various capital projects in Cemetery, Fiber optic, Airport, and General Improvements. The improvements were financed by transfers from the General Fund and Public Utility Funds as well as federal and state grants.

NOTE 12. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The following funds had a deficit fund balance at June 30, 2025:

Special Assessment Area 2009-1	\$ (553,004)
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Debt Service – SAA 2009-01 deficit will be eliminated by payment on assessments throughout the life of the liens.

NOTE 13. RISK MANAGEMENT

The Government is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. All real property and all vehicles, including heavy equipment, are insured through commercial policies, and injuries to employees are insured through employees' workers compensation. Settled claims have not exceeded the Government's insurance coverage for any of the past three years. All general liability is insured through Utah Risk Management Association, a risk pool to which the Government belongs, along with 14 other cities in Utah. Payment of the insurance premium indemnifies the Government for claims that exceed \$10,000 deductible per occurrence. Rights and responsibilities of member cities are governed by the interlocal risk pool agreement.

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 13. RISK MANAGEMENT (Continued)

Changes in the balances of claims liabilities are as follows:

Claims and Judgments	June 30, 2025	June 30, 2024
Upaid Claims, Beginning	\$ 264,443	\$ 152,808
Incurred Claims and Changes in Estimates	7,452	158,767
Claims Paid	<u>(67,977)</u>	<u>(47,132)</u>
Unpaid Claims, Ending	<u>\$ 203,918</u>	<u>\$ 264,443</u>

NOTE 14. REDEVELOPMENT AGENCY

The State of Utah requires the Redevelopment Agency to disclose certain revenues and expenditures associated with the various project areas. The revenues and expenditures associated with the Government's redevelopment areas are as follows:

Outstanding Loans for the RDA:

RDA #1	\$ 616,767
CDA Campus District	<u>4,350,000</u>
Total	<u>\$ 4,966,767</u>

Tax Increment Collected from Taxing Entities for the RDA:

RDA #1	\$ 73,087
EDA West Forest	945,850
EDA Northwest	378,233
CDA Campus District	<u>621,538</u>
Total	<u>\$ 2,018,708</u>

Tax Increment Used by the RDA:

Amounts Expended on Redevelopment/projects:

RDA #1	\$ 243,133
RDA West Forest	776
EDA X-20	653,069
EDA Northwest	20,116
CDA Campus District	<u>4,694</u>
Total	<u>\$ 921,788</u>

Amounts Expended for Administrative Costs:

EDA X-20	\$ 11,304
EDA West Forest	18,192
CDA Campus District	<u>22,728</u>
Total	<u>\$ 52,224</u>

Tax Increment Rebate:

EDA West Forest	<u>\$ 554,342</u>
Total	<u>\$ 554,342</u>

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 14. REDEVELOPMENT AGENCY (Continued)

Amounts Expended for Debt Service Costs:	
RDA #1	\$ 57,425
EDA Northwest	417,589
CDA Campus District	<u>512,413</u>
Total	<u>\$ 987,427</u>

NOTE 15. CONTINGENT LIABILITIES – UTOPIA/UIA

The Government is a member of Utah Telecommunication Open Infrastructure Agency (UTOPIA), an interlocal, nonprofit agency. UTOPIA was formed under the Utah Interlocal Cooperation Act by its eighteen founding cities, of which the Government is one of the eleven pledged members. This agency has the assignment to design, finance, build, operate and maintain a fiber-to-home and fiber-to-business fiber optic communication network. UTOPIA will build the infrastructure, but private companies will deliver the services over the network. UTOPIA acts as the wholesaler, not the retailer.

In December 2022, UTOPIA issued \$205,335,000 in new revenue bonds. Principal payments are due in annual installments beginning June 2023, interest payments due semi-annually at 4.375% to 5.500%, with final payment due June 2040. The bonds were issued to refund the 2011 revenue bonds, terminate the related interest rate swaps, and to finance the expansion of UTOPIA's network. The refunding resulted in an economic gain of \$25,879,676 and cash flow savings of \$38,060,601. There are no significant events of default or termination events with finance-related consequences and no subjective acceleration clauses.

UTOPIA is required by the Series 2022 bond covenants to charge user rates, including connection fees, for all services supplied by UTOPIA sufficient to pay the operation and maintenance expenses of the network. Should UTOPIA not have sufficient net revenues as described, UTOPIA is obligated to the fullest extent possible and as market forces permit to modify user rates to meet the covenant requirement.

Net revenues from the communication network will reimburse a debt service reserve fund for payments on the bond debt. To the extent that there are insufficient net revenues to pay the debt service, the eleven pledged members are required to reimburse the UTOPIA debt service reserve fund of any shortfall by their respective percentages up to a specific dollar amount. Each member city has pledged sales tax revenues to pay their respective percentage of any shortfall amount. None of the pledge requirements were modified by the 2011 bond refinancing. The Government sales tax was pledged up to a maximum amount of \$397,290 for the fiscal year 2009 and increasing each fiscal year by 2%. During fiscal year 2025 the Government paid \$592,661 to replenish the pledge amount. The pledged members have been notified by the trustee that they will continue to reimburse the UTOPIA debt service reserve fund during the fiscal year 2026 due to insufficient net revenues to make payments.

The current estimated cost to construct the fiber optic network in all member cities is approximately \$400,000,000.

The Government is a member of Utah Infrastructure Agency (UIA), an interlocal nonprofit agency. UIA was formed under the Utah Interlocal Cooperation Act by its nine-member cities, of which the Government is one of the nine contracting members. This agency was organized to provide for the acquisition, construction, and installation of telecommunication and cable television lines to a customer's premises using a demand utility model. The UIA network will be connected to the fiber optic network of UTOPIA (see above) pursuant to an Indefeasible Right of Use (IRU) agreement which provides UIA access to certain facilities of and capacity in the UTOPIA network. Construction of the UIA network began in May of 2011 and will be undertaken in phases and will be paid for by issuing up to \$65,000,000 in revenue bonds.

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 15. CONTINGENT LIABILITIES – UTOPIA/UIA (Continued)

On May 1, 2011, the Government entered into a "Communication Service Contract" with UIA to provide connections to a fiber optic network for the residences and businesses of the Government. The agreement obligates the Government to financially support UIA if UIA revenues are insufficient to pay operational and debt payments. Service fee revenues from the UIA network will be used to make the debt service payments. To the extent there are insufficient service fee revenues to pay a debt service payment; the eight contracting members are required to pay to UIA any shortfall by their respective percentages up to a specific dollar amount. Each contracting city has pledged franchise tax revenues to pay their respective percentage of any shortfall amount. The Government's liability limit (pledge) is set at \$176,340. This pledge has not been drawn upon as of June 30, 2025, and no draws are anticipated in the future.

NOTE 16. FUND BALANCES

		Special Revenue			
	General Fund	Redevelopment Agency	General Government Improvements	Other Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepaid Assets	\$ 38,971	\$ -	\$ -	\$ -	\$ 38,971
Restricted for:					
Debt Service Reserves	-	217	-	234,249	234,466
Redevelopment	-	1,412,271	-	-	1,412,271
Cemetery	1,420,971	-	-	-	1,420,971
Library	-	-	-	669,193	669,193
Senior Center	34,079	-	-	-	34,079
Law Enforcement	26,521	-	-	-	26,521
Parks	6,766	-	-	-	6,766
Capital Projects - Impact Fees	193,102	-	-	-	193,102
Capital Projects - "C" Road	1,700,809	-	-	-	1,700,809
Total Restricted	3,382,248	1,412,488	-	903,442	5,698,178
Committed for:					
Recreation - Golf	-	-	-	389,200	389,200
Airport Operations	-	-	-	1,406,478	1,406,478
Total Committed	-	-	-	1,795,678	1,795,678
Assigned for:					
Improvement Districts	-	-	-	443,830	443,830
Cemetery Improvements	-	-	-	61,551	61,551
Fiber Optic Construction	-	-	-	143,314	143,314
General Improvements	-	-	2,024,701	-	2,024,701
Total Assigned	-	-	2,024,701	648,695	2,673,396
Unassigned	10,139,667	-	-	(724,013)	9,415,654
Total Fund Balances	\$ 13,560,886	\$ 1,412,488	\$ 2,024,701	\$ 2,623,802	\$ 19,621,877

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 17. LEASES

Lessee Agreements – Governmental Activities

\$277,815 has been recorded as intangible right to use assets in the Internal Service Funds for equipment leased under agreements that met the criteria of a lease under GASB Statement No. 87. These assets will be amortized over the lease terms of three to five years since they are shorter than the useful lives and the City is not taking ownership of the equipment. There are no residual value guarantees in the lease provisions. The leases will end in 2027, with the final payments due in 2026.

Lease payable outstanding as of June 30, 2025, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 56,560	\$ 1,032	\$ 57,592
Total	\$ 56,560	\$ 1,032	\$ 57,592

Lessor Agreements – Governmental Activities

The City has recognized lessor contracts for various properties owned by the City. These include leases for cell towers, grazing and hunting, and airport hangars. See group summary information below.

Land Leases – Telecommunication Towers

The City, as lessor, has entered into an agreement with a private company, as lessee, to lease land for the operation of telecommunications towers. The lease calls for an initial term of five years and automatically renew for four five-year terms. In accordance with the provisions of GASBS No. 87, the lease was retroactively measured at the inception of the lease, with lease terms of 25 years, and an interest rate of 0.4%.

Rent of \$1,210 payable monthly, with a ten percent increase for each five-year renewal term. The City collected \$14,520 from the lessee and recognized rent revenue of \$16,111 and interest revenue of \$1,012 related to this lease for the year ended June 30, 2025.

Land Leases – Grazing & Hunting

The City, as a lessor, has entered into two lease agreements with private entities, as lessees, to lease land for hunting and grazing. The leases call for initial terms of 10 and 40 years, with one including renewal term of three years expected to be exercised by the lessee. In accordance with the provisions of GASBS No. 87, the leases were retroactively measured at the inception of each lease, with lease terms of 13 and 40 years, and interest rates of 0.6% and 2.6%.

Rent of \$617 and \$1,389 is payable annually. The City collected \$2,007 from the lessees and recognized rent revenue of \$1,593 and interest revenue of \$588 related to these leases for the year ended June 30, 2025.

Ground & Fuel Tank Leases – Airport Hangars

The City, as a lessor, has entered into 55 lease agreements with private entities, as lessees, to lease ground for hangars and for a fuel tank. The leases call for initial terms of 20 years and include one to two renewal terms of five to ten years, depending on the lease. Renewal terms are expected to be exercised. In accordance with the provisions of GASBS No. 87, the leases were retroactively measured at the inception of each lease, with lease terms of 20 and 40 years, and interest rates of 0.6% and 4.0%.

Rent of \$177 and \$7,703 is payable annually, with increases each year based on the CPI index, depending on the lease. The City collected \$69,462 from the lessees and recognized rent revenue of \$51,796 and interest revenue of \$27,107 related to these leases for the year ended June 30, 2025.

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 18. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

The City has contracted for several Subscription-Based Information Technology Arrangements, with the longest expiring in 2028. The subscriptions require annual payments ranging from \$8,707 to \$9,042. The required principal and interest payments to maturity are found in the tables below:

Governmental Activities			
<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 8,069	\$ 638	\$ 8,707
2027	8,438	435	8,873
2028	8,820	222	9,042
Total	<u>\$ 25,327</u>	<u>\$ 1,295</u>	<u>\$ 26,622</u>

NOTE 19. COMMITMENTS AND CONTINGENCIES

Northwest Economic Development Project. Utah State statute requires a portion of tax increment generated within the project be restricted for low-income housing. Approximately \$28,000 must be restricted for low income housing each year through the remaining four years of this agreement.

Property Tax Abatement. Under State Statute Title 17C of the Utah Code the Government may enter into property tax abatement (rebate incentive) agreements with local businesses. Under the Statute, localities may grant property tax abatements for the purpose of attracting or retaining businesses within their jurisdictions. In these agreements, the developer or business agrees to improve property within one of the Government's redevelopment project areas resulting in increased property tax revenue received by the Government (increment). For the fiscal year ended June 30, 2025, abated property taxes including the Government's portion and other participating governmental entities totaled \$2,018,708.

NOTE 20. LONG-TERM DEBT

Revenue Bonds – Governmental Activities

Sales Tax Revenue Bonds, Series 2014

In November of 2014, the Government issued \$7,260,000 in sales tax revenue bonds for the construction a regional Utah State University Campus. The bonds are secured by sales and use taxes collected by the Government. The bonds will be repaid through property tax collected within the Community Development Area surrounding the regional campus. There are no debt service reserve requirements for the bonds. Standard and Poor's rated these bonds at AA+.

The bond indenture has no stipulated terms regarding events of default, termination triggers, or acceleration clauses. Annual debt service requirements to maturity for the 2014 sales tax revenue bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 370,000	\$ 139,288	\$ 509,288
2027	390,000	124,188	514,188
2028	400,000	112,338	512,338
2029	410,000	100,188	510,188
2030	425,000	87,397	512,397
2031-2035	2,355,000	210,260	2,565,260
Total	<u>\$ 4,350,000</u>	<u>\$ 773,659</u>	<u>\$ 5,123,659</u>

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 20. LONG-TERM DEBT (Continued)

MBA Lease Revenue Bonds, Series 2014 – Direct Placement

In June of 2014, the Government issued \$3,036,000 lease revenue bonds for improvements to the Academy Building. The bonds were purchased directly by the Permanent Community Impact Fund Board. The indenture requires a debt service reserve fund up to a maximum of \$233,390 through monthly installments. The reserve fund balance as of June 30, 2025, was \$234,249. The building and improvements are collateralized to the bondholders. The repayment of the bond will be made through rentals of the building. The bond is subject to an acceleration clause of an additional 18% annum of principal and interest payable from the date of acceleration. In the event of default, the Government must surrender possession of the Academy Building to the bondholders. Annual debt service requirements to maturity for the 2014 lease revenue bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 143,000	\$ 23,040	\$ 166,040
2027	146,000	20,895	166,895
2028	148,000	18,705	166,705
2029	150,000	16,485	166,485
2030	152,000	14,235	166,235
2031-2035	797,000	36,210	833,210
Total	<u>\$ 1,536,000</u>	<u>\$ 129,570</u>	<u>\$ 1,665,570</u>

Revenue Bonds – Business-type Activities

Water, Sewer, and Electric Revenue Bonds, Series 2024

In October 2024, the City issued \$22,000,000 of Water, Sewer, and Electric Revenue Bonds, Series 2024 to fund the construction of improvements to the City's water, sewer, storm sewer, and electric system. Principal payments on the bonds are due in annual installments of \$785,000 to \$1,775,000 beginning in 2027 through 2044, with interest at 4.0% to 5.0% due semiannually.

Significant events of default consist of (a) failure to pay principal or interest when due; (b) failure to fulfill all obligations; and (c) bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings. In the event of default, the City may need to make monthly deposits into the bond fund, principal amounts and accelerated interest may become immediately due. Creditors may also pursue other remedies to recoup debts.

Annual debt service requirements to maturity for the 2024 utility revenue bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ -	\$ 1,065,150	\$ 1,065,150
2027	785,000	1,065,150	1,850,150
2028	820,000	1,025,900	1,845,900
2029	865,000	984,900	1,849,900
2030	905,000	941,650	1,846,650
2031-2035	5,255,000	3,982,000	9,237,000
2036-2040	6,710,000	2,529,750	9,239,750
2041-2044	6,660,000	729,200	7,389,200
Total	<u>\$ 22,000,000</u>	<u>\$ 12,323,700</u>	<u>\$ 34,323,700</u>

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 20. LONG-TERM DEBT (Continued)

Water, Sewer, and Electric Revenue Bonds, Series 2017 – Direct Placement

In October 2017, the Government issued \$9,500,000 in utility revenue bonds for the construction of upgrades to the water, sewer, and electrical infrastructure. The bonds are secured by a pledge of water, sewer, and electrical revenues. The bonds were purchased directly by Key Government Finance, Inc. The indenture does disclose failure of payments and bankruptcy as an event of default. Pledged utility revenues and securities are subject to remedy.

Annual debt service requirements to maturity for the 2017 utility revenue bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 1,010,000	\$ 41,004	\$ 1,051,004
2027	1,030,000	20,703	1,050,703
Total	\$ 2,040,000	\$ 61,707	\$ 2,101,707

Taxable Limited Purpose Revenue Bonds, Series 2008A, B, C, and D – Direct Placements

In December 2010, the Government issued \$23,800,000 in bonds for the construction of water and sewer infrastructure to supply utility services to a new industrial development. The bonds are secured by pledged property tax income derived from redevelopment areas. The indenture requires a debt service reserve fund, and the amount reserved as of June 30, 2025, was \$1,628,855. The bonds were purchased directly by the Community Impact Board and the Board of Water Resources. The indenture discloses failure of payments and bankruptcy as an event of default. Pledged tax increment revenues are subject to remedy. Annual debt service requirements to maturity for the 2008 tax increment bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 1,348,000	\$ 208,035	\$ 1,556,035
2027	1,380,000	175,475	1,555,475
2028	1,414,000	141,720	1,555,720
2029	1,448,000	106,700	1,554,700
2030	1,485,000	70,410	1,555,410
2031	1,296,000	32,740	1,328,740
Total	\$ 8,371,000	\$ 735,080	\$ 9,106,080

Notes Payable – Business-type Activities

Water Shares Note Payable – Direct Borrowing

In December 2023, the City entered into an agreement with a private trust to finance the purchase of water shares for \$943,000. The note has not stated interest rate nor any finance-related consequences. Annual debt service requirements to maturity for the note are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 300,000	\$ -	\$ 300,000
2027	243,000	-	243,000
Total	\$ 543,000	\$ -	\$ 543,000

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 20. LONG-TERM DEBT (Continued)

USDA Rural Economic Development Note Payable – Direct Borrowing

In September 2024, the City entered into an agreement with the USDA for a zero-interest loan of \$2,000,000. The city loaned the proceeds to a business in the community under the same terms. Significant events of default consist of (a) failure to pay principal when due; and (b) failure to fulfill all obligations in the note. In the event of default, at the option of the holder of the note, the remaining balance shall immediately become due and payable. Annual debt service requirements to maturity for the note are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ -	\$ -	\$ -
2027	187,560	-	187,560
2028	250,080	-	250,080
2029	250,080	-	250,080
2030	250,080	-	250,080
2031-2035	1,062,200	-	1,062,200
Total	\$ 2,000,000	\$ -	\$ 2,000,000

Defeasance of Debt. As of June 30, 2025, the Government has no outstanding balance for defeasance of debt.

Long-term liability activity at June 30, 2025, is as follows:

<u>Governmental activities:</u>	<u>Original Principal</u>	<u>% Rate</u>	<u>Outstanding June 30, 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding June 30, 2025</u>	<u>Due Within One Year</u>
<i>Revenue Bonds:</i>							
Sales Tax Revenue, Series 2014	\$ 7,260,000	3.19	\$ 4,705,000	\$ -	\$ (355,000)	\$ 4,350,000	\$ 370,000
Bond Premium			214,054	-	(21,405)	192,649	-
<i>Revenue Bonds from Direct Placements:</i>							
MBA Lease Revenue, Series 2014	\$ 3,036,000	1.50	1,677,000	-	(141,000)	1,536,000	143,000
<i>Other Long-term liabilities:</i>							
Leases Payable			112,104	-	(55,544)	56,560	56,560
SBITAs Payable			37,124	-	(11,797)	25,327	8,069
Compensated Absences *			1,083,127	140,758	-	1,223,885	968,941
Claims and Judgments			198,598	-	(44,309)	154,289	35,666
Net Pension Liability			1,890,513	584,744	-	2,475,257	-
Total Governmental Activities Long-term Liabilities			\$ 9,917,520	\$ 725,502	\$ (629,055)	\$ 10,013,967	\$ 1,582,236

* The change in the compensated absences liability is presented as a net change.

The net pension liability and claims and judgements are generally liquidated by the general fund.

BRIGHAM CITY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 20. LONG-TERM DEBT (Continued)

Business-type activities:	Original Principal	% Rate	Outstanding June 30, 2024	Additions	Reductions	Outstanding June 30, 2025	Due Within One Year
Revenue Bonds:							
Water, Sewer, & Electric Revenue, Series 2024	\$ 22,000,000	4.00 - 5.00	\$ -	\$ 22,000,000	\$ -	\$ 22,000,000	\$ -
Bond Premium			-	2,324,203	(116,210)	2,207,993	-
Revenue Bonds from Direct Placements:							
Water, Sewer, & Electric Revenue, Series 2017	\$ 9,500,000	2.01	3,030,000	-	(990,000)	2,040,000	1,010,000
Limited Purpose Revenue:							
Series 2008A	\$ 6,000,000	4.00	2,808,000	-	(359,000)	2,449,000	373,000
Series 2008B	\$ 7,900,000	0.00	2,881,000	-	(416,000)	2,465,000	416,000
Series 2008C	\$ 1,100,000	0.00	367,000	-	(55,000)	312,000	55,000
Series 2008D	\$ 8,800,000	3.50	3,632,000	-	(487,000)	3,145,000	504,000
Notes Payable from Direct Borrowings:							
Water Shares	\$ 943,000	0.00	843,000	-	(300,000)	543,000	300,000
USDA RDLG	\$ 2,000,000	0.00	-	2,000,000	-	2,000,000	-
Other Long-term liabilities:							
Compensated Absences *			277,420	25,499	-	302,919	277,564
Claims and Judgments			65,845	7,452	(23,668)	49,629	23,549
Net Pension Liability			487,682	210,111	-	697,793	-
Total Business-type Activities Long-term Liabilities			<u>\$ 14,391,947</u>	<u>\$ 26,567,265</u>	<u>\$ (2,746,878)</u>	<u>\$ 38,212,334</u>	<u>\$ 2,959,113</u>

* The change in the compensated absences liability is presented as a net change.

REQUIRED SUPPLEMENTARY INFORMATION

BRIGHAM CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Taxes:				
General Property Taxes	\$ 2,528,612	\$ 2,624,664	\$ 2,718,803	\$ 94,139
General Sales and Use Taxes	5,400,000	5,440,000	5,443,748	3,748
Franchise Taxes	2,348,000	2,348,000	1,950,536	(397,464)
Sales Tax - Transportation	2,250,000	2,680,000	2,023,467	(656,533)
Total Taxes	12,526,612	13,092,664	12,136,554	(956,110)
Licenses and Permits:				
Business Licenses	77,800	77,800	92,016	14,216
Other Licenses and Permits	588,650	652,150	1,295,918	643,768
Total Licenses and Permits	666,450	729,950	1,387,934	657,984
Intergovernmental Revenue:				
Federal Grants	2,685,817	2,723,317	2,525,920	(197,397)
Other Shared Revenues	372,959	372,959	310,494	(62,465)
State Grants	1,332,000	1,684,500	1,734,116	49,616
State Shared Revenue	19,685,002	19,685,002	8,124,327	(11,560,675)
Total Intergovernmental Revenue	24,075,778	24,465,778	12,694,857	(11,770,921)
Charges for Services:				
Public Safety	2,080,300	2,095,860	2,053,986	(41,874)
Parks and Recreation	548,915	557,915	576,536	18,621
Cemetery	305,048	319,648	320,495	847
Total Charges for Services	2,934,263	2,973,423	2,951,017	(22,406)
Fines and Forfeitures	90,000	90,000	106,809	16,809
Interest Earnings	910,847	1,860,118	1,488,374	(371,744)
Miscellaneous Revenue:				
Rents and Concessions	9,600	9,600	15,275	5,675
Lease Proceeds	28,000	28,000	31,052	3,052
Senior Citizens	222,655	222,655	134,621	(88,034)
Museum Gallery	3,500	3,500	15,775	12,275
Other	40,000	46,000	192,436	146,436
Total Miscellaneous Revenue	303,755	309,755	389,159	79,404
Total Revenues	\$ 41,507,705	\$ 43,521,688	\$ 31,154,704	\$ (12,366,984)

BRIGHAM CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND (Continued)
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
EXPENDITURES				
General Government:				
City Council:				
Personnel Services	\$ 36,867	\$ 36,867	\$ 36,619	\$ 248
Supplies	6,383	6,383	(333)	6,716
Other Services and Charges	2,471,764	2,471,764	1,881,860	589,904
Total City Council	2,515,014	2,515,014	1,918,146	596,868
Mayor's Office/Human Resources:				
Personnel Services	354,627	354,627	113,639	240,988
Supplies	(40,686)	(39,078)	(37,639)	(1,439)
Other Services and Charges	151,668	176,668	194,874	(18,206)
Total Mayor's Office/Human Resources	465,609	492,217	270,874	221,343
Administrative/Information Technology:				
Personnel Services	791,935	847,035	878,858	(31,823)
Supplies	172,902	229,731	190,289	39,442
Other Services and Charges	783,941	1,107,441	938,268	169,173
Capital Outlay	-	-	-	-
Total Administrative/Information Technology	1,748,778	2,184,207	2,007,415	176,792
Planning and Economic Development:				
Personnel Services	68,433	68,433	65,848	2,585
Supplies	13,225	13,746	10,874	2,872
Other Services and Charges	(55,741)	(55,741)	(78,017)	22,276
Total Planning and Economic Development	25,917	26,438	(1,295)	27,733
Risk Management:				
Other Services and Charges	204,624	294,624	260,686	33,938
Total Risk Management	204,624	294,624	260,686	33,938
Total General Government	4,959,942	5,512,500	4,455,826	1,056,674
Public Safety:				
Police:				
Personnel Services	5,136,281	5,501,281	5,690,544	(189,263)
Supplies	395,382	378,217	419,361	(41,144)
Other Services and Charges	681,662	681,662	602,472	79,190
Capital Outlay	-	-	-	-
Total Police	\$ 6,213,325	\$ 6,561,160	\$ 6,712,377	\$ (151,217)

BRIGHAM CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND (Continued)
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
EXPENDITURES (Continued)				
Public Safety (Continued):				
Emergency Services:				
Personnel Services	\$ 4,145,523	\$ 4,145,523	\$ 3,956,417	\$ 189,106
Supplies	309,744	324,369	244,108	80,261
Other Services and Charges	644,093	644,093	674,101	(30,008)
Capital Outlay	39,500	39,500	41,911	(2,411)
Total Emergency Services	5,099,360	5,113,985	4,874,626	239,359
Community Development/Inspection:				
Personnel Services	540,497	543,997	539,744	4,253
Supplies	48,090	91,523	79,351	12,172
Other Services and Charges	67,620	67,620	78,312	(10,692)
Total Community Development/Inspection	656,207	703,140	697,407	5,733
Total Public Safety	12,008,392	12,417,785	12,326,321	91,464
Public Works:				
Streets and Highways:				
Personnel Services	598,798	598,798	608,707	(9,909)
Supplies	327,168	339,327	176,154	163,173
Other Services and Charges	1,889,005	1,789,005	1,431,907	357,098
Capital Outlay	21,883,325	22,675,825	10,637,758	12,038,067
Total Streets and Highways	24,698,296	25,402,955	12,854,526	12,548,429
Engineering:				
Supplies	152,800	152,800	133,656	19,144
Total Engineering	152,800	152,800	133,656	19,144
Total Public Works	24,851,096	25,555,755	12,988,182	12,567,573
Culture, Parks, and Recreation:				
Parks:				
Personnel Services	483,713	535,165	589,205	(54,040)
Supplies	224,555	278,338	276,206	2,132
Other Services and Charges	147,843	185,443	171,437	14,006
Capital Outlay	-	-	35,820	(35,820)
Total Parks	856,111	998,946	1,072,668	(73,722)
Recreation:				
Personnel Services	725,724	725,724	786,184	(60,460)
Supplies	191,251	218,409	183,378	35,031
Other Services and Charges	296,174	312,174	351,138	(38,964)
Capital Outlay	1,000	1,000	1,287	(287)
Total Recreation	\$ 1,214,149	\$ 1,257,307	\$ 1,321,987	\$ (64,680)

BRIGHAM CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND (Continued)
For the Fiscal Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<u>EXPENDITURES (Continued)</u>				
Culture, Parks, and Recreation (Continued):				
Cemetery:				
Personnel Services	\$ 288,080	\$ 302,680	\$ 312,012	\$ (9,332)
Supplies	73,105	76,288	110,750	(34,462)
Other Services and Charges	54,922	54,922	51,182	3,740
Capital Outlay	655,000	655,000	5,144	649,856
Total Cemetery	1,071,107	1,088,890	479,088	609,802
Museum Gallery:				
Personnel Services	203,258	203,258	207,854	(4,596)
Supplies	37,382	35,428	19,321	16,107
Other Services and Charges	43,614	49,614	42,740	6,874
Total Museum Gallery	284,254	288,300	269,915	18,385
Senior Citizens:				
Personnel Services	467,450	467,450	507,555	(40,105)
Supplies	82,965	72,516	49,164	23,352
Other Services and Charges	276,066	276,066	284,455	(8,389)
Capital Outlay	200,000	200,000	4,990	195,010
Total Senior Citizens	1,026,481	1,016,032	846,164	169,868
Total Culture, Parks, and Recreation	4,452,102	4,649,475	3,989,822	659,653
Debt Service:				
Principal	-	-	3,267	(3,267)
Interest	-	-	66	(66)
Total Expenditures	46,271,532	48,135,515	33,763,484	14,372,031
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(4,763,827)	(4,613,827)	(2,608,780)	2,005,047
<u>OTHER FINANCING SOURCES (USES)</u>				
Proceeds from Sale of Assets	-	-	136,463	136,463
Transfers In	4,137,046	4,137,046	4,137,048	2
Transfers Out	(248,723)	(468,723)	(468,723)	-
Total Other Financing Sources (Uses)	\$ 3,888,323	\$ 3,668,323	3,804,788	\$ 136,465
Net Change in Fund Balance			1,196,008	
Fund Balance, Beginning of Year			12,364,878	
Fund Balance, End of Year			\$ 13,560,886	

BRIGHAM CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – REDEVELOPMENT AGENCY SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<u>REVENUES</u>				
Property Taxes	\$ 364,500	\$ 364,500	\$ 368,782	\$ 4,282
Intergovernmental Revenue	1,908,500	1,928,800	1,694,995	(233,805)
Charges for Services	-	16,000	16,497	497
Interest Earnings	2,000	2,000	81,120	79,120
Miscellaneous Revenue	67,166	67,166	2,000	(65,166)
Total Revenues	2,342,166	2,378,466	2,163,394	(215,072)
<u>EXPENDITURES</u>				
Community and Economic Development:				
Other Services and Charges	2,865,171	2,901,471	1,429,760	1,471,711
Capital Outlay	260,362	260,362	594	259,768
Total Community and Economic Development	3,125,533	3,161,833	1,430,354	1,731,479
Debt Service:				
Principal	816,215	816,215	355,817	460,398
Interest	165,788	165,788	165,805	(17)
Total Expenditures	4,107,536	4,143,836	1,951,976	2,191,860
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(1,765,370)	(1,765,370)	211,418	(2,406,932)
<u>OTHER FINANCING SOURCES (USES)</u>				
Proceeds from Sale of Assets	240,000	240,000	-	(240,000)
Transfers In	177,067	177,067	177,068	1
Transfers Out	(98,000)	(98,000)	(98,000)	-
Total Other Financing Sources (Uses)	\$ 319,067	\$ 319,067	79,068	\$ (239,999)
Net Change in Fund Balance			290,486	
Fund Balance, Beginning of Year			1,122,003	
Fund Balance, End of Year			\$ 1,412,489	

BRIGHAM CITY CORPORATION
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
UTAH RETIREMENT SYSTEMS
June 30, 2025 – Last 10 Measurement Dates

Measurement Date: December 31,	Noncontributory Retirement System	Contributory Retirement System	Public Safety System	Firefighters	Tier 2 Public Employees Retirement System	Safety and Firefighters Retirement System
<u>Proportion of the Net Pension Liability (Asset)</u>						
2015	0.4076091%	0.1161826%	0.8059659%	0.3392657%	0.0814488%	0.1849499%
2016	0.4089641%	0.2184385%	0.8427587%	0.8112751%	0.1024646%	0.2738549%
2017	0.4194068%	0.2543553%	0.8867681%	1.0906511%	0.1050945%	0.2740269%
2018	0.4188080%	0.2125654%	0.8882721%	1.3789193%	0.0942375%	0.2894805%
2019	0.4200643%	0.0000000%	0.8090714%	1.6717270%	0.1122035%	0.3220362%
2020	0.3989548%	0.0000000%	0.8229740%	1.5310920%	0.1212487%	0.4911265%
2021	0.4008486%	0.0000000%	0.7848063%	1.3814230%	0.1098194%	0.4530646%
2022	0.3902889%	0.0000000%	0.7025866%	1.3979869%	0.1098900%	0.4491111%
2023	0.3823188%	0.0000000%	0.7354918%	1.3569029%	0.1224841%	0.5338776%
2024	0.3921333%	0.0000000%	0.8537852%	1.3396486%	0.1181079%	0.5665467%
<u>Proportionate share of the Net Pension Liability (Asset)</u>						
2015	\$ 2,306,451	\$ 81,659	\$ 1,443,687	\$ (6,145)	\$ (178)	\$ (2,702)
2016	2,626,050	71,672	1,710,190	(6,396)	11,430	(2,377)
2017	1,837,547	20,698	1,391,036	(68,117)	9,266	(3,171)
2018	3,083,986	86,260	2,285,156	179,049	40,360	7,253
2019	1,583,167	-	1,299,059	(207,327)	25,235	30,292
2020	204,641	-	683,267	(428,124)	17,439	44,051
2021	(2,295,703)	-	(637,375)	(805,668)	(46,480)	(22,899)
2022	668,467	-	908,479	(363,063)	119,659	37,467
2023	886,813	-	1,051,874	(318,457)	238,401	201,107
2024	1,243,500	-	1,321,063	(235,312)	352,244	256,243
<u>Covered Payroll</u>						
2015	\$ 3,483,155	\$ 49,504	\$ 1,135,858	\$ 90,968	\$ 526,184	\$ 110,118
2016	3,419,861	52,412	1,171,234	228,648	840,283	226,267
2017	3,403,449	51,612	1,233,135	318,906	1,029,470	289,301
2018	3,374,080	39,786	1,219,083	424,084	1,099,219	386,591
2019	3,337,993	-	1,107,216	535,241	1,558,696	530,642
2020	2,974,968	-	1,081,190	499,508	1,938,325	973,945
2021	2,976,203	-	1,014,124	553,907	2,039,317	1,083,454
2022	2,979,384	-	964,439	610,894	2,393,917	1,381,819
2023	2,896,018	-	987,521	636,205	3,167,144	2,022,880
2024	3,041,126	-	1,178,538	665,103	3,498,817	2,586,113
<u>Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll</u>						
2015	66.22%	164.95%	127.10%	-6.76%	-0.03%	-2.45%
2016	76.79%	136.75%	146.02%	-2.80%	1.36%	-1.05%
2017	53.99%	40.10%	112.80%	-21.36%	0.90%	-1.10%
2018	91.40%	216.81%	187.45%	42.22%	3.67%	1.88%
2019	47.43%	0.00%	117.33%	-38.74%	1.62%	5.71%
2020	6.88%	0.00%	63.20%	-85.71%	0.90%	4.52%
2021	-77.14%	0.00%	-62.85%	-145.45%	-2.28%	-2.11%
2022	22.44%	0.00%	94.20%	-59.43%	5.00%	2.71%
2023	30.62%	0.00%	106.52%	-50.06%	7.53%	9.94%
2024	40.89%	0.00%	112.09%	-35.38%	10.07%	9.91%
<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)</u>						
2015	87.80%	85.70%	87.10%	101.00%	100.20%	110.70%
2016	87.30%	92.90%	86.50%	100.40%	95.10%	103.60%
2017	91.90%	98.20%	90.20%	103.00%	97.40%	103.00%
2018	87.00%	91.20%	84.70%	94.30%	90.80%	95.60%
2019	93.70%	0.00%	90.90%	105.00%	96.50%	89.60%
2020	99.20%	0.00%	95.50%	110.50%	98.30%	93.10%
2021	108.70%	0.00%	104.20%	120.10%	103.80%	102.80%
2022	97.50%	0.00%	93.60%	108.40%	92.30%	96.40%
2023	96.90%	0.00%	93.44%	106.79%	89.58%	89.10%
2024	96.02%	0.00%	93.30%	104.64%	87.44%	90.10%

BRIGHAM CITY CORPORATION
SCHEDULE OF CONTRIBUTIONS – UTAH RETIREMENT SYSTEMS
June 30, 2025
Last 10 Fiscal Years

For the year ended June 30,	Noncontributory Retirement System	Contributory Retirement System	Public Safety System	Firefighters	Tier 2 Public Employees System *	Tier 2 Public Safety and Firefighter System *	Tier 2 Public Employees DC Only System *	Tier 2 Public Safety and Firefighter DC Only System *
<u>Actuarial Determined Contributions</u>								
2016	\$ 599,813	\$ 7,144	\$ 413,322	\$ 5,371	\$ 89,876	\$ 34,256	\$ 18,562	\$ -
2017	624,240	7,724	424,318	11,333	155,394	57,750	31,502	1,485
2018	622,288	6,949	450,022	15,903	153,460	67,480	44,361	93
2019	603,158	1,955	404,574	22,570	201,435	88,928	48,973	107
2020	576,446	-	397,815	25,676	281,365	151,519	56,681	4,299
2021	527,893	-	379,787	20,758	320,188	225,985	73,295	7,114
2022	552,659	-	328,713	21,944	338,066	245,381	83,212	7,672
2023	529,046	-	324,127	17,793	456,978	363,463	76,362	9,667
2024	516,694	-	345,058	20,668	527,394	500,203	87,736	24,964
2025	509,167	-	413,439	8,109	594,080	569,291	76,486	30,127
<u>Contributions in Relation to the Contractually Required Contributions</u>								
2016	\$ 599,813	\$ 7,144	\$ 413,322	\$ 5,371	\$ 89,876	\$ 34,256	\$ 18,562	\$ -
2017	624,240	7,724	424,318	11,333	155,394	57,750	31,502	1,485
2018	622,288	6,949	450,022	15,903	153,460	67,480	44,361	93
2019	603,158	1,955	404,574	22,570	201,435	88,928	48,973	107
2020	576,446	-	397,815	25,676	281,365	151,519	56,681	4,299
2021	527,893	-	379,787	20,758	320,188	225,985	73,295	7,114
2022	552,659	-	328,713	21,944	338,066	245,381	83,212	7,672
2023	529,046	-	324,127	17,793	456,978	363,463	76,362	9,667
2024	516,694	-	345,058	20,668	527,394	500,203	87,736	24,964
2025	509,167	-	413,439	8,109	594,080	569,291	76,486	30,127
<u>Contribution Deficiency (Excess)</u>								
2016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-
<u>Covered Payroll</u>								
2016	\$ 3,284,481	\$ 49,404	\$ 1,151,235	\$ 134,741	\$ 598,398	\$ 165,677	\$ 277,951	\$ -
2017	3,413,756	53,414	1,157,279	291,172	1,041,690	272,960	466,549	50,729
2018	3,416,514	48,033	1,246,359	358,290	1,011,415	312,056	663,091	113,944
2019	3,333,877	13,518	1,132,944	489,599	1,296,237	428,170	730,108	134,411
2020	3,183,582	-	1,114,014	556,817	1,795,909	776,323	845,977	114,618
2021	2,909,821	-	1,063,530	490,868	2,026,503	1,069,768	1,095,248	146,808
2022	3,031,119	-	960,421	574,022	2,103,140	1,149,461	1,243,834	205,294
2023	2,947,787	-	971,863	602,374	2,854,329	1,651,804	1,233,622	259,274
2024	2,888,572	-	1,051,207	692,463	3,293,968	2,381,317	1,415,855	439,368
2025	3,013,477	-	1,267,763	602,175	3,909,313	2,759,162	1,470,080	561,890
<u>Contributions as a Percentage of Covered Payroll</u>								
2016	18.26%	14.46%	35.90%	3.99%	15.02%	20.68%	6.68%	0.00%
2017	18.29%	14.46%	36.67%	3.89%	14.92%	21.16%	6.75%	2.93%
2018	18.21%	14.47%	36.11%	4.44%	15.17%	21.62%	6.69%	0.08%
2019	18.09%	14.46%	35.71%	4.61%	15.54%	20.77%	6.71%	0.08%
2020	18.11%	0.00%	35.71%	4.61%	15.67%	19.52%	6.70%	3.75%
2021	18.14%	0.00%	35.71%	4.23%	15.80%	21.12%	6.69%	4.85%
2022	18.23%	0.00%	34.23%	3.82%	16.07%	21.35%	6.69%	3.74%
2023	17.95%	0.00%	33.35%	2.95%	16.01%	22.00%	6.19%	3.73%
2024	17.89%	0.00%	32.82%	2.98%	16.01%	21.01%	6.20%	5.68%
2025	16.90%	0.00%	32.61%	1.35%	15.20%	20.63%	5.20%	5.36%

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

BRIGHAM CITY CORPORATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2025

NOTE 1. CHANGES IN ASSUMPTIONS – PENSION PLAN

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

SUPPLEMENTARY INFORMATION

FUND DESCRIPTIONS

General fund - to account for all financial resources except those required to be accounted for in another fund.

Special revenue funds - special revenue funds are used to account for specific revenues that are legally restricted to expenditures for specific purposes.

Redevelopment agency – to account for the tax increment revenues received by project areas for use to develop economic growth within the areas.

Golf fund – to account for operations and maintenance of the Government-owned golf course. Financing is provided by user fees.

Municipal building authority – to account for the construction of Government owned buildings and lease payment revenue associated with the buildings. Financing is provided by lease payments

Library fund - to account for the operations and maintenance of the Government-owned library. Financing is provided by a specific annual property tax levy to the extent miscellaneous revenues (primarily County reimbursement and fines) are not sufficient to provide such financing. Such property taxes may only be used to finance the library.

Airport fund - to account for the operations and maintenance of the Government-owned airport. Financing is provided by federal and state grants and by user fees, with the general fund transferring funds into the airport fund to the extent the revenue sources are not sufficient to cover expenditures. The governing body, by resolution, stated that this fund is not intended to generate profits.

Debt service fund - the debt service fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from Governmental resources and special assessment bond principal and interest from special assessment levies when the Government is obligated in some manner for the payment.

Capital project funds - capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

General Government improvements - to account for the cost of construction of capital facilities.

Cemetery improvement - to account for the cost of upgrading and increasing the size of the Government's cemetery.

Fiber optics - to account for the construction of a fiber optic network.

Internal service funds – Internal service funds are used by management to charge the costs of fleet and facility management.

Fleet – to account for the operations and maintenance of the Government's fleet.

Facility- to account for the operations and maintenance of the Government's facilities.

BRIGHAM CITY CORPORATION
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2025

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Other Governmental Funds
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 2,513,139	\$ 443,830	\$ 205,985	\$ 3,162,954
Receivables (Net)	189,589	629,410	-	818,999
Property Tax Receivable	23,975	-	-	23,975
Leases Receivable	1,197,928	-	-	1,197,928
Restricted Cash	296,838	-	-	296,838
Total Assets	<u>\$ 4,221,469</u>	<u>\$ 1,073,240</u>	<u>\$ 205,985</u>	<u>\$ 5,500,694</u>
<u>LIABILITIES</u>				
Accounts Payable and Accruals	\$ 350,219	\$ -	\$ 1,120	\$ 351,339
Unearned Revenue	-	-	-	-
Due to Other Funds	171,009	553,004	-	724,013
Total Liabilities	<u>521,228</u>	<u>553,004</u>	<u>1,120</u>	<u>1,075,352</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Lease Revenue	1,172,130	-	-	1,172,130
Deferred Special Assessment Revenue	-	629,410	-	629,410
Total Deferred Inflows of Resources	<u>1,172,130</u>	<u>629,410</u>	<u>-</u>	<u>1,801,540</u>
<u>FUND BALANCES</u>				
Restricted	903,442	-	-	903,442
Committed	1,795,678	-	-	1,795,678
Assigned	-	443,830	204,865	648,695
Unassigned	(171,009)	(553,004)	-	(724,013)
Total Fund Balances	<u>2,528,111</u>	<u>(109,174)</u>	<u>204,865</u>	<u>2,623,802</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 4,221,469</u>	<u>\$ 1,073,240</u>	<u>\$ 205,985</u>	<u>\$ 5,500,694</u>

BRIGHAM CITY CORPORATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2025

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Other Governmental Funds
<u>REVENUES</u>				
Property Tax	\$ 1,000,035	\$ -	\$ -	\$ 1,000,035
Intergovernmental	257,970	-	-	257,970
Charges for Services	1,359,663	-	40,635	1,400,298
Special Assessments	-	54,754	-	54,754
Interest Earnings	161,901	51,916	8,848	222,665
Miscellaneous	15,652	-	-	15,652
Total Revenues	2,795,221	106,670	49,483	2,951,374
<u>EXPENDITURES</u>				
Current:				
Public Works	131,467	7,264	-	138,731
Culture, Parks and Recreation	2,144,069	-	11,833	2,155,902
Capital Outlay	416,130	-	-	416,130
Debt Service:				
Principal	148,991	-	-	148,991
Interest and Fiscal Charges	28,237	-	-	28,237
Total Expenditures	2,868,894	7,264	11,833	2,887,991
Excess (Deficiency) of Revenues Over (Under) Expenditures	(73,673)	99,406	37,650	63,383
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	259,655	-	-	259,655
Total Other Financing Sources (Uses)	259,655	-	-	259,655
Net Change in Fund Balances	185,982	99,406	37,650	323,038
Fund Balance, Beginning of Year	2,342,129	(208,580)	167,215	2,300,764
Fund Balance, End of Year	\$ 2,528,111	\$ (109,174)	\$ 204,865	\$ 2,623,802

BRIGHAM CITY CORPORATION
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS – SPECIAL REVENUE FUNDS
June 30, 2025

	Municipal Building Authority	Golf Fund	Library Fund	Airport Fund	Total Special Revenue Funds
<u>ASSETS</u>					
Cash and Cash Equivalents	\$ -	\$ 702,931	\$ 610,119	\$ 1,200,089	\$ 2,513,139
Receivables (Net)	-	4,599	-	184,990	189,589
Property Tax Receivable	-	-	23,975	-	23,975
Leases Receivable	-	-	-	1,197,928	1,197,928
Restricted Cash	234,249	-	62,589	-	296,838
Total Assets	\$ 234,249	\$ 707,530	\$ 696,683	\$ 2,583,007	\$ 4,221,469
<u>LIABILITIES</u>					
Accounts Payable and Accruals	\$ -	\$ 318,330	\$ 27,490	\$ 4,399	\$ 350,219
Due to Other Funds	171,009	-	-	-	171,009
Total Liabilities	171,009	318,330	27,490	4,399	521,228
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Lease Revenue	-	-	-	1,172,130	1,172,130
Total Deferred Inflows of Resources	-	-	-	1,172,130	1,172,130
<u>FUND BALANCES</u>					
Restricted	234,249	-	669,193	-	903,442
Committed	-	389,200	-	1,406,478	1,795,678
Unassigned	(171,009)	-	-	-	(171,009)
Total Fund Balances	63,240	389,200	669,193	1,406,478	2,528,111
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 234,249	\$ 707,530	\$ 696,683	\$ 2,583,007	\$ 4,221,469

BRIGHAM CITY CORPORATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS – SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2025

	Municipal Building Authority	Golf Fund	Library Fund	Airport Fund	Total Special Revenue Funds
<u>REVENUES</u>					
Property Tax	\$ -	\$ -	\$ 1,000,035	\$ -	\$ 1,000,035
Intergovernmental	-	-	19,765	238,205	257,970
Charges for Services	-	1,273,986	27,464	58,213	1,359,663
Interest Earnings	11,507	30,195	28,883	91,316	161,901
Miscellaneous	-	7,276	8,376	-	15,652
Total Revenues	11,507	1,311,457	1,084,523	387,734	2,795,221
<u>EXPENDITURES</u>					
Current:					
Public Works	-	-	-	131,467	131,467
Culture, Parks and Recreation	-	1,085,093	1,058,976	-	2,144,069
Capital Outlay	-	100,545	-	315,585	416,130
Debt Service:					
Principal	141,000	-	7,991	-	148,991
Interest and Fiscal Charges	27,405	-	832	-	28,237
Total Expenditures	168,405	1,185,638	1,067,799	447,052	2,868,894
Excess (Deficiency) of Revenues Over (Under) Expenditures	(156,898)	125,819	16,724	(59,318)	(73,673)
<u>OTHER FINANCING SOURCES (USES)</u>					
Transfers In	169,655	-	-	90,000	259,655
Total Other Financing Sources (Uses)	169,655	-	-	90,000	259,655
Net Change in Fund Balances	12,757	125,819	16,724	30,682	185,982
Fund Balance, Beginning of Year	50,483	263,381	652,469	1,375,796	2,342,129
Fund Balance, End of Year	\$ 63,240	\$ 389,200	\$ 669,193	\$ 1,406,478	\$ 2,528,111

BRIGHAM CITY CORPORATION
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS – DEBT SERVICE FUNDS
June 30, 2025

	Special Assessment Area 2009-1	Guaranty	Total Debt Service Funds
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ -	\$ 443,830	\$ 443,830
Receivables (Net)	574,094	55,316	629,410
Total Assets	\$ 574,094	\$ 499,146	\$ 1,073,240
<u>LIABILITIES</u>			
Due to Other Funds	\$ 553,004	\$ -	\$ 553,004
Total Liabilities	553,004	-	553,004
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Special Assessment Revenue	574,094	55,316	629,410
Total Deferred Inflows of Resources	574,094	55,316	629,410
<u>FUND BALANCES</u>			
Assigned	-	443,830	443,830
Unassigned	(553,004)	-	(553,004)
Total Fund Balances	(553,004)	443,830	(109,174)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 574,094	\$ 499,146	\$ 1,073,240

BRIGHAM CITY CORPORATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS – DEBT SERVICE FUNDS
For the Year Ended June 30, 2025

	Special Assessment Area 2009-1	Guaranty	Total Debt Service Funds
<u>REVENUES</u>			
Special Assessments	\$ 54,754	\$ -	\$ 54,754
Interest Earnings	32,848	19,068	51,916
Total Revenues	87,602	19,068	106,670
<u>EXPENDITURES</u>			
Current:			
Public Works	7,264	-	7,264
Total Expenditures	7,264	-	7,264
Net Change in Fund Balances	80,338	19,068	99,406
Fund Balance, Beginning of Year	(633,342)	424,762	(208,580)
Fund Balance, End of Year	\$ (553,004)	\$ 443,830	\$ (109,174)

BRIGHAM CITY CORPORATION
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS – CAPITAL PROJECTS FUNDS
June 30, 2025

	<u>Fiber Optics</u>	<u>Cemetery Improvement</u>	<u>Total Capital Projects Funds</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 143,314	\$ 62,671	\$ 205,985
Total Assets	<u>\$ 143,314</u>	<u>\$ 62,671</u>	<u>\$ 205,985</u>
<u>LIABILITIES</u>			
Accounts Payable and Accruals	\$ -	\$ 1,120	\$ 1,120
Total Liabilities	<u>-</u>	<u>1,120</u>	<u>1,120</u>
<u>FUND BALANCES</u>			
Assigned	143,314	61,551	204,865
Total Fund Balances	<u>143,314</u>	<u>61,551</u>	<u>204,865</u>
Total Liabilities and Fund Balances	<u>\$ 143,314</u>	<u>\$ 62,671</u>	<u>\$ 205,985</u>

BRIGHAM CITY CORPORATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS – CAPITAL PROJECTS FUNDS
For the Year Ended June 30, 2025

	<u>Fiber Optics</u>	<u>Cemetery Improvement</u>	<u>Total Capital Projects Funds</u>
<u>REVENUES</u>			
Charges for Services	\$ -	\$ 40,635	\$ 40,635
Interest Earnings	6,156	2,692	8,848
Total Revenues	6,156	43,327	49,483
<u>EXPENDITURES</u>			
Current:			
Culture, Parks and Recreation	-	11,833	11,833
Total Expenditures	-	11,833	11,833
Net Change in Fund Balances	6,156	31,494	37,650
Fund Balance, Beginning of Year	137,158	30,057	167,215
Fund Balance, End of Year	\$ 143,314	\$ 61,551	\$ 204,865

BRIGHAM CITY CORPORATION
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2025

	<u>Fleet</u>	<u>Facilities</u>	<u>Total Internal Service Funds</u>
<u>ASSETS</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 937,002	\$ 193,722	\$ 1,130,724
Inventories	7,922	-	7,922
Total Current Assets	<u>944,924</u>	<u>193,722</u>	<u>1,138,646</u>
Noncurrent Assets:			
Capital Assets:			
Not Being Depreciated or Amortized	999,027	-	999,027
Net of Accumulated Depreciation and Amortization	<u>4,716,263</u>	<u>2,425,020</u>	<u>7,141,283</u>
Total Noncurrent Assets	<u>5,715,290</u>	<u>2,425,020</u>	<u>8,140,310</u>
Total Assets	<u>6,660,214</u>	<u>2,618,742</u>	<u>9,278,956</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Pension Related	<u>60,099</u>	<u>70,797</u>	<u>130,896</u>
Total Deferred Outflows of Resources	<u>60,099</u>	<u>70,797</u>	<u>130,896</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 6,720,313</u>	<u>\$ 2,689,539</u>	<u>\$ 9,409,852</u>
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts Payable and Accruals	\$ 160,950	\$ 50,509	\$ 211,459
Accrued Interest Payable	688	-	688
Compensated Absences – Current	23,264	30,911	54,175
Due to Other Funds – Current	91,249	-	91,249
Leases Payable – Current	<u>56,560</u>	<u>-</u>	<u>56,560</u>
Total Current Liabilities	<u>332,711</u>	<u>81,420</u>	<u>414,131</u>
Noncurrent Liabilities:			
Compensated Absences – Noncurrent	4,772	4,937	9,709
Due to Other Funds – Noncurrent	480,122	-	480,122
Net Pension Liability	<u>44,485</u>	<u>52,403</u>	<u>96,888</u>
Total Noncurrent Liabilities	<u>529,379</u>	<u>57,340</u>	<u>586,719</u>
Total Liabilities	<u>862,090</u>	<u>138,760</u>	<u>1,000,850</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Pension Related	<u>504</u>	<u>594</u>	<u>1,098</u>
Total Deferred Inflows of Resources	<u>504</u>	<u>594</u>	<u>1,098</u>
<u>NET POSITION</u>			
Net Investment in Capital Assets	5,658,730	2,425,020	8,083,750
Unrestricted	<u>198,989</u>	<u>125,165</u>	<u>324,154</u>
Total Net Position	<u>5,857,719</u>	<u>2,550,185</u>	<u>8,407,904</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 6,720,313</u>	<u>\$ 2,689,539</u>	<u>\$ 9,409,852</u>

BRIGHAM CITY CORPORATION
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2025

	<u>Fleet</u>	<u>Facilities</u>	<u>Total Internal Service Funds</u>
<u>OPERATING REVENUES</u>			
Interfund Services Provided	\$ 2,765,580	\$ 981,770	\$ 3,747,350
Total Operating Revenues	2,765,580	981,770	3,747,350
<u>OPERATING EXPENSES</u>			
Salaries and Wages	425,782	405,551	831,333
Material and Supplies	971,568	652,729	1,624,297
Services	60,336	22,879	83,215
Depreciation and Amortization	1,229,614	142,194	1,371,808
Total Operating Expenses	2,687,300	1,223,353	3,910,653
Operating Income (Loss)	78,280	(241,583)	(163,303)
<u>NONOPERATING REVENUES (EXPENSES)</u>			
Gain on Disposal of Assets	141,062	-	141,062
Interest Income	40,255	8,323	48,578
Interest Expense	(16,795)	-	(16,795)
Total Nonoperating Revenues (Expenses)	164,522	8,323	172,845
Net Income Before Transfers	242,802	(233,260)	9,542
Transfers In	250,126	-	250,126
Change in Net Position	492,928	(233,260)	259,668
Net Position, Beginning of Year	5,364,791	2,783,445	8,148,236
Net Position, End of Year	\$ 5,857,719	\$ 2,550,185	\$ 8,407,904

BRIGHAM CITY CORPORATION
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2025

	<u>Fleet</u>	<u>Information Technology</u>	<u>Total Internal Service Funds</u>
Cash Flows from Operating Activities:			
Receipts From Interfund Services	\$ 2,765,580	\$ 981,770	\$ 3,747,350
Payments To Suppliers	(898,467)	(687,343)	(1,585,810)
Payments To Employees	(410,066)	(384,245)	(794,311)
Net Cash Provided by Operating Activities	<u>1,457,047</u>	<u>(89,818)</u>	<u>1,367,229</u>
Cash Flows from Noncapital Financing Activities:			
Transfers (To) From Other Funds	250,126	-	250,126
Loans (To) From Other Funds	(74,539)	-	(74,539)
Net Cash Provided by Noncapital Financing Activities	<u>175,587</u>	<u>-</u>	<u>175,587</u>
Cash Flows from Capital and Related Financing Activities:			
Proceeds From Sale Of Capital Assets	181,564	-	181,564
Purchase Of Capital Assets	(1,853,213)	(127,724)	(1,980,937)
Principal Payments on Capital Debt, Leases, and SBITAs	(55,544)	-	(55,544)
Interest and Fees Paid on Capital Debt, Leases, and SBITAs	(16,795)	-	(16,795)
Net Cash (Used) by Capital and Related Financing Activities	<u>(1,743,988)</u>	<u>(127,724)</u>	<u>(1,871,712)</u>
Cash Flows from Investing Activities:			
Interest Received	40,255	8,323	48,578
Net Cash Provided by Investing Activities	<u>40,255</u>	<u>8,323</u>	<u>48,578</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(71,099)</u>	<u>(209,219)</u>	<u>(280,318)</u>
Cash and Cash Equivalents, Beginning of Year	<u>1,008,101</u>	<u>402,941</u>	<u>1,411,042</u>
Cash and Cash Equivalents, End of Year	<u>\$ 937,002</u>	<u>\$ 193,722</u>	<u>\$ 1,130,724</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating Income (Loss)	\$ 78,280	\$ (241,583)	\$ (163,303)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation and Amortization	1,229,614	142,194	1,371,808
Pension Expense Adjustment	9,516	10,727	20,243
Changes in Operating Assets, Deferred Inflows, Liabilities, and Deferred Outflows:			
(Increase) Decrease in Inventory	10,188	-	10,188
Increase (Decrease) in Accounts Payable and Accruals	124,378	(9,985)	114,393
Increase (Decrease) in Compensated Absences	5,071	8,829	13,900
Net Cash Provided by Operating Activities	<u>\$ 1,457,047</u>	<u>\$ (89,818)</u>	<u>\$ 1,367,229</u>

BRIGHAM CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – MUNICIPAL BUILDING AUTHORITY SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<u>REVENUES</u>				
Interest Earnings	\$ -	\$ -	\$ 11,507	\$ 11,507
Total Revenues	-	-	11,507	11,507
<u>EXPENDITURES</u>				
Debt Service:				
Principal	141,000	141,000	141,000	-
Interest	28,655	28,655	27,405	1,250
Total Expenditures	169,655	169,655	168,405	1,250
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(169,655)	(169,655)	(156,898)	10,257
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	169,655	169,655	169,655	-
Total Other Financing Sources (Uses)	\$ 169,655	\$ 169,655	169,655	\$ -
Net Change in Fund Balance			12,757	
Fund Balance, Beginning of Year			50,483	
Fund Balance, End of Year			\$ 63,240	

BRIGHAM CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GOLF SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<u>REVENUES</u>				
Charges for Services	\$ 1,057,100	\$ 1,148,327	\$ 1,273,986	\$ 125,659
Interest Earnings	10,000	10,000	30,195	20,195
Miscellaneous Revenue	3,500	3,500	7,276	3,776
Total Revenues	1,070,600	1,161,827	1,311,457	149,630
<u>EXPENDITURES</u>				
Culture, Parks, and Recreation:				
Materials and Supplies	221,248	221,248	206,501	14,747
Other Services and Charges	764,316	894,279	878,592	15,687
Capital Outlay	74,000	96,300	100,545	(4,245)
Total Culture, Parks, and Recreation	1,059,564	1,211,827	1,185,638	26,189
Total Expenditures	1,059,564	1,211,827	1,185,638	26,189
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	\$ 11,036	\$ (50,000)	125,819	\$ 123,441
Net Change in Fund Balance			125,819	
Fund Balance, Beginning of Year			263,381	
Fund Balance, End of Year			\$ 389,200	

BRIGHAM CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – LIBRARY SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<u>REVENUES</u>				
Property Taxes	\$ 934,215	\$ 934,215	\$ 1,000,035	\$ 65,820
Intergovernmental Revenue	18,100	18,100	19,765	1,665
Charges for Services	27,900	27,900	27,464	(436)
Interest Earnings	16,345	16,345	28,883	12,538
Miscellaneous Revenue	9,100	9,100	8,376	(724)
Total Revenues	1,005,660	1,005,660	1,084,523	78,863
<u>EXPENDITURES</u>				
Culture, Parks, and Recreation:				
Personnel Services	707,812	707,812	703,885	3,927
Materials and Supplies	41,763	41,763	46,807	(5,044)
Other Services and Charges	218,013	218,013	161,601	56,412
Capital Outlay	231,500	231,500	146,683	84,817
Total Culture, Parks, and Recreation	1,199,088	1,199,088	1,058,976	140,112
Debt Service:				
Principal	-	-	7,991	(7,991)
Interest	-	-	832	(832)
Total Expenditures	1,199,088	1,199,088	1,067,799	131,289
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	\$ (193,428)	\$ (193,428)	16,724	\$ (52,426)
Net Change in Fund Balance			16,724	
Fund Balance, Beginning of Year			652,469	
Fund Balance, End of Year			\$ 669,193	

BRIGHAM CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – AIRPORT SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<u>REVENUES</u>				
Intergovernmental Revenue	\$ 250,000	\$ 250,000	\$ 238,205	\$ (11,795)
Charges for Services	104,800	104,800	58,213	(46,587)
Interest Earnings	15,000	57,558	91,316	33,758
Total Revenues	369,800	412,358	387,734	(24,624)
<u>EXPENDITURES</u>				
Public Works:				
Personnel Services	24,332	24,332	19,540	4,792
Materials and Supplies	73,882	116,440	95,300	21,140
Other Services and Charges	39,088	39,088	16,627	22,461
Capital Outlay	250,000	340,000	315,585	24,415
Total Public Works	387,302	519,860	447,052	72,808
Total Expenditures	387,302	519,860	447,052	72,808
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(17,502)	(107,502)	(59,318)	(97,432)
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	-	90,000	90,000	-
Total Other Financing Sources (Uses)	\$ -	\$ 90,000	90,000	\$ -
Net Change in Fund Balance			30,682	
Fund Balance, Beginning of Year			1,375,796	
Fund Balance, End of Year			\$ 1,406,478	

BRIGHAM CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – SPECIAL ASSESSMENT AREA 2009-1 DEBT SERVICE FUND
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<u>REVENUES</u>				
Special Assessments	\$ 55,000	\$ 60,000	\$ 54,754	\$ (5,246)
Interest Earnings	-	-	32,848	32,848
Total Revenues	55,000	60,000	87,602	27,602
<u>EXPENDITURES</u>				
Public Works:				
Other Services and Charges	6,500	11,500	7,264	4,236
Total Public Works	6,500	11,500	7,264	4,236
Total Expenditures	6,500	11,500	7,264	4,236
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	\$ 48,500	\$ 48,500	80,338	\$ 23,366
Net Change in Fund Balance			80,338	
Fund Balance, Beginning of Year			(633,342)	
Fund Balance, End of Year			\$ (553,004)	

BRIGHAM CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GUARANTY DEBT SERVICE FUND
For the Fiscal Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<u>REVENUES</u>				
Interest Earnings	\$ -	\$ -	\$ 19,068	\$ 19,068
Total Revenues	-	-	19,068	19,068
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	\$ -	\$ -	19,068	\$ 19,068
Net Change in Fund Balance			19,068	
Fund Balance, Beginning of Year			424,762	
Fund Balance, End of Year			\$ 443,830	

BRIGHAM CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL GOVERNMENT IMPROVEMENTS CAPITAL PROJECTS FUND
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<u>REVENUES</u>				
Interest Earnings	\$ -	\$ -	\$ 109,901	\$ 109,901
Total Revenues	-	-	109,901	109,901
<u>EXPENDITURES</u>				
Capital Outlay:				
Public Safety	134,500	161,610	131,968	29,642
Public Works	240,000	361,900	376,006	(14,106)
Culture, Parks and Recreation	400,000	482,000	429,561	52,439
Total Capital Outlay	774,500	1,005,510	937,535	67,975
Total Expenditures	774,500	1,005,510	937,535	67,975
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	\$ (774,500)	\$ (1,005,510)	(827,634)	\$ 41,926
Net Change in Fund Balance			(827,634)	
Fund Balance, Beginning of Year			2,852,335	
Fund Balance, End of Year			\$ 2,024,701	

BRIGHAM CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – FIBER OPTICS CAPITAL PROJECTS FUND
For the Fiscal Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<u>REVENUES</u>				
Interest Earnings	\$ -	\$ -	\$ 6,156	\$ 6,156
Total Revenues	-	-	6,156	6,156
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	\$ -	\$ -	6,156	\$ 6,156
Net Change in Fund Balance			6,156	
Fund Balance, Beginning of Year			137,158	
Fund Balance, End of Year			\$ 143,314	

BRIGHAM CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – CEMETERY IMPROVEMENT CAPITAL PROJECTS FUND
For the Fiscal Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<u>REVENUES</u>				
Charges for Services	\$ 28,000	\$ 28,000	\$ 40,635	\$ 12,635
Interest Earnings	-	-	2,692	2,692
Total Revenues	28,000	28,000	43,327	15,327
<u>EXPENDITURES</u>				
Capital Outlay:				
Culture, Parks and Recreation	20,404	20,404	11,833	8,571
Total Capital Outlay	20,404	20,404	11,833	8,571
Total Expenditures	20,404	20,404	11,833	8,571
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	\$ 7,596	\$ 7,596	31,494	\$ 6,756
Net Change in Fund Balance			31,494	
Fund Balance, Beginning of Year			30,057	
Fund Balance, End of Year			\$ 61,551	

STATISTICAL SECTION

STATISICAL SECTION

The statistical section presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Government's overall financial health.

FINANCIAL TRENDS

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

REVENUE CAPACITY

These schedules contain information to help the reader assess the Government's most significant local revenue source, the property tax.

DEBT CAPACITY

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

DEMOGRAPHIC AND ECONOMIC INFORMATION

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

OPERATING INFORMATION

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

Sources: unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year. The Government implemented GASB Statement 34 in 2002; schedules presenting Government-wide information include information beginning in that year.

BRIGHAM CITY CORPORATION
NET POSITION BY COMPONENT
JUNE 30,

(Accrual Basis Of Accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities:										
Net Investment in Capital Assets	\$ 34,088,702	\$ 35,697,812	\$ 35,977,963	\$ 38,944,361	\$ 38,550,632	\$ 37,229,275	\$ 37,875,036	\$ 39,270,104	\$ 45,061,139	\$ 54,270,252
Restricted	1,210,485	1,289,233	2,165,362	2,221,402	2,092,143	2,174,147	2,139,165	1,819,105	4,530,147	5,698,178
Unrestricted	4,959,476	4,549,308	3,478,877	322,057	844,717	5,041,877	9,136,077	12,371,383	15,201,256	14,181,410
Total Governmental Activates Net Position	<u>\$ 40,258,663</u>	<u>\$ 41,536,353</u>	<u>\$ 41,622,202</u>	<u>\$ 41,487,820</u>	<u>\$ 41,487,492</u>	<u>\$ 44,445,299</u>	<u>\$ 49,150,278</u>	<u>\$ 53,460,592</u>	<u>\$ 64,792,542</u>	<u>\$ 74,149,840</u>
Business-Type Activities:										
Net Investment in Capital Assets	\$ 26,127,755	\$ 27,841,548	\$ 31,725,858	\$ 33,349,757	\$ 34,238,943	\$ 37,895,974	\$ 40,476,692	\$ 41,511,395	\$ 42,970,053	\$ 55,063,349
Restricted	2,812,997	2,961,205	9,860,289	4,697,551	1,899,071	1,697,017	1,749,996	1,800,581	1,862,722	2,088,427
Unrestricted	13,993,546	15,735,162	9,917,003	16,783,852	22,184,888	19,940,772	17,843,361	20,511,745	29,828,419	31,673,343
Total Business-Type Activates Net Position	<u>\$ 42,934,298</u>	<u>\$ 46,537,915</u>	<u>\$ 51,503,150</u>	<u>\$ 54,831,160</u>	<u>\$ 58,322,902</u>	<u>\$ 59,533,763</u>	<u>\$ 60,070,049</u>	<u>\$ 63,823,721</u>	<u>\$ 74,661,194</u>	<u>\$ 88,825,119</u>
Primary Government:										
Net Investment in Capital Assets	\$ 60,216,457	\$ 63,539,360	\$ 67,703,821	\$ 72,294,118	\$ 72,789,575	\$ 75,125,249	\$ 78,351,728	\$ 80,781,499	\$ 88,031,192	\$ 109,333,601
Restricted	4,023,482	4,250,438	12,025,651	6,918,953	3,991,214	3,871,164	3,889,161	3,619,686	6,392,869	7,786,605
Unrestricted	18,953,022	20,284,470	13,395,880	17,105,909	23,029,605	24,982,649	26,979,438	32,883,128	45,029,675	45,854,753
Total Primary Government Net Position	<u>\$ 83,192,961</u>	<u>\$ 88,074,268</u>	<u>\$ 93,125,352</u>	<u>\$ 96,318,980</u>	<u>\$ 99,810,394</u>	<u>\$ 103,979,062</u>	<u>\$ 109,220,327</u>	<u>\$ 117,284,313</u>	<u>\$ 139,453,736</u>	<u>\$ 162,974,959</u>

BRIGHAM CITY CORPORATION
FUND BALANCES, GOVERNMENTAL FUNDS
JUNE 30,

(Modified Accrual Basis Of Accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund:										
Non-Spendable	\$ 68,714	\$ 22,671	\$ 10,075	\$ 3,842	\$ 52,617	\$ 38,690	\$ 34,751	\$ 46,777	\$ 20,479	38,971
Restricted	886,372	931,628	1,036,838	1,168,824	1,128,730	1,080,120	1,187,769	1,277,183	2,521,242	3,382,248
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	252,988	255,794	260,496	267,882	2,860	19,705	26,950	28,013	-	-
Unassigned	3,567,744	3,386,499	2,865,637	2,296,863	2,955,332	5,823,939	5,789,501	7,031,237	9,823,157	10,139,667
Total General Fund	<u>\$ 4,775,818</u>	<u>\$ 4,596,592</u>	<u>\$ 4,173,046</u>	<u>\$ 3,737,411</u>	<u>\$ 4,139,539</u>	<u>\$ 6,962,454</u>	<u>\$ 7,038,971</u>	<u>\$ 8,383,210</u>	<u>\$ 12,364,878</u>	<u>\$ 13,560,886</u>
All Other Governmental Funds:										
Non-Spendable	\$ 1,188	\$ 1,154	\$ -	\$ 3,842	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	416,491	491,349	1,127,060	2,221,402	963,413	1,094,028	1,531,291	1,187,533	2,008,905	2,315,930
Committed	-	-	-	-	-	-	312,682	211,084	1,639,177	1,795,678
Assigned	3,092,241	2,941,960	4,572,085	3,314,580	3,102,001	2,133,102	3,475,303	4,426,302	3,444,312	2,673,396
Unassigned	(3,154,642)	(3,057,368)	(3,230,157)	(1,827,689)	(3,956,632)	(2,575,428)	(2,007,730)	(1,132,042)	(817,292)	(724,013)
Total All Other Governmental Funds	<u>\$ 355,278</u>	<u>\$ 377,095</u>	<u>\$ 2,468,988</u>	<u>\$ 3,712,135</u>	<u>\$ 108,782</u>	<u>\$ 651,702</u>	<u>\$ 3,311,546</u>	<u>\$ 4,692,877</u>	<u>\$ 6,275,102</u>	<u>\$ 6,060,991</u>

BRIGHAM CITY CORPORATION
CHANGES IN NET POSITION
JUNE 30,

(Accrual Basis Of Accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses:										
Governmental Activities:										
General Government	\$ 2,792,834	\$ 2,911,088	\$ 3,382,169	\$ 3,665,143	\$ 3,929,847	\$ 4,063,512	\$ 4,294,118	\$ 5,515,609	\$ 5,036,069	\$ 4,481,283
Public Safety	5,675,618	6,712,388	6,905,324	7,453,309	7,723,920	7,680,891	8,017,346	9,620,440	11,447,755	13,092,669
Public Works	3,224,147	3,425,629	3,575,929	4,038,941	4,482,049	4,269,061	4,443,355	4,132,272	4,014,599	5,266,903
Culture, Parks, and Recreation	4,282,082	4,825,049	4,687,137	3,942,904	4,597,351	4,897,158	5,346,065	5,279,195	6,468,274	6,937,275
Community and Economic Development	2,173,825	992,854	742,972	1,149,753	1,035,922	1,040,491	1,039,697	1,041,740	2,095,034	1,690,073
Interest on Long-Term Debt	462,704	420,770	454,556	407,033	357,957	316,740	273,778	181,471	204,639	168,321
Total Governmental Activities Expenses	18,611,210	19,287,778	19,748,087	20,657,083	22,127,046	22,267,853	23,414,359	25,770,727	29,266,370	31,636,524
Business-Type Activities:										
Water	3,221,423	3,128,446	3,222,522	3,453,149	3,649,891	3,826,264	3,939,639	4,557,395	4,019,513	5,344,912
Waste Treatment	2,458,934	2,209,333	2,377,625	2,501,728	2,470,861	2,582,513	2,865,800	2,772,102	3,600,715	3,500,187
Electric	12,463,500	12,440,438	13,308,571	13,707,440	12,617,544	14,936,751	15,212,980	19,400,430	18,412,511	20,228,677
Waste Collection	1,114,835	998,991	1,248,542	1,330,397	1,513,458	1,501,083	1,571,642	1,671,788	1,888,700	1,948,949
Storm Drain	860,738	858,675	927,589	864,298	945,596	995,303	1,019,831	1,052,110	1,075,586	1,154,844
Total Business-Type Activities	20,119,430	19,635,883	21,084,849	21,857,012	21,197,350	23,841,914	24,609,892	29,453,825	28,997,025	32,177,569
Total Primary Government Expenses	38,730,640	38,923,661	40,832,936	42,514,095	43,324,396	46,109,767	48,024,251	55,224,552	58,263,395	63,814,093
Program Revenues:										
Governmental Activities:										
Charges for Services:										
General Government	6,379	3,772	1,925	166	-	-	-	-	-	-
Public Safety	1,688,674	1,698,143	1,944,048	2,047,259	2,012,152	2,312,604	2,556,124	2,454,672	2,839,924	2,806,561
Public Works	883,129	1,165,321	1,211,950	1,209,964	1,144,294	1,221,130	1,298,254	1,228,503	2,117,791	1,805,696
Culture, Parks, and Recreation	1,533,055	1,587,073	1,596,221	1,484,374	1,589,461	1,934,851	2,225,063	2,047,476	2,355,651	2,401,787
Community and Economic Development	-	-	-	-	59,470	50,707	59,523	75,302	11,845	16,497
Operating Grants and Contributions	491,852	496,477	530,008	1,871,873	2,129,013	3,707,011	4,713,556	3,058,384	3,309,969	4,944,283
Capital Grants and Contributions	139,887	456,653	978,232	880,537	1,339,826	1,143,975	1,307,535	1,729,639	6,286,261	8,272,124
Total Governmental Activities Program Revenue	4,742,976	5,407,439	6,262,384	7,494,173	8,274,216	10,370,278	12,160,055	10,593,976	16,921,441	20,246,948
Business-Type Activities:										
Charges for Services:										
Water	3,152,766	3,293,671	3,679,943	3,459,438	3,528,447	3,856,788	3,493,218	3,493,218	4,868,037	5,729,068
Waste Treatment	2,797,066	2,871,677	2,925,295	2,938,242	2,838,090	3,227,207	3,239,215	3,239,215	4,282,277	4,472,479
Electric	15,839,734	16,020,878	16,805,944	16,380,490	16,005,894	16,691,243	17,234,369	17,234,369	25,363,279	23,898,397
Waste Collection	1,239,722	1,289,341	1,458,162	1,533,052	1,595,519	1,645,947	1,674,744	1,674,744	1,853,028	1,917,948
Storm Drain	1,135,355	1,200,473	1,195,267	1,219,359	1,215,300	1,274,971	1,278,796	1,278,796	1,305,290	1,303,267
Capital Grants and Contributions	2,433,081	2,083,026	3,606,782	2,973,279	2,984,334	2,311,175	2,370,293	2,370,293	3,853,028	10,917,600
Total Business-Type Activities Program Revenue	26,597,724	26,759,066	29,671,393	28,503,860	28,167,584	29,007,331	29,290,635	29,290,635	41,524,939	48,238,759

BRIGHAM CITY CORPORATION
CHANGES IN NET POSITION
JUNE 30,

(Accrual Basis Of Accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Primary Government Program Revenues	31,340,700	32,166,505	35,933,777	35,998,033	36,441,800	39,377,609	41,450,690	39,884,611	58,446,380	68,485,707
Net (Expense)/Revenue:										
Governmental Activities	(13,868,234)	(13,880,339)	(13,485,703)	(13,162,910)	(13,852,830)	(11,897,575)	(11,254,304)	(15,176,751)	(12,344,929)	(11,389,576)
Business-Type Activities	6,478,294	7,123,183	8,586,544	6,646,848	6,970,234	5,165,417	4,680,743	(163,190)	12,527,914	16,061,190
Total Primary Government Net (Expense)	(7,389,940)	(6,757,156)	(4,899,159)	(6,516,062)	(6,882,596)	(6,732,158)	(6,573,561)	(15,339,941)	182,985	4,671,614
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes	3,057,036	2,856,639	2,115,284	1,326,358	2,393,948	2,487,497	2,487,497	2,487,497	3,657,800	4,087,620
Sales Taxes	4,373,765	5,314,952	5,041,887	4,862,570	5,175,511	6,110,201	6,110,201	6,110,201	8,634,330	7,467,215
Franchise Taxes	1,528,521	1,545,429	1,615,217	1,554,396	1,506,580	1,524,640	1,524,640	1,524,640	2,229,072	1,950,536
Grants and Contributions (Unrestricted)	62,873	1,327,925	428,139	274,926	306,675	349,983	349,983	349,983	523,949	541,369
Interest and Investment Earnings	255,712	279,936	464,986	347,310	311,211	168,915	168,915	168,915	2,195,401	1,950,639
Miscellaneous	477,586	278,041	334,401	189,994	130,552	107,278	107,278	107,278	91,383	214,796
Gain (Loss) on Disposal of Assets	248,178	-	-	518,971	48,930	64,957	64,957	64,957	2,247,141	277,525
Transfers	4,159,662	3,555,107	3,837,369	3,953,997	3,979,095	4,041,907	4,041,907	4,041,907	4,006,776	4,257,174
Total Governmental Activities	14,163,333	15,158,029	13,837,283	13,028,522	13,852,502	14,855,378	14,855,378	14,855,378	23,585,852	20,746,874
Business-Type Activities:										
Interest and Investment Earnings	17,909	35,546	214,255	635,161	494,604	87,351	87,351	87,351	1,420,296	2,108,334
Gain (Loss) on Disposal of Assets			1,801	-	6,000	-	-	-	3,083	251,575
Transfers	(4,159,662)	(3,555,107)	(3,837,369)	(3,953,997)	(3,979,095)	(4,041,907)	(4,041,907)	(4,041,907)	(4,006,776)	(4,257,174)
Total Business-Type Activities	(4,141,753)	(3,519,561)	(3,621,313)	(3,318,836)	(3,478,491)	(3,954,556)	(3,954,556)	(3,954,556)	(2,583,397)	(1,897,265)
Total Primary Government	10,021,580	11,638,468	10,215,970	9,709,686	10,374,011	10,900,822	10,900,822	10,900,822	21,002,455	18,849,609
Change in Net Position:										
Governmental Activities	295,099	1,277,690	351,580	(134,388)	(328)	2,957,803	3,601,074	(321,373)	11,240,923	9,357,298
Business-Type Activities	2,336,541	3,603,622	4,965,231	3,328,012	3,491,743	1,210,861	726,187	(4,117,746)	9,944,517	14,163,925
Total Primary Government	\$ 2,631,640	\$ 4,881,312	\$ 5,316,811	\$ 3,193,624	\$ 3,491,415	\$ 4,168,664	\$ 4,327,261	\$ (4,439,119)	\$ 21,185,440	\$ 23,521,223

BRIGHAM CITY CORPORATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
JUNE 30,

(Modified Accrual Basis Of Accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue:										
Taxes	\$ 8,883,772	\$ 9,172,714	\$ 8,772,388	\$ 7,743,324	\$ 9,076,039	\$ 10,122,338	\$ 11,172,274	\$ 13,259,945	\$ 14,521,202	\$ 13,505,371
Licenses and Permits	446,821	624,744	426,537	549,434	558,656	731,530	745,555	685,859	1,397,607	1,387,934
Intergovernmental Revenue	973,416	2,744,528	2,486,079	3,357,293	4,269,022	5,665,280	6,961,308	5,546,009	11,075,564	14,647,822
Charges for Services	2,758,969	2,699,947	3,028,744	2,835,123	3,233,657	3,748,031	4,239,234	4,013,584	4,225,506	4,367,812
Fines and Forfeitures	111,882	108,687	113,094	101,267	77,969	64,420	68,871	86,966	130,075	106,809
Special Assessments	-	-	-	233,668	176,773	163,116	145,424	100,581	77,829	54,754
Interest Earnings	-	-	-	315,404	284,538	161,755	154,962	1,242,451	2,142,286	1,902,060
Miscellaneous	1,309,096	1,176,473	1,332,792	594,793	413,512	438,957	450,082	504,195	393,680	406,811
Total Revenue	14,483,956	16,527,093	16,159,634	15,730,306	18,090,166	21,095,427	23,937,710	25,439,590	33,963,749	36,379,373
Expenditures:										
General Government	3,293,792	3,514,086	3,646,345	3,620,346	4,034,012	4,211,217	4,714,853	5,294,926	5,188,263	4,455,826
Public Safety	5,646,474	6,030,920	6,690,372	7,177,843	7,631,239	8,034,804	8,418,220	9,889,283	11,294,384	12,458,289
Public Works	1,489,606	1,723,707	1,768,585	2,075,144	3,095,654	2,011,798	2,833,251	2,948,450	7,799,777	13,502,919
Culture, Parks, and Recreation	4,092,812	4,392,502	4,460,320	7,425,727	5,031,762	5,851,463	4,957,185	6,055,411	6,256,210	6,575,285
Community and Economic Development	4,337,620	2,818,350	375,100	1,290,411	700,409	713,738	714,876	964,137	1,805,476	1,430,355
Capital Outlay	6,703	362,314	850,851	19,855	16,393	18,056	2,633,290	943,478	470,929	416,130
Debt Service:										
Principal	1,339,000	1,054,000	858,000	838,000	689,000	675,000	687,000	677,000	505,010	508,075
Interest and Fiscal Charges	530,787	406,339	521,567	449,746	397,103	355,577	312,811	266,509	230,285	194,108
Total Expenditures	20,736,794	20,302,218	19,171,140	22,897,072	21,595,572	21,871,653	25,271,486	27,039,194	33,550,334	39,540,987
Excess/(Deficiency) of Revenues Over Expenditures	(6,252,838)	(3,775,125)	(3,011,506)	(7,166,766)	(3,505,406)	(776,226)	(1,333,776)	(1,599,604)	413,415	(3,161,614)
Other Financing Sources/(Uses):										
Transfers In	4,990,248	6,274,568	7,747,392	5,478,421	4,948,298	5,038,290	6,822,219	6,685,251	4,865,082	4,573,771
Transfers Out	(645,617)	(2,656,852)	(3,910,023)	(1,524,424)	(969,203)	(996,383)	(2,752,080)	(2,814,786)	(1,857,356)	(566,723)
Sale of Assets	248,178	-	-	282,869	62,500	100,152	-	367,688	2,143,351	136,463
Retirement of Bonds	-	-	-	-	-	-	-	-	-	-
Bond and Lease Proceeds	528	-	-	-	-	-	-	-	-	-
Total Other Financing Sources/(Uses)	4,593,337	3,617,716	3,837,369	4,236,866	4,041,595	4,142,059	4,070,139	4,238,153	5,151,077	4,143,511
Net Change in Fund Balance	\$ (1,659,501)	\$ (157,409)	\$ 825,863	\$ (2,929,900)	\$ 536,189	\$ 3,365,833	\$ 2,736,363	\$ 2,638,549	\$ 5,564,492	\$ 981,897
Debt Service as a Percentage of Noncapital Expenditures	10.58%	8.76%	7.93%	7.16%	5.57%	5.13%	4.26%	3.74%	2.76%	2.15%

BRIGHAM CITY CORPORATION
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 JUNE 30,

(In Thousands Of Dollars)

Fiscal Year	Assessed Value of Real Property			Less: Residential Exemption	Total Taxable Value	Total Direct Rate
	Residential	Commercial	Total			
2016	804,046	194,761	998,807	361,173	637,634	2.093
2017	876,182	196,948	1,073,130	393,655	679,475	1.318
2018	920,844	212,015	1,132,859	413,500	719,359	1.145
2019	1,095,916	274,372	1,370,288	492,120	878,168	1.802
2020	1,235,163	274,295	1,509,458	554,628	954,830	1.802
2021	1,376,113	278,700	1,654,813	612,828	1,041,985	1.802
2022	1,550,632	286,518	1,837,149	692,300	1,144,850	1.802
2023	2,104,659	286,850	2,391,509	947,097	1,444,412	1.567
2024	2,404,102	476,859	2,880,961	1,081,846	1,799,115	1.706
2025	2,276,042	546,620	2,822,662	1,024,219	1,798,443	1.685

Source: Box Elder County Assessor/Auditor

Note: Property in the City is reassessed by the County approximately every five years. The State of Utah requires a residential exemption which lowers the assessed value, which approximates market, to the taxable value. There is no exemption for commercial property.

BRIGHAM CITY CORPORATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
JUNE 30,

(Rate Per \$1,000 of Assessed Value)

Fiscal Year	Direct Rates				Overlapping Rates				Total Direct & Overlapping
	Basic Rate	General Obligation Debt Service	Library Rate	Total Direct	Box Elder County District	Box Elder County School District	Box Elder Mosquito Abatement District	Bear River Water Conservancy District	
2017	0.757	-	0.561	1.318	2.304	8.082	0.232	0.281	12.217
2018	0.658	-	0.487	1.145	2.218	7.775	0.224	0.272	11.634
2019	1.212	-	0.590	1.802	2.080	7.220	0.210	0.255	11.567
2020	1.212	-	0.590	1.802	1.975	6.974	0.199	0.241	11.191
2021	1.212	-	0.590	1.802	1.843	6.842	0.185	0.224	10.896
2022	1.298	-	0.504	1.802	1.597	6.169	0.160	0.194	9.922
2023	1.144	-	0.423	1.567	1.200	5.805	0.179	0.235	8.986
2024	1.247	-	0.459	1.706	1.218	5.860	0.182	0.238	9.204
2025	1.685	-	-	1.685	1.513	6.978	0.172	0.225	10.573

Notes: The Government's direct rates may be increased by the majority vote of the Government's Council after the Government advertises its intent to raise the direct property tax rate and holds public hearings regarding the increase.

The overlapping rates are those of county and district governments that apply to property owners within the government's geographic boundaries.

Source: Box Elder County

BRIGHAM CITY CORPORATION
PROPERTY TAX APPROPRIATION AND COLLECTIONS

Year	Total Tax Appropriations	Collected Within The Fiscal Year of Appropriations		Delinquent Tax Collection	Total Collections	
		Amount	Percentage of Appropriations		Amount	Percentage of Appropriations
2016	1,868,378	1,799,006	96.3%	15,833	1,814,839	97.1%
2017	1,315,457	1,273,656	96.8%	16,478	1,290,134	98.1%
2018	1,345,457	1,308,138	97.2%	9,174	1,317,312	97.9%
2019	2,119,524	2,041,612	96.3%	25,395	2,067,007	97.5%
2020	2,448,059	2,365,159	96.6%	9,978	2,375,137	97.0%
2021	2,676,523	2,587,664	96.7%	12,240	2,599,904	97.1%
2022	3,271,272	3,063,904	93.7%	20,802	3,084,706	94.3%
2023	3,578,596	3,319,340	92.8%	19,745	3,339,084	93.3%
2024	3,926,024	3,635,880	92.6%	91,859	3,727,739	94.9%
2025			Information Not Available			

Sources: taxrates.utah.gov

BRIGHAM CITY CORPORATION
DIRECT AND OVERLAPPING SALES TAX RATES
June 30,

Year	Direct Rate	Overlapping Rate			Total Rate
		Box Elder County	Utah Transit Authority	State of Utah	
2016	1.00%	0.25%	0.55%	4.70%	6.50%
2017	1.00%	0.25%	0.55%	4.70%	6.50%
2018	1.00%	0.25%	0.55%	4.70%	6.50%
2019	1.00%	0.25%	0.55%	4.85%	6.65%
2020	1.00%	0.25%	0.55%	4.85%	6.65%
2021	1.00%	0.25%	0.55%	4.85%	6.65%
2022	1.00%	0.25%	0.55%	4.85%	6.65%
2023	1.00%	0.25%	0.55%	4.85%	6.65%
2024	1.00%	0.25%	0.55%	4.85%	6.65%
2025	1.25%	0.25%	0.60%	4.85%	6.95%

Source: tax.utah.gov

BRIGHAM CITY CORPORATION
SCHEDULE OF UTILITY RATES
JUNE 30,

Function/Program:	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Schedule 1 - Residential:										
Summer Rates:										
Per First 400 KWH	\$ 0.1011	\$ 0.1011	\$ 0.1011	\$ 0.1011	\$ 0.1011	\$ 0.1011	\$ 0.1011	\$ 0.1069	\$ 0.1114	\$ 0.1146
Per Next 600 KWH	\$ 0.1155	\$ 0.1155	\$ 0.1155	\$ 0.1155	\$ 0.1155	\$ 0.1155	\$ 0.1155	\$ 0.1221	\$ 0.1304	\$ 0.1356
All Additional KWH	\$ 0.1315	\$ 0.1315	\$ 0.1315	\$ 0.1315	\$ 0.1315	\$ 0.1315	\$ 0.1315	\$ 0.1390	\$ 0.1464	\$ 0.1516
Winter Rates	\$ 0.1015	\$ 0.1015	\$ 0.1015	\$ 0.1015	\$ 0.1015	\$ 0.1015	\$ 0.1015	\$ 0.1069	\$ 0.1114	\$ 0.1146
Power Purchase Adjustment Clause (PPAC) per KWH for all KWH								\$ 0.0523	\$ 0.0250	\$ 0.0125
Service Fee	\$ 4.57	\$ 4.57	\$ 4.57	\$ 4.57	\$ 4.57	\$ 4.57	\$ 4.57	\$ 6.50	\$ 7.50	\$ 8.75
Schedule 6 - General Service:										
Power Rate:										
All KW Over 10KW	\$ 9.88	\$ 9.88	\$ 9.88	\$ 9.88	\$ 9.88	\$ 9.88	\$ 9.88	\$ 10.00	\$ 10.50	\$ 10.50
Energy Rate:										
Per First 500 KWH	\$ 0.1760	\$ 0.1760	\$ 0.1200	\$ 0.1200	\$ 0.1200	\$ 0.1200	\$ 0.1200	\$ 0.1210	\$ 0.1194	\$ 0.1176
Per Next 7,500 KWH	\$ 0.0779	\$ 0.0779	\$ 0.0880	\$ 0.0880	\$ 0.0880	\$ 0.0880	\$ 0.0880	\$ 0.0970	\$ 0.1074	\$ 0.1113
Per Additional KWH Over 8,000 KWH	\$ 0.0538	\$ 0.0538	\$ 0.0538	\$ 0.0538	\$ 0.0538	\$ 0.0538	\$ 0.0538	\$ 0.0550	\$ 0.1074	\$ 0.1113
Power Purchase Adjustment Clause (PPAC) per KWH for all KWH								\$ 0.0523	\$ 0.0250	\$ 0.0125
Service Fee			\$ 13.00	\$ 13.00	\$ 13.00	\$ 13.00	\$ 13.00	\$ 20.00	\$ 18.00	\$ 22.00
Schedule 8 :										
Minimum Monthly Rate	\$ 375.59	\$ 375.59	\$ 375.59	\$ 375.59	\$ 375.59	\$ 375.59	\$ 375.59	\$ 375.59	\$ 375.59	\$ 375.59
Power Rate:										
Per First 500 KWH	\$ 11.28	\$ 11.28	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Per Additional KWH Over 500 KWH	\$ 10.35	\$ 10.35	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Per All KW			\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.75	\$ 12.50	\$ 13.25
Energy Rate:										
Per All KWH	\$ 0.0425	\$ 0.0425	\$ 0.0445	\$ 0.0445	\$ 0.0445	\$ 0.0445	\$ 0.0445	\$ 0.0485	\$ 0.0499	\$ 0.0511
Power Purchase Adjustment Clause (PPAC) per KWH for all KWH								\$ 0.0523	\$ 0.0250	\$ 0.0125

BRIGHAM CITY CORPORATION
SCHEDULE OF UTILITY RATES
JUNE 30,

Function/Program:	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Schedule 9:										
Minimum Monthly Rate	\$ 1,466.15	\$ 1,466.15	\$ 1,466.15	\$ 1,466.15	\$ 1,466.15	\$ 1,466.15	\$ 1,466.15	\$ 1,466.15	\$ 1,466.15	\$ 1,466.15
Power Rate:										
Daily 0700 Hrs Through 2300 Hrs - Per KWH	\$ 8.56	\$ 8.56	\$ 8.56	\$ 8.56	\$ 8.56	\$ 8.56	\$ 8.56	\$ 10.00	\$ 11.00	\$ 12.00
Energy Rate:										
Per KWH	\$ 0.0452	\$ 0.0452	\$ 0.0452	\$ 0.0452	\$ 0.0452	\$ 0.0452	\$ 0.0452	\$ 0.0485	\$ 0.0499	\$ 0.0523
Power Purchase Adjustment Clause (PPAC) per KWH for all KWH								\$ 0.0523	\$ 0.0250	\$ 0.0125
Water Rates:										
* Excess Usage - Tiered Rate 3/4" and 1" Service										
\$1.50/1,000 Gallons 7001-12,000 Gallons	\$ 1.36	\$ 1.36	\$ 1.36	\$ 1.36	\$ 1.36	\$ 1.36	\$ 1.36	*	*	*
\$2.00/1,000 Gallons 12,001-40,000 Gallons										
\$2.50/1,000 Gallons 40,001 and Over										
Excess Usage 1 1/2 Inch - 8 Inch Service										
\$1.50/1,000 Gallons										
Water Line Size Monthly Rate:										
3/4 Inch Service	\$ 9.68	\$ 9.68	\$ 9.68	\$ 9.68	\$ 9.68	\$ 9.68	\$ 9.87	\$ 20.00	\$ 20.00	\$ 23.00
MMGUA	7,000	7,000	7,000	7,000	7,000	7,000	7,000	*	*	*
1 Inch Service	\$ 14.26	\$ 14.26	\$ 14.26	\$ 14.26	\$ 14.26	\$ 14.26	\$ 14.55	\$ 20.00	\$ 20.00	\$ 23.00
MMGUA	10,000	10,000	10,000	10,000	10,000	10,000	10,000	*	*	*
1 1/2 Inch Service	\$ 28.52	\$ 28.52	\$ 28.52	\$ 28.52	\$ 28.52	\$ 28.52	\$ 29.09	\$ 30.00	\$ 30.00	\$ 34.50
MMGUA	20,000	20,000	20,000	20,000	20,000	20,000	20,000	*	*	*
2 Inch Service	\$ 45.48	\$ 45.48	\$ 45.48	\$ 45.48	\$ 45.48	\$ 45.48	\$ 46.39	\$ 46.39	\$ 46.39	\$ 53.35
MMGUA	32,000	32,000	32,000	32,000	32,000	32,000	32,000	*	*	*
3 Inch Service	\$ 84.30	\$ 84.30	\$ 84.30	\$ 84.30	\$ 84.30	\$ 84.30	\$ 85.99	\$ 85.99	\$ 85.99	\$ 98.89
MMGUA	61,000	61,000	61,000	61,000	61,000	61,000	61,000	*	*	*
4 Inch Service	\$ 149.14	\$ 149.14	\$ 149.14	\$ 149.14	\$ 149.14	\$ 149.14	\$ 152.13	\$ 152.13	\$ 152.13	\$ 174.95
MMGUA	107,000	107,000	107,000	107,000	107,000	107,000	107,000	*	*	*
6 Inch Service	\$ 343.68	\$ 343.68	\$ 343.68	\$ 343.68	\$ 343.68	\$ 343.68	\$ 350.57	\$ 350.57	\$ 350.57	\$ 403.16
MMGUA	241,000	241,000	241,000	241,000	241,000	241,000	241,000	*	*	*
8 Inch Service	\$ 570.67	\$ 570.67	\$ 570.67	\$ 570.67	\$ 570.67	\$ 570.67	\$ 582.11	\$ 582.11	\$ 582.11	\$ 669.43
MMGUA	400,000	400,000	400,000	400,000	400,000	400,000	400,000	*	*	*

BRIGHAM CITY CORPORATION
SCHEDULE OF UTILITY RATES
JUNE 30,

Function/Program:	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Sewer Rates:										
Type of Dwelling - Monthly Rates:										
Single	\$ 25.16	\$ 25.16	\$ 25.16	\$ 25.16	\$ 25.16	\$ 27.55	\$ 27.55	\$ 35.00	\$ 35.00	\$ 35.00
Multiple:										
First Two Units - Rate Per Unit	\$ 25.16	\$ 25.16	\$ 25.16	\$ 25.16	\$ 25.16	\$ 27.55	\$ 27.55	\$ 35.00	\$ 35.00	\$ 35.00
Next Three Units - Rate Per Unit	\$ 16.19	\$ 16.19	\$ 16.19	\$ 16.19	\$ 16.19	\$ 17.73	\$ 17.73	\$ 35.00	\$ 35.00	\$ 35.00
Rate in Excess of Five Units - Per Unit	\$ 7.22	\$ 7.22	\$ 7.22	\$ 7.22	\$ 7.22	\$ 7.91	\$ 7.91	\$ 35.00	\$ 35.00	\$ 35.00
Commercial and Industrial:										
Minimum Monthly Rate Per Unit of Occupancy	\$ 25.16	\$ 25.16	\$ 25.16	\$ 25.16	\$ 25.16	\$ 27.55	\$ 27.55	\$ 35.00	\$ 35.00	\$ 35.00
**Additional Rate Charge \$1.00/1,000 Gallons	\$ 0.48	\$ 0.48	\$ 0.48	\$ 0.48	\$ 0.48	\$ 0.53	\$ 0.53	**	**	**
Storm Drain Rates:										
Single Family Residential Monthly ESU Rate	\$ 7.89	\$ 7.89	\$ 7.89	\$ 7.89	\$ 7.89	\$ 8.13	\$ 8.13	\$ 8.13	\$ 8.13	\$ 8.13
Other Developed Parcels Monthly Rate:										
The Average Amount of Impervious Surface Expressed in Square Feet (Equivalent Service Unit - ESU) Divided by 3,000 Square Feet										
ounded to the Nearest Whole Number Times the ESU Rate	\$ 7.89	\$ 7.89	\$ 7.89	\$ 7.89	\$ 7.89	\$ 8.13	\$ 8.13	\$ 8.13	\$ 8.13	\$ 8.13
Waste Collection:										
Single 90 Gallon Can	\$ 9.20	\$ 9.20	\$ 9.20	\$ 9.20	\$ 9.20	\$ 9.20	\$ 9.20	\$ 9.20	\$ 9.20	\$ 10.20
County Tipping Fee	\$ 5.56	\$ 5.56	\$ 5.56	\$ 5.56	\$ 5.56	\$ 5.88	\$ 6.10	\$ 6.10	\$ 6.10	\$ 6.10
Total Single Can	\$ 14.76	\$ 14.76	\$ 14.76	\$ 14.76	\$ 14.76	\$ 15.08	\$ 15.30	\$ 15.30	\$ 15.30	\$ 16.30
Each Additional Single 90 Gallon Can	\$ 7.66	\$ 7.66	\$ 7.66	\$ 7.66	\$ 7.66	\$ 7.66	\$ 7.66	\$ 7.66	\$ 7.66	\$ 8.16
300 Gallon Can (Includes the County Tipping Fee)	\$ 46.17	\$ 46.17	\$ 46.17	\$ 46.17	\$ 46.17	\$ 47.25	\$ 47.97	\$ 47.97	\$ 47.97	\$ 47.97
Green Waste Recycling:										
Single Can	\$ 4.13	\$ 4.13	\$ 4.13	\$ 4.13	\$ 4.13	\$ 4.13	\$ 4.13	\$ 4.13	\$ 4.13	\$ 4.13
Blue Recycling Can										
Single Can			\$ 5.69	\$ 5.69	\$ 5.69	\$ 6.03	\$ 6.03	\$ 7.75	7.75	7.75

*Prior Excess Water Rate: Minimum Monthly Gallon
Usage Allowance (MMGUA) per 1,000 Gallons

**Prior Rate: Water Use in Excess of 10,000 gallons -
Per 1,000 gallons

Source: Government Recorder's Office

BRIGHAM CITY CORPORATION
RATIOS OF OUTSTANDING DEBT BY TYPE
JUNE 30,

GOVERNMENTAL ACTIVITIES																	
FISCAL YEAR	GENERAL OBLIGATION BONDS	SPECIAL ASSESSMENT BONDS	2014 LEASE REVENUE BONDS	2014 SALES TAX REVENUE BONDS	BOND PREMIUMS	NOTES PAYABLE	CAPITAL LEASES	LEASE PAYABLE	SBITA PAYABLE								
2016	490,000	2,025,000	2,804,000	7,015,000	-	46,000	125,401	-	-								
2017	-	1,711,000	2,804,000	6,765,000	461,537	46,000	42,707	-	-								
2018	-	1,337,000	2,580,000	6,505,000	431,994	46,000	-	-	-								
2019	-	997,000	2,352,000	6,235,000	402,453	46,000	-	-	-								
2020	-	719,000	2,221,000	5,955,000	372,910	91,000	-	-	-								
2021	-	467,000	2,088,000	5,665,000	343,367	91,000	-	-	-								
2022	-	220,000	1,953,000	5,360,000	313,824	83,500	-	457,923	-								
2023	-	-	1,816,000	5,040,000	235,459	30,000	-	255,943	60,634								
2024	-	-	1,677,000	4,705,000	214,054	-	-	112,104	37,124								
2025	-	-	1,536,000	4,350,000	192,648	-	-	56,560	8,069								
BUSINESS-TYPE ACTIVITES																	
WATER, SEWER, ELECTRIC, STORM DRAIN																	
Series 2006A	Series 2006B	Series 2006C	Series 2008A	Series 2008B	Series 2008C	Series 2008D	Series 2017	Series 2024		Bond Premiums	Notes Payable	Capital Leases	LEASE PAYABLE	SBITA PAYABLE	Total Primary Government	Percentage Of Personal Income	Debt Per Capita
2016	-	1,205,000	1,135,000	5,171,000	6,170,000	825,000	7,132,000	-	-	-	885,417	40,975	-	-	35,069,793	0.210%	845.94
2017	-	615,000	925,000	4,985,000	5,824,000	770,000	6,762,000	-	-	8,017	760,417	32,913	-	-	32,512,591	0.235%	750.61
2018	-	-	705,000	4,687,000	5,377,000	697,000	6,225,000	8,575,000	-	4,544	-	24,785	-	-	37,195,323	0.180%	1,055.59
2019	-	-	480,000	4,404,000	4,961,000	642,000	5,829,000	7,696,000	-	3,246	-	16,591	-	-	34,064,290	0.205%	939.41
2020	-	-	245,000	4,109,000	4,545,000	587,000	5,419,000	6,800,000	-	1,947	381,500	8,329	-	-	31,455,686	0.231%	856.88
2021	-	-	-	3,803,000	4,129,000	532,000	4,995,000	5,886,000	-	-	1,509,376	-	-	-	29,508,743	0.253%	816.78
2022	-	-	-	3,484,000	3,713,000	477,000	4,556,000	4,953,000	-	-	909,376	-	-	-	26,480,623	0.318%	712.60
2023	-	-	-	3,153,000	3,297,000	422,000	4,102,000	4,001,000	-	-	501,376	-	-	6,470	22,920,882	0.400%	598.45
2024	-	-	-	2,808,000	2,881,000	367,000	3,632,000	3,030,000	-	-	1,843,000	-	-	3,267	21,309,549	0.439%	581.95
2025	-	-	-	2,449,000	2,465,000	312,000	3,145,000	2,040,000	22,000,000	2,207,993	2,543,000	-	-	-	43,305,270		1,719.29

Note: Details regarding the Government's outstanding debt can be found in the notes to the financial statements. The revenue bonds Series 2008A, Series 2008B, Series 2008C and 2008D are fully secured by tax increment of the Box Elder County Redevelopment Agency. As such the percentage of personal income and per capita does not take these bonds into consideration. See demographic and economic statistics for personal income and population data.

BRIGHAM CITY CORPORATION
RATIOS OF NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING
JUNE 30,

Fiscal Year	General Bonded Debt Outstanding			Percentage Actual Taxable Value of Property	Per Capita
	General Obligation Bonds ¹	Debt Service Monies Available ²	Net Bonded Debt		
2016	490,000	397,721	92,279	0.01%	4.92
2017	-	-	-	-	-
2018	-	-	-	-	-
2019	-	-	-	-	-
2020	-	-	-	-	-
2021	-	-	-	-	-
2022	-	-	-	-	-
2023	-	-	-	-	-
2024	-	-	-	-	-
2025	-	-	-	-	-

Notes:

(1) Include all long-term general obligation debt.

(2) Debt Service monies available are net of reserves dedicated to other debt issues, i.e., revenue bonds and capital leases.

Sources:

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

Population data can be found in the Demographic Statistics.

BRIGHAM CITY CORPORATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2025

Jurisdiction	Total Governmental Activities Debt Outstanding	Percentage Applicable to the Citizens of the City of Brigham	Amount Applicable to the Citizens of the City of Brigham
Direct Debt:			
Brigham City	\$ 6,078,648	100%	\$ 6,078,648
Overlapping Debt:			
Box Elder County	-	26%	-
Box Elder School District	<u>23,164,687</u>	26%	<u>5,953,325</u>
Total Overlapping Debt	23,164,687		5,953,325
 Total Overlapping and Direct Debt	 <u><u>\$ 29,243,335</u></u>		 <u><u>\$ 12,031,973</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by:
Box Elder County's and Box Elder School District's Financial Report.
Debt Outstanding data provided by each governmental unit.
www.taxrates.utah.gov

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

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governments taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value. This approach was also used for Box Elder County capital lease. Box Elder County's revenue bonds, taxable sales tax bonds, and special assessment bonds are repaid through revenue generated outside the boundaries of the City and as such the applicable percentage is zero.

BRIGHAM CITY CORPORATION
LEGAL DEBT MARGIN INFORMATION
JUNE 30,

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Taxable Value	\$ 860,590,575	\$ 857,471,587	\$ 920,757,703	\$ 1,147,916,459	\$ 1,242,372,117	\$ 1,358,523,298	\$ 1,485,145,413	\$ 1,916,400,161	\$ 1,900,250,510	\$ 2,087,425,435
Permitted Percentage	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%
Indebtedness Which Maybe Incurred	\$ 34,423,623	\$ 34,298,863	\$ 36,830,308	\$ 45,916,658	\$ 49,694,885	\$ 54,340,932	\$ 59,405,817	\$ 76,656,006	\$ 76,010,020	\$ 83,497,017
Amount of Debt Applicable to Debt Limit:										
General Obligation & Revenue Bonds	12,505,401	11,830,244	10,899,994	10,032,453	9,358,910	8,654,367	8,388,247	7,486,858	6,644,875	6,078,648
Less: Assets Restricted for Payment	(397,721)	(180,230)	(525,089)	(652,952)	(681,754)	(717,254)	(711,960)	(226,828)	(234,727)	(234,466)
Total Amount of Debt Applicable to Debt Limit	12,107,680	11,650,014	10,374,905	9,379,501	8,677,156	7,937,113	7,676,287	7,260,030	6,410,148	5,844,182
Legal Debt Margin	<u>\$ 22,315,943</u>	<u>\$ 22,648,849</u>	<u>\$ 26,455,403</u>	<u>\$ 36,537,157</u>	<u>\$ 41,017,729</u>	<u>\$ 46,403,819</u>	<u>\$ 51,729,530</u>	<u>\$ 69,395,976</u>	<u>\$ 69,599,872</u>	<u>\$ 77,652,835</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	35.17%	33.97%	28.17%	20.43%	17.46%	14.61%	12.92%	9.47%	8.43%	7.00%

Sources: Utah State Tax Commission, Property Tax Division

BRIGHAM CITY CORPORATION
 PLEDGED-REVENUE COVERAGE
 JUNE 30,

Water, Sewer, And Electric Revenue Bonds							
Fiscal Year	Direct Gross Revenues	Operating Expenses	Available Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2016	24,164,643	19,513,480	4,651,163	1,757,000	550,970	2,307,970	2.02
2017	24,676,040	19,076,745	5,599,295	1,961,000	498,285	2,459,285	2.28
2018	26,064,611	20,446,882	5,617,729	2,254,000	605,913	2,859,913	1.96
2019	25,530,581	21,360,948	4,169,633	2,307,000	554,065	2,861,065	1.46
2020	25,183,250	21,194,350	3,988,900	2,360,000	500,505	2,860,505	1.39
2021	26,696,156	23,841,914	2,854,242	2,162,000	445,254	2,607,254	1.09
2022	26,920,342	24,609,892	2,310,450	2,208,000	398,375	2,606,375	0.89
2023	34,378,473	29,048,582	5,329,891	2,257,000	350,110	2,607,110	2.04
2024	37,671,911	25,868,671	11,803,240	2,307,000	300,343	2,607,343	4.53
2025	37,321,159	26,988,798	10,332,361	2,358,000	1,314,189	3,672,189	2.81
Sales Tax Revenue Bonds							
Fiscal Year	Sales Tax Revenue	RDA Tax Increment Revenues	Total	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2016	2,951,348	376,834	3,328,182	250,000	259,438	509,438	6.53
2017	3,088,381	392,310	3,480,691	260,000	251,788	511,788	6.80
2018	3,620,338	375,549	3,995,887	270,000	242,488	512,488	7.80
2019	3,443,838	414,395	3,858,233	280,000	231,488	511,488	7.54
2020	3,440,399	448,655	3,889,054	290,000	220,088	510,088	7.62
2021	4,309,773	532,151	4,841,924	305,000	206,663	511,663	9.46
2022	4,857,361	443,101	5,300,462	320,000	191,038	511,038	10.37
2023	5,439,422	504,874	5,944,296	335,000	174,663	509,663	11.66
2024	5,634,719	606,123	6,240,842	355,000	157,413	512,413	12.18
2025	5,443,748	621,538	6,065,286	370,000	139,288	509,288	11.91

Note: Details regarding the Government's debt can be found in the notes to the financial statements. Operating expenses include depreciation and amortization, but do not include interest.

BRIGHAM CITY CORPORATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
JUNE 30,

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Date of Incorporation - January 12, 1867										
Square Miles in Corporate Limits	24.9	24.9	24.9	25.0	25.0	25.0	25.0	25.0	25.4	25.4
Education Information - School Board										
Attendance Centers										
Elementary	4	4	4	4	4	4	5	5	3	3
Secondary	3	3	3	3	3	4	3	4	4	4
Teachers										
*Elementary	91	91	93	92	89.5	95	100	171	88	95
*Secondary	152	171	166	162	162	167	167	193	192	201
Students										
*Elementary	1,920	2,016	1,966	1,896	1,896	1,815	1,815	2,648	1,796	1,928
*Secondary	3,445	3,563	3,650	3,698	3,698	3,822	3,975	3,824	3,940	3,882
Population - Census, Workforce Services	18,644	18,880	19,145	19,404	19,601	19,650*	19,998	19,963	19,970	20,319
Personal Income (In Thousands)**	\$ 618,261	\$ 628,050	\$ 696,061	\$ 724,564	\$ 759,566	\$ 821,914	\$ 907,523	\$ 953,905	\$ 1,018,279	\$ 1,036,075
Per Capita Personal Income	\$ 33,161	\$ 33,265	\$ 36,357	\$ 37,341	\$ 38,751	\$ 40,621	\$ 45,381	\$ 47,784	\$ 50,990	\$ 50,990
Unemployment Rates:										
County	3.80%	3.50%	2.40%	3.20%	5.40%	2.30%	1.80%	2.30%	3.20%	3.20%
State	3.60%	3.40%	2.70%	3.20%	5.10%	2.40%	2.40%	2.40%	3.30%	3.20%
National	4.94%	4.40%	3.50%	3.70%	11.10%	4.60%	3.60%	3.60%	4.20%	4.10%

Sources:

*Education information obtained from the Box Elder County School District. Numbers last year included Willard and Perry, not included this year
Population obtained from the U.S. Census Bureau and is an estimate.
Personal income obtained from the U.S. Bureau of Economic Analysis.
Unemployment rates obtained from the State of Utah Department of Workforce Services.

*The Census Bureau will not release its standard 2020 ACS 1-year estimates because of the impacts of the COVID-19 pandemic on data collection. Experimental estimates, developed from 2020 ACS 1-year data, will be available on the ACS Experimental Data webpage no later than November 30th.

**Revised statistics for 2019-2022

BRIGHAM CITY CORPORATION
PRINCIPAL EMPLOYERS

Employer	June 30, 2025		June 30, 2015	
	Employees	Percentage of Government Employment	Employees	Percentage of Government Employment
Autoliv	1000-1999	NONE	500-999	NOT AVAILABLE
Box Elder County School District	1000-1999	NOT AVAILABLE	500-999	NOT AVAILABLE
Associated Brigham Contractors Incorporated	500-999	NONE	500-999	NOT AVAILABLE
Whitaker Construction Company	500-999	NONE	100-249	NOT AVAILABLE
Building Systems (Nucor Corporation)	250-499	NONE		
Vulcraft (Nucor Corporation)	250-499	NONE	250-499	NOT AVAILABLE
Brigham City Community Hospital	100-249	NONE	100-249	NOT AVAILABLE
Brigham City Corporation	100-249	100-249	100-249	100-249
Smith's Food & Drug Centers	100-249	NONE	100-249	NOT AVAILABLE
Steves & Sons, Inc.	100-249	NONE	100-249	NOT AVAILABLE

Employers listed in alphabetical order by number of employees.

Source: Utah Department of Workforce Services

BRIGHAM CITY CORPORATION
FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
JUNE 30,

Function/Program:	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government:										
City Council	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Mayor's Office	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Human Resources	1.5	1.5	1.5	1.5	1.5	1.5	2.0	2.0	2.0	1.5
Administration	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Information Technology	2.0	3.0	3.0	3.0	3.0	3.5	4.0	4.0	4.0	5.0
Buildings	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Economic Development	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Public Safety:										
Police										
Officers	24.0	24.0	25.0	23.0	28.0	28.0	26.0	30.0	30.0	33.0
Civilians	5.4	5.5	5.5	5.0	5.0	5.0	6.5	9.0	9.0	9.0
Fire	10.0	10.0	22.0	38.0	29.5	28.0	27.5	32.0	28.0	31.0
Ambulance	12.0	12.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Emergency Management	1.0	1.0	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Inspections	N/A	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0
Community Development	4.5	3.5	3.5	4.0	4.0	4.0	4.5	4.0	4.0	4.0
Public Works:										
Streets & Highways	5.0	5.0	5.0	8.0	8.0	8.0	5.0	5.0	5.0	5.0
Engineering	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Airport										
Culture, Parks, and Recreation:										
Parks	4.0	4.0	4.0	4.0	4.0	4.0	5.0	5.0	5.0	5.0
Recreation	3.3	3.5	4.2	4.2	4.5	4.5	6.0	5.0	5.0	4.5
Cemetery	1.0	2.0	2.0	2.0	2.0	2.0	1.5	1.5	2.0	2.0
Museum Gallery	2.0	2.0	2.0	2.0	2.5	3.0	3.5	3.0	2.5	2.5
Senior Citizens	9.5	9.5	8.0	8.0	8.0	8.0	8.0	8.0	9.0	9.0
Golf				0.0	0.0	0.0	0.0	0.0	0.0	0.0
Library	8.0	8.0	8.0	8.4	8.5	8.5	9.0	10.0	10.0	10.0
Community and Economic Development:										
RDAs and EDAs										
Water	7.0	7.0	7.0	8.0	8.0	8.0	9.0	9.0	10.0	10.0
Waste Treatment	10.0	10.0	10.0	7.0	9.0	13.5	12.5	12.5	12.5	12.5
Electric	14.0	15.0	15.0	15.0	15.0	14.5	17.0	16.0	16.0	17.0
Waste Collection	3.0	3.0	3.0	2.0	2.0	3.0	3.0	3.0	3.0	3.0
Storm Drain	1.0	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0
Fleet Leasing	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Total	<u>153.2</u>	<u>156.5</u>	<u>156.2</u>	<u>170.6</u>	<u>171.0</u>	<u>175.5</u>	<u>178.5</u>	<u>187.5</u>	<u>185.5</u>	<u>193.5</u>

Source: Government's Personnel Office

Notes: City Council represents the five elected councilmembers. Mayor's Office includes the elected mayor.

Fire and Ambulance were combined into Fire Department during the 2017-18 reporting period.

BRIGHAM CITY CORPORATION
OPERATING INDICATORS BY FUNCTION/PROGRAM
JUNE 30,

Function/Program:	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Police										
Citations	1,201	1,734	2,542	1,552	1,525	1,330	1,006	1,418	2,527	2,483
Accidents (Traffic)	572	555	435	552	505	508	353	553	490	368
Stolen Property Value	\$ 435,614	\$ 762,279	\$ 333,099	\$ 186,456	\$ 411,929	\$ 613,959	\$ 574,069	\$ 503,542	\$ 701,449	\$ 1,138,389
Fire										
Emergency Responses	431	1,000	565	214	538	549	2,864	2,805	2,788	2,707
Inspections	142	203	182	179	110	98	70	101	159	109
Ambulance Calls	1,955	1,543	2,095	2,326	2,273	2,333	N/A *	N/A *	N/A *	N/A *
Community Development										
Building Permits Issued	416	1,039	595	427	402	464	518	444	517	553
Value of Building Permits	\$ 861,426	\$ 49,046,470	\$ 22,992,967	\$ 38,358,104	\$ 25,233,773	\$ 32,046,126	\$ 23,006,139	\$ 49,146,627	\$ 74,857,785	\$ 124,466,399
New Business Licenses	100	108	104	92	97	143	119	109	113	159
Streets										
Street Resurfacing (Miles)	3	2	3	3	4	4	4	4	4	4
Total Street Miles	100	100	100	101	98	98	98	100	101	102
Swimming Pool										
Number of Admissions	32,570	40,720	37,323	43,012	26,132	35,899	32,859	30,544	27,477	26,508
Number of After Hour Reservations	58	53	79	80	53	73	83	75	82	62
Number Taking Swimming Lessons	1,495	1,102	1,190	1,197	872	1,194	1,274	1,235	1,132	1,103
Shade Structure Rentals	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	80
Recreation										
Number of Programs										
Youth	70	69	55	53	60	72	73	86	64	27
Adults	59	59	60	52	47	74	77	63	33	25
Number of Participants										
Youth	5,683	4,530	4,441	4,061	4,143	3,309	3,093	3,084	3,357	2,501
Adults	3,238	5,621	5,979	2,091	1,519	2,294	1,940	1,572	1,727	1,079
Museum Gallery										
Number of Exhibits Held	7	7	6	6	5	9	9	9	10	9
Number of Visitors - Art & History	7,102	7,114	6,581	6,581	4,069	3,250	5,091	5,023	4,843	6,550
Number of Visitors - Natural History	4,267	4,282			3,100	1,067	N/A **	N/A **	N/A **	N/A **
Community Center										
Number of Meals Served	65,455	50,690	58,208	55,067	56,546	52,873	55,105	50,297	64,729	64,284
Number of Senior Participation	1,933	1,786	1,832	1,102	1,303	687	697	662	753	1,034

BRIGHAM CITY CORPORATION
OPERATING INDICATORS BY FUNCTION/PROGRAM
JUNE 30,

Function/Program:	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Cemetery										
Number of Burials	163	168	164	164	185	183	211	196	213	187
Golf										
Number of Rounds	50,216	55,597	48,725	46,888	52,185	60,669	60,005	54,957	54,054	64,720
Airport										
Number of Landings	19,800	19,800	19,800	19,800	19,800	19,800	19,800	27,087	31,543	46,151***
Library										
Volumes in Collection	85,211	102,035	103,382	97,952	135,662	62,438	69,056	64,814	65,938	61,218
Total Circulation	241,114	245,966	248,016	236,899	193,506	124,607	200,570	216,878	224,406	238,251
Water										
Number of Connections	6,030	6,042	6,100	6,148	6,193	6,171	6,306	6,347	6,413	6,763
Total Consumption (1,000 of Gallons)	1,913,094	1,992,692	2,331,894	2,723,825	3,359,339	3,507,440	2,048,681	2,087,818	2,108,390	2,877,641
Average Daily Consumption (1,000 of Gallons)	5,241	5,459	6,388	7,462	9,204	9,607	5,613	5,720	5,776	7,884
Average Monthly Billing	\$ 42.61	\$ 44.75	\$ 44.33	\$ 43.98	\$ 43.66	\$ 43.82	\$ 41.11	\$ 54.84	\$ 71.51	\$ 68.83
Waste Treatment										
Number of Connections	7,014	7,036	7,075	6,692	6,693	6,711	6,748	6,748	7,075	7,191
Total Sewage Treated (1,000 of Gallons)	819,390	961,178	1,015,308	1,153,400	1,555,645	1,000,100	883,300	993,712	1,154,000	1,090,820
Average Daily Sewage Treatment (1,000 of Gallons)	2,260	2,790	2,780	3,160	3,158	2,740	2,420	2,722	3,160	2,992
Average Monthly Billing	\$ 25.16	\$ 25.16	\$ 25.16	\$ 25.16	\$ 25.16	\$ 27.55	\$ 27.55	\$ 36.69	\$ 45.93	\$ 36.81
Electric										
Number of Connections	7,729	7,767	7,855	7,923	7,968	8,039	8,162	8,266	8,551	8,903
Total KWH Consumed	164,711,915	164,590,258	173,280,217	178,828,331	169,919,510	169,868,222	182,616,525	183,577,293	182,325,183	187,858,704
KWH Generated	5,531,957	9,485,201	7,856,469	7,762,788	7,789,363	5,805,814	4,834,035	7,456,795	7,924,457	5,804,678
KWH Purchased	165,605,665	165,605,665	161,120,921	177,132,826	168,099,088	178,833,458	181,680,577	188,155,265	188,373,406	192,713,274
Average Daily KWH Consumed	451,266	450,932	474,740	489,941	464,711	483,193	500,319	522,993	516,607	537,349
Average Monthly Billing	\$ 148.11	\$ 150.35	\$ 159.33	\$ 160.62	\$ 154.54	\$ 159.82	\$ 148.89	\$ 175.41	\$ 180.78	\$ 194.56

Notes:

* Ambulance Calls Reported in Fire Emergency Responses

** Museum of Natural History Closed March, 2020

*** Increase due to USU

BRIGHAM CITY CORPORATION
CAPITAL ASSETS BY FUNCTION/PROGRAM

JUNE 30,

Function/Program:	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Public Safety:										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Police Vehicles	27	28	28	28	29	31	30	32	34	36
Fire:										
Stations	1	1	1	1	1	1	1	1	1	1
Fire Fighting Vehicles	10	9	10	11	11	11	8	8	8	8
Ambulance:										
Stations	1	1	1	1	1	1	1	1	1	1
Ambulance Vehicles	5	5	5	5	5	5	5	4	4	4
Public Works:										
Streets:										
Miles	100	100	100	101	98	98	98	100	101.35	102.08
Traffic Signals	7	7	7	7	8	7	7	7	7	7
Culture, Parks, and Recreation:										
Parks and Recreation:										
Park Acreage	99.4	99.4	99.4	99.4	99.4	99.4	98.3	98.3	98.3	98.3
Playgrounds	10	10	10	11	11	10	10	10	10	10
Baseball/Softball Diamonds	7	7	7	7	7	7	7	6	6	6
Soccer/Football Fields	15	15	15	15	13	10	13	13	13	11
Tennis Courts	4	4	4	4	4	4	4	4	4	4
Outdoor Sports/Basketball Courts	2	2	2	2	2	1	1	1	1	1
Pickleball Courts	17	17	17	17	24	24	24	24	24	24
Sand Volleyball Courts	2	2	2	2	2	1	1	1	1	1
Horseshoe Pits	4	4	4	4	4	4	4	4	5	5
Boweries	12	11	12	12	12	12	12	11	9	9
Community Centers	1	1	1	1	1	1	1	1	1	1
Golf:										
Eighteen Hole Courses	1	1	1	1	1	1	1	1	1	1
Swimming Pool										
Number	1	1	1	1	1	1	1	1	1	1
Size (Gallons)	603,244	603,244	603,244	603,244	603,244	603,244	603,244	603,244	603,244	603,244
Culture:										
Library	1	1	1	1	1	1	1	1	1	1
Museums	2	2	1	2	2	1	1	1	1	1
Cemetery:										
Number	1	1	1	1	1	1	1	1	1	1
Total Potential Plots	22,502	22,502	22,502	22,599	22,599	23,324	23,324	23,324	23,324	23,324
Total Used Plots	14,477	14,645	14,641	14,805	14,910	15,215	15,409	15,624	15,875	16,021
Columbariums:										
Number	2	2	2	2	3	3	3	5	5	5
Total Niches	96	96	96	96	144	144	144	240	240	240
Total Niches Sold	9	5	9	8	17	19	10	14	6	18
Utilities:										
Water:										
Water Mains (Miles)	128.0	129.0	129.0	131.0	132.0	133.0	134.0	145.9	148.9	149.6
Fire Hydrants	778	788	819	838	843	869	889	889	950	976
Storage Capacity:										
Reservoirs (Millions - Gallons)	12.2	12.2	12.5	12.5	12.4	12.4	12.4	13.5	13.5	13.5
Well Storage (Gallons) (Note)										

Source:

The Government's Public Works and Recorder's Offices

BRIGHAM CITY CORPORATION
CAPITAL ASSETS BY FUNCTION/PROGRAM

JUNE 30,

Function/Program:	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Waste Treatment:										
Treatment Plants	1	1	1	1	1	1	1	1	1	1
Treatment Capacity (Millions - Gallons)										
Design Average Flow**	6.0	6.0	2.8	3.2	6.0	2.7	6.0	6.0	6.0	6.0
Design Peak Flow**	9.0	9.0	9.0	9.0	9.0	4.8	9.0	9.0	9.0	9.0
Sanitary Sewers (Miles)	89.2	89.2	89.2	89.4	89.4	105.0	105.6	106.0	106.0	116.8
Electric:										
Substations	7	7	8	8	8	8	8	8	8	8
Transmission/Distribution Lines (Miles)	100.0	100.0	100.0	100.0	100.0	125*	125	125	135.0	139.0
Service Centers	1	1	1	1	1	1	1	1	1	1
Generation Plants	1	1	1	1	1	1	1	1	1	1
Generating Capacity (KW)	2,025	2,025	2,025	2,025	2,025	2,025	2,025	2,025	2,025	2,025
Number of Street Lights	1,191	1,191	1,191	1,191	1,194	1,194	1,191	1,191	1,191	1,200
Storm Drain										
Storm Drainage System (Miles)***	70.3	70.3	70.5	70.5	70.6	74.0	75.5	91.0	64.1	64.0

Notes:

Water Storage-Wells: The government injects water into the wells during the winter months using the overflow water from its springs. The government is able to reclaim the water injected into the wells.

*Increase from previous year due to greater accuracy with GIS opposed to traditional map extraction.

**Fiscal year 2020-21 titles were changed to reflect design flow as apposed to estimated flows.

*** 2023 number included flood irrigation system, which is not part of our utility.

Source:

The Government's Public Works and Recorder's Office

COMPLIANCE SECTION



CERTIFIED PUBLIC
ACCOUNTANTS

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

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Brigham City, Utah (the City) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 18, 2025.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses, or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

KYC, CPA₁

Woods Cross, Utah
December 18, 2025



CERTIFIED PUBLIC
ACCOUNTANTS

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Brigham City, Utah's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2025. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial

likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program 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 type of compliance requirement of a federal program 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 over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of 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. We have issued

our report thereon dated December 18, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

KYC, CPA₁

Woods Cross, Utah
December 18, 2025

BRIGHAM CITY CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2025

Federal Grantor/Pass-through Grantor Program Title	Assistance Listing Number	Federal Award Identification Number	Pass-through Entity Number	Passed Through to Subrecipients	Total Federal Expenditures
<u>Department of Agriculture</u>					
Direct Program:					
Rural Economic Development Loans and Grants	10.854	CLSS00000083667	N/A	\$ 2,000,000	\$ 2,000,000
Total Department of Agriculture				<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>
<u>Department of Transportation</u>					
Passed through Utah Department of Transportation:					
Airport Improvement Program	20.106		AIP 3-49-0003-032-2022	\$ -	\$ 12,516
Airport Improvement Program	20.106		AIP 3-49-0003-034-2023	-	9,622
Total Department of Transportation				<u>\$ -</u>	<u>\$ 22,138</u>
<u>Department of the Treasury</u>					
Direct Program					
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027		N/A	\$ -	\$ 2,319,792
Total Department of the Treasury				<u>\$ -</u>	<u>\$ 2,319,792</u>
<u>Institute of Museum and Library Services</u>					
Passed through the State of Utah:					
State Library Program	45.310		None	\$ -	\$ 5,770
Total Institute of Museum and Library Services				<u>\$ -</u>	<u>\$ 5,770</u>
<u>Department of Health and Human Services</u>					
Passed through Bear River Association of Governments:					
Disease Prevention and Health Promotion Services	93.043		None	\$ -	\$ 3,210
Aging Cluster					
Grants for Supportive Services and Senior Centers	93.044		None	-	19,951
Nutrition Services	93.045		None	-	34,365
Nutrition Services Incentive Program	93.053		None	-	66,756
Social Services Block Grant	93.667		None	-	3,000
Total Department of Health and Human Services				<u>\$ -</u>	<u>\$ 127,282</u>
<u>Department of Homeland Security</u>					
Passed through Utah Division of Emergency Management:					
Hazard Mitigation Grant Program (HMGP)	97.039		FEMA-DR-4525-6R	-	\$ 7,950,890
Total Department of Homeland Security				<u>\$ -</u>	<u>\$ 7,950,890</u>
Total Expenditures of Federal Awards				<u>\$ 2,000,000</u>	<u>\$ 12,425,872</u>

BRIGHAM CITY CORPORATION
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2025

NOTE 1. GENERAL

The *Schedule of Expenditures of Federal Awards* presents the activity of all federal awards of Brigham City, Utah. Federal awards received directly from federal agencies as well as federal awards passed through other governmental agencies are included on the *Schedule of Expenditures of Federal Awards*.

NOTE 2. BASIS OF ACCOUNTING

The *Schedule of Expenditures of Federal Awards* is presented using the full-accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 3. INDIRECT COST RATE

The City has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4. LOAN BALANCES

The City has the following loan balances outstanding on June 30, 2025:

<u>Loan Description:</u>	<u>Balance:</u>
Rural Economic Development Loans and Grants	\$2,000,000

BRIGHAM CITY CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2025

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

- | | |
|---|------------|
| 1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weakness identified? | No |
| b. Significant deficiency identified? | None noted |
| 3. Noncompliance material to financial statements noted? | No |

Federal Awards

- | | |
|---|----------------------------|
| 1. Internal control over financial reporting: | |
| a. Material weakness identified? | No |
| b. Significant deficiency identified? | None noted |
| 2. Type of auditor's report issued on compliance for major federal programs: | Unmodified |
| 3. Any findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | No |
| 4. Any audit findings in the prior year regarding federal awards? | No |
| 5. Federal programs tested as a major program: | |
| <u>Name of Federal Program:</u> | <u>Assistance Listing:</u> |
| Rural Economic Development Loans and Grants | 10.854 |
| Coronavirus State and Local Fiscal Recovery Funds | 21.027 |
| Hazard Mitigation Grant Program (HMGP) | 97.039 |
| 6. Dollar threshold used to distinguish between type A and type B programs: | \$750,000 |
| 7. Auditee qualified as low-risk auditee? | No |

II. FINANCIAL STATEMENT FINDINGS

None

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None



CERTIFIED PUBLIC
ACCOUNTANTS

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

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

Honorable Mayor and
Members of City Council
Brigham City, Utah

Report on Compliance

We have audited Brigham City, Utah's (the City) compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the 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	Governmental Fees
Fund Balance	Cash Management
Restricted Taxes and Related	Utah Retirement Systems
Restricted Revenue	Crime Insurance for Public Treasurers
Fraud Risk Assessment	

Opinion on Compliance

In our opinion, Brigham City, Utah 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). Our responsibilities under those standards and the *State Compliance Audit Guide* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional

omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the government program as a whole.

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

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

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

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.

KYC, CPA

Woods Cross, Utah
December 18, 2025