TOOELE CITY CORPORATION

FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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Larson
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

Honorable Mayor
Members of the City Council
Tooele City, Utah

Report on 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 Tooele City, Utah (the "City"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Tooele City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and the aggregate remaining fund information of Tooele City, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparisons of the General Fund and Major Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Tooele City's management is responsible for the preparation and fair presentation of 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 Tooele City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement 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 Tooele 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 judgement, there are conditions or events, considered in the aggregate that raise substantial doubt about Tooele 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 comparison information, and other required supplementary information, as indicated in the Table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Tooele City's basic financial statements. The combining and individual nonmajor fund financial statements, the nonmajor fund budgetary comparison schedules, and the Schedule of Expenditures of Federal Awards, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles*, and *Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 30, 2023, on our consideration of Tooele City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Tooele 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 Tooele City's internal control over financial reporting and compliance.

Larson & Company, PC

Larson & Company, PC

Spanish Fork, Utah
November 30, 2023

Management's Discussion and Analysis
For the Fiscal Year ended June 30, 2023

The following is a discussion and analysis of Tooele City Corporation's (the "City") financial performance and activities for the fiscal year ending June 30, 2023. When read in conjunction with the notes to the financial statements, this section's financial highlights, overview, and analysis should assist the reader to gain a more complete knowledge of the City's financial performance.

Financial Highlights

- The total government-wide assets of the City exceeded its total government-wide liabilities as of the close of the most recent year by $270,732,001 *(net position).* Of this amount, $210,980,320 relates to investments in capital assets, net of any related debt. Unrestricted net position is $35,578,917.
- As of the close of the current year, the City's governmental funds reported a combined ending fund balance of $38,792,028, an increase of $3,872,157 in comparison with the prior year, attributable mainly to higher tax amounts received in the current year as well as the continued growth of the City compared to the prior year. Approximately 24.67% of the total fund balance amount, or $9,569,315, is unassigned and available for spending at the government's discretion (unreserved fund balance).

Overview of the Financial Statements

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

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business. These statements are presented on an “economic resources” measurement focus and the accrual basis of accounting.

The statement of net position presents information on all of the City’s assets and deferred outflows of resources, less liabilities and deferred inflows of resources, with the difference presented as net position. Net position is reported as one of three categories: invested in capital assets net of related debt; restricted; or unrestricted. Over time, increases or decreases in net position may serve as useful indicators of whether the City’s financial position is improving or deteriorating.

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

The government-wide financial statements include balances from not only the City itself (known as the primary government), but also the following blended component units: the Depot Redevelopment Agency and the Municipal Building Authority of Tooele City Corporation.

Fund Financial Statements

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

Governmental Funds

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

Governmental Funds (continued)

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

The City maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, and the Depot Redevelopment Agency, which are considered to be major funds. Data from the other 7 governmental funds (nonmajor) are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in this report.

The City adopts an annual appropriated budget for all its fund types. Budgetary comparison statements have been provided for the general fund and major special revenue fund to demonstrate compliance with GASB 34 reporting standards.

Proprietary Funds

The City maintains proprietary funds which are enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City maintains five individual enterprise funds. Information is presented separately in the proprietary funds statement of net position and the proprietary funds statement of revenues, expenses and changes in fund net position for the Water Fund, Sewer Fund, and Garbage Utility Fund, which are considered major funds. Data from the other funds are combined into a single aggregated presentation and classified as nonmajor. Individual data for the nonmajor proprietary funds is provided in the form of combining statements in this report. Proprietary fund financial statements reinforce information provided in the government-wide financial statements.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The City's fiduciary activities are reported in separate statements of fiduciary net position and statements of changes in fiduciary net position. The City's Agency fund is custodial in nature and does not involve a measurement of operational results. Accordingly, it does not present a statement of changes in fiduciary net position. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs.

Notes to Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the government-wide and individual fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information (RSI) concerning the City's schedule of contributions and schedule of proportionate share of the net pension liability as required by GASB 68, as well as the details of changes in net other postemployment benefits (OPEB) liability and related rations as required by GASB 75. The combining statements referred to earlier, in connection with nonmajor funds and internal service funds, are presented immediately after the RSI. Also included are budget comparisons for governmental funds other than the General and Redevelopment Agency Funds.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by $270,732,001 at the close of the most recent fiscal year.

The largest portion of the City's net position (78%) reflects its investment in capital assets (e.g. land, buildings, improvements other than buildings, machinery and equipment, automobiles and trucks, office furniture and equipment, infrastructure, water stock, utility plants and equipment), less any related and outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Tooele City Corporation's Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Assets:						
Current and other assets	$ 51,891,651	$ 46,120,914	$ 28,015,189	$ 29,935,821	$ 79,906,840	$ 76,056,735
Capital assets	110,451,098	106,340,581	131,803,303	119,960,958	242,254,401	226,301,539
Other assets	33,600	2,886,463	3,691	317,158	37,291	3,203,621
Total assets	162,376,349	155,347,958	159,822,183	150,213,937	322,198,532	305,561,895
Total deferred outflows of resources	3,580,747	3,002,064	331,256	298,975	3,912,003	3,301,039
Liabilities and net position:						
Long-term liabilities	29,636,732	35,055,637	4,161,797	4,785,819	33,798,529	39,841,456
Other liabilities	6,036,158	4,350,653	3,613,102	2,407,007	9,649,260	6,757,660
Total liabilities	35,672,890	39,406,290	7,774,899	7,192,826	43,447,789	46,599,116
Total deferred inflows of resources	11,898,362	14,861,749	32,383	560,761	11,930,745	15,422,510
Net position:						
Net investment in capital assets	83,920,255	74,128,127	127,060,065	114,591,345	210,980,320	188,719,472
Restricted	11,193,150	7,520,620	12,979,614	14,486,048	24,172,764	22,006,668
Unrestricted	23,272,439	22,433,236	12,306,478	13,681,932	35,578,917	36,115,168
Total net position	$ 118,385,844	$ 104,081,983	$ 152,346,157	$ 142,759,325	$ 270,732,001	$ 246,841,308

A portion of the City's net position (8.93%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, $35,578,917 due to the allocation of net position to the net investment in capital assets.

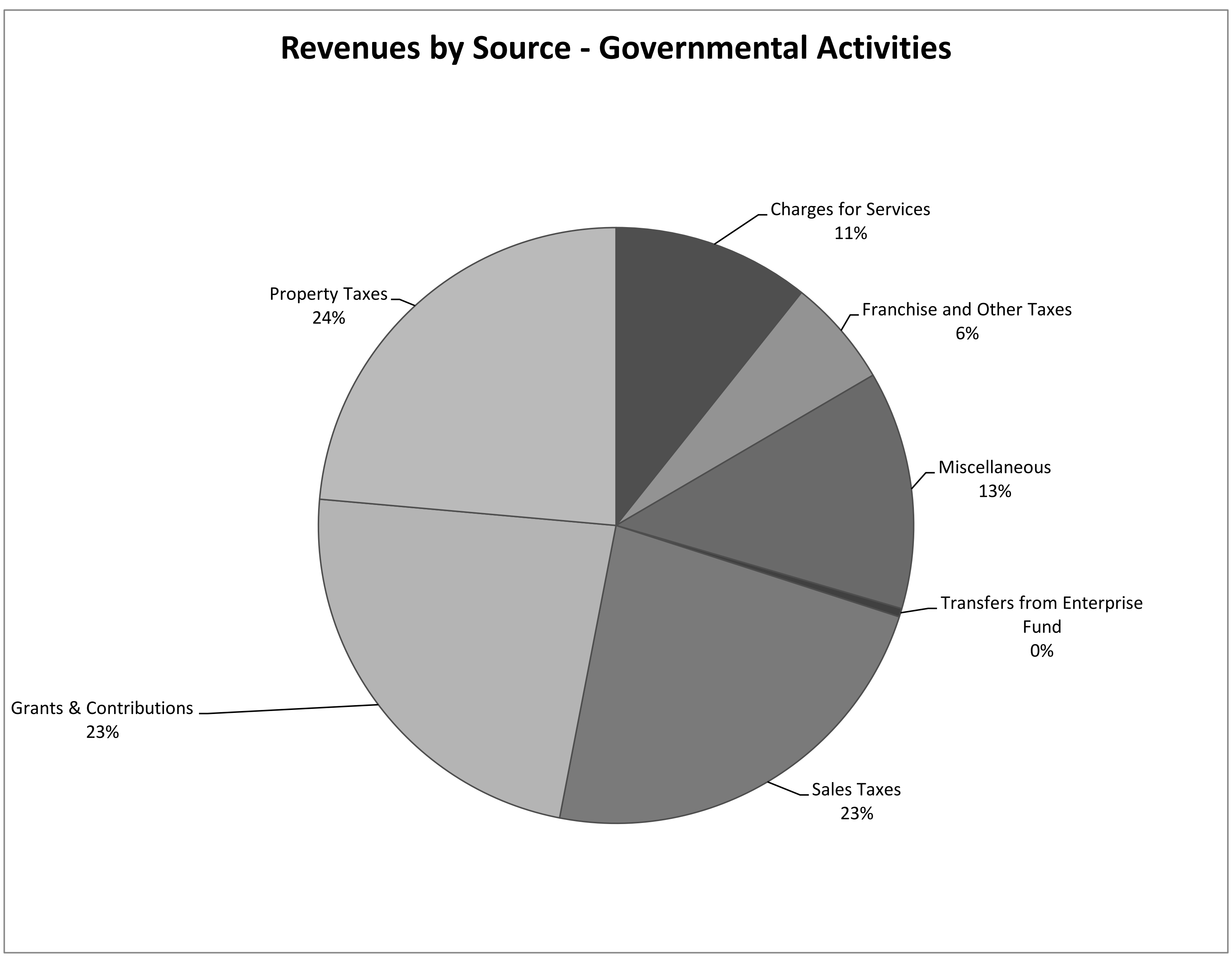
At the end of the year, Tooele City Corporation is able to report positive balances in all three categories of net position for its business type activities. For governmental activities, net investment in capital assets, restricted net position and unrestricted net position remain positive. The overall increase in net position for June 30, 2023 was a result of increases in property tax and sales taxes revenues as well as the continued growth of the City.

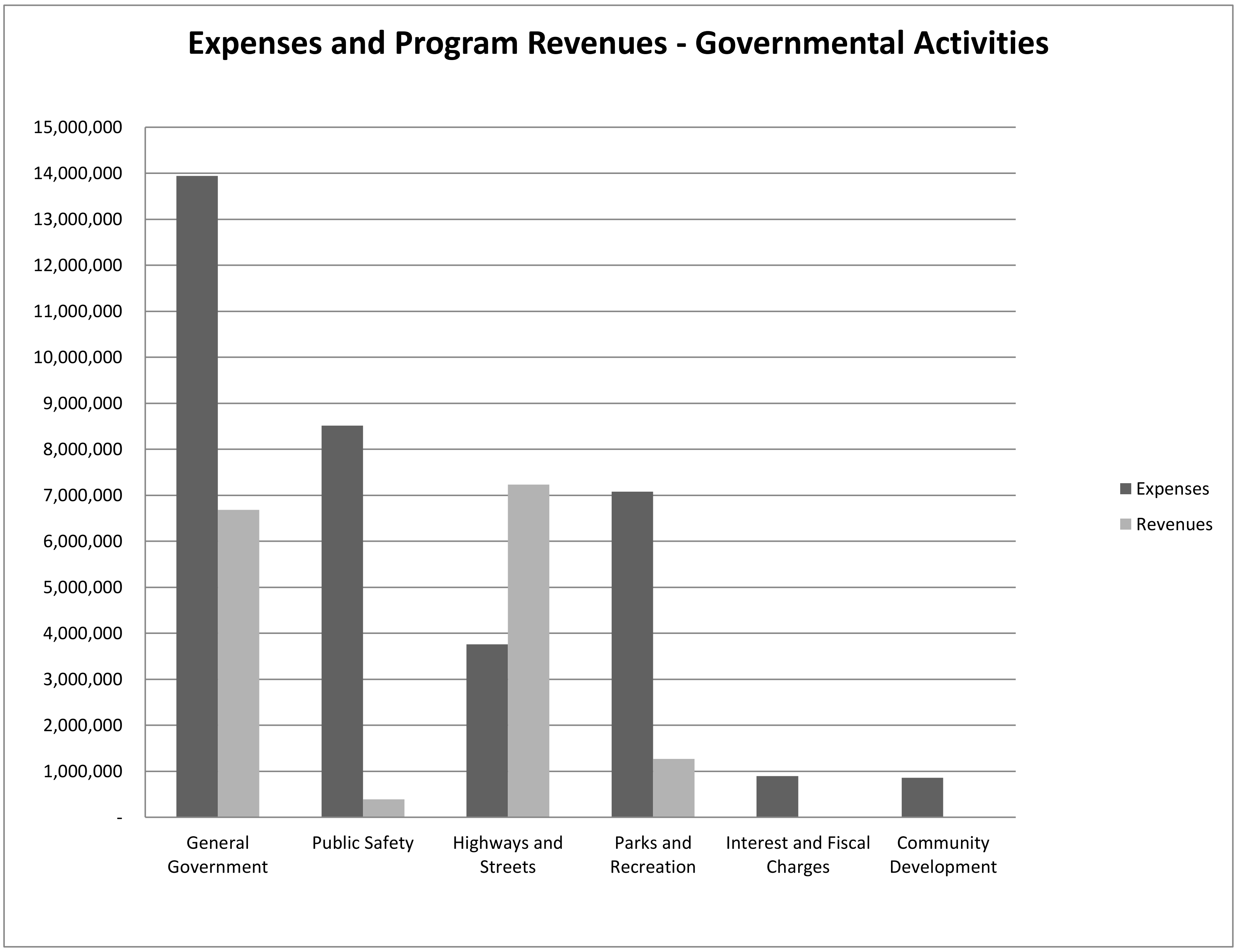
Tooele City Corporation's Changes in Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	$ 5,333,489	$ 5,260,760	$ 10,880,611	$ 10,703,626	$ 16,214,100	$ 15,964,386
Operating grants/contributions	5,523,174	5,557,018	-	-	5,523,174	5,557,018
Capital grants and contributions	6,115,506	2,845,519	5,589,447	2,784,016	11,704,953	5,629,535
General revenues:						
Taxes	26,169,457	23,069,145	-	-	26,169,457	23,069,145
Earnings on investments	1,670,311	116,843	582,798	102,218	2,253,109	219,061
Impact fees	1,408,751	1,650,725	3,656,280	3,672,978	5,065,031	5,323,703
Gain on sale of capital assets	2,237,386	1,621,045	25,167	123,045	2,262,553	1,744,090
Gain on sale of water rights	-	-	684,753	406,357	684,753	406,357
Miscellaneous	1,121,174	1,388,588	35,460	107,927	1,156,634	1,496,515
Total revenues	$ 49,579,248	$ 41,509,643	$ 21,454,516	$ 17,900,167	$ 71,033,764	$ 59,409,810

Tooele City Corporation's Changes in Net Position (continued)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Expenses:						
General government	$ 13,943,432	$ 10,594,305	$ -	$ -	$ 13,943,432	$ 10,594,305
Public safety	8,515,194	7,817,698	-	-	8,515,194	7,817,698
Highways and streets	3,757,039	2,832,856	-	-	3,757,039	2,832,856
Parks and recreation	7,079,928	6,286,820	-	-	7,079,928	6,286,820
Loss on disposal	-	-	-	-	-	-
Community development	860,504	606,333	-	-	860,504	606,333
Interest on debt	892,709	1,012,829	-	-	892,709	1,012,829
Loss on legal settlement	-	-	-	-	-	-
Water	-	-	4,749,569	4,051,366	4,749,569	4,051,366
Sewer	-	-	4,114,006	3,655,899	4,114,006	3,655,899
Solid waste	-	-	2,296,190	1,922,075	2,296,190	1,922,075
Storm water	-	-	594,402	409,347	594,402	409,347
Street light	-	-	340,098	246,508	340,098	246,508
Total expenses	35,048,806	29,150,841	12,094,265	10,285,195	47,143,071	39,436,036
Change in net position before transfers	14,530,442	12,358,802	9,360,251	7,614,972	23,890,693	19,973,774
Transfers	(226,581)	(2,600,000)	226,581	2,600,000	-	-
Increase in net position	14,303,861	9,758,802	9,586,832	10,214,972	23,890,693	19,973,774
Net position - beginning	104,081,983	94,323,181	142,759,325	132,544,353	246,841,308	226,867,534
Net position - ending	$ 118,385,844	$ 104,081,983	$ 152,346,157	$ 142,759,325	$ 270,732,001	$ 246,841,308




Expenses and Program Revenues - Governmental Activities
15,000,000
14,000,000
13,000,000
12,000,000
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9,000,000
8,000,000
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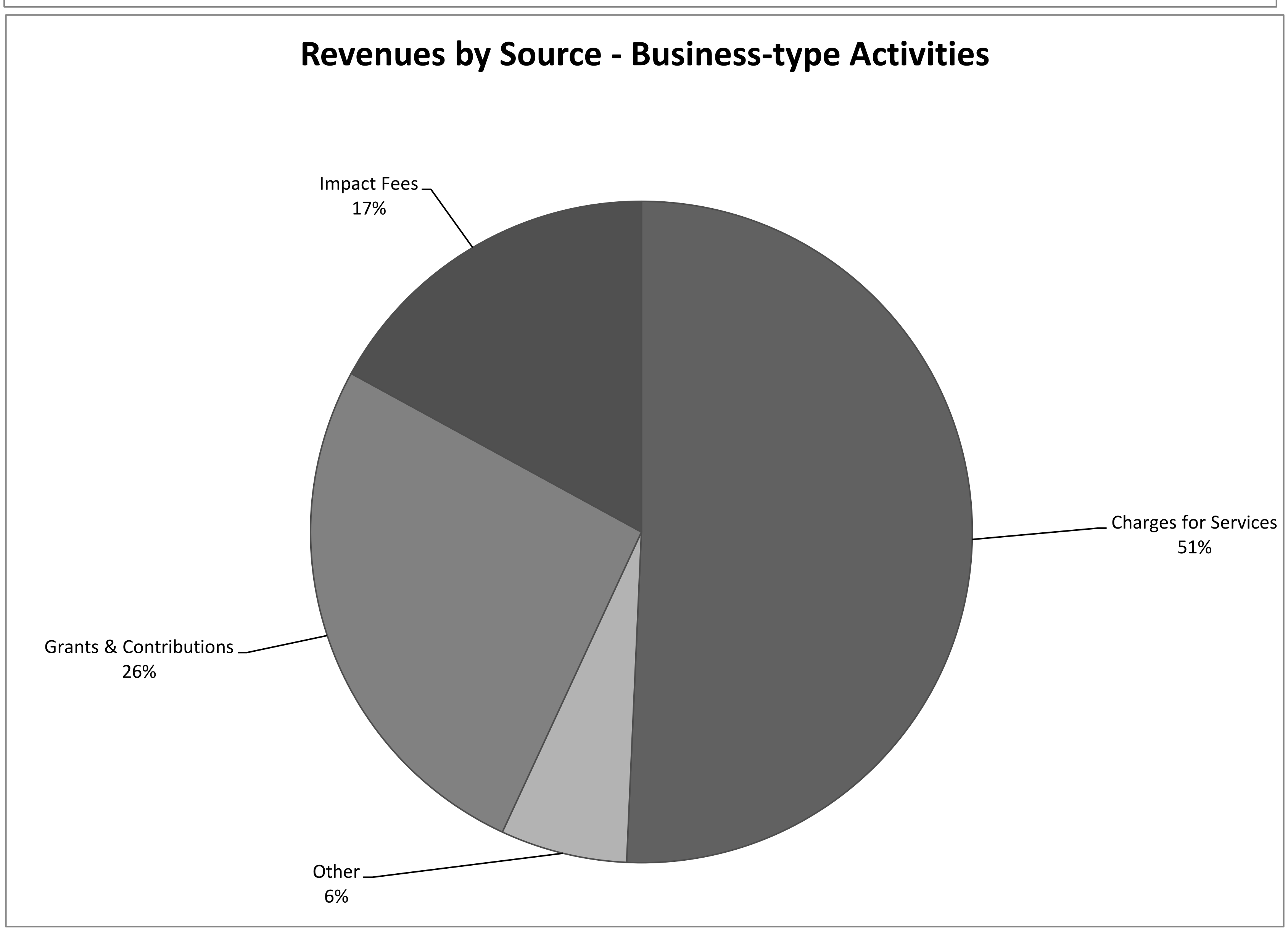
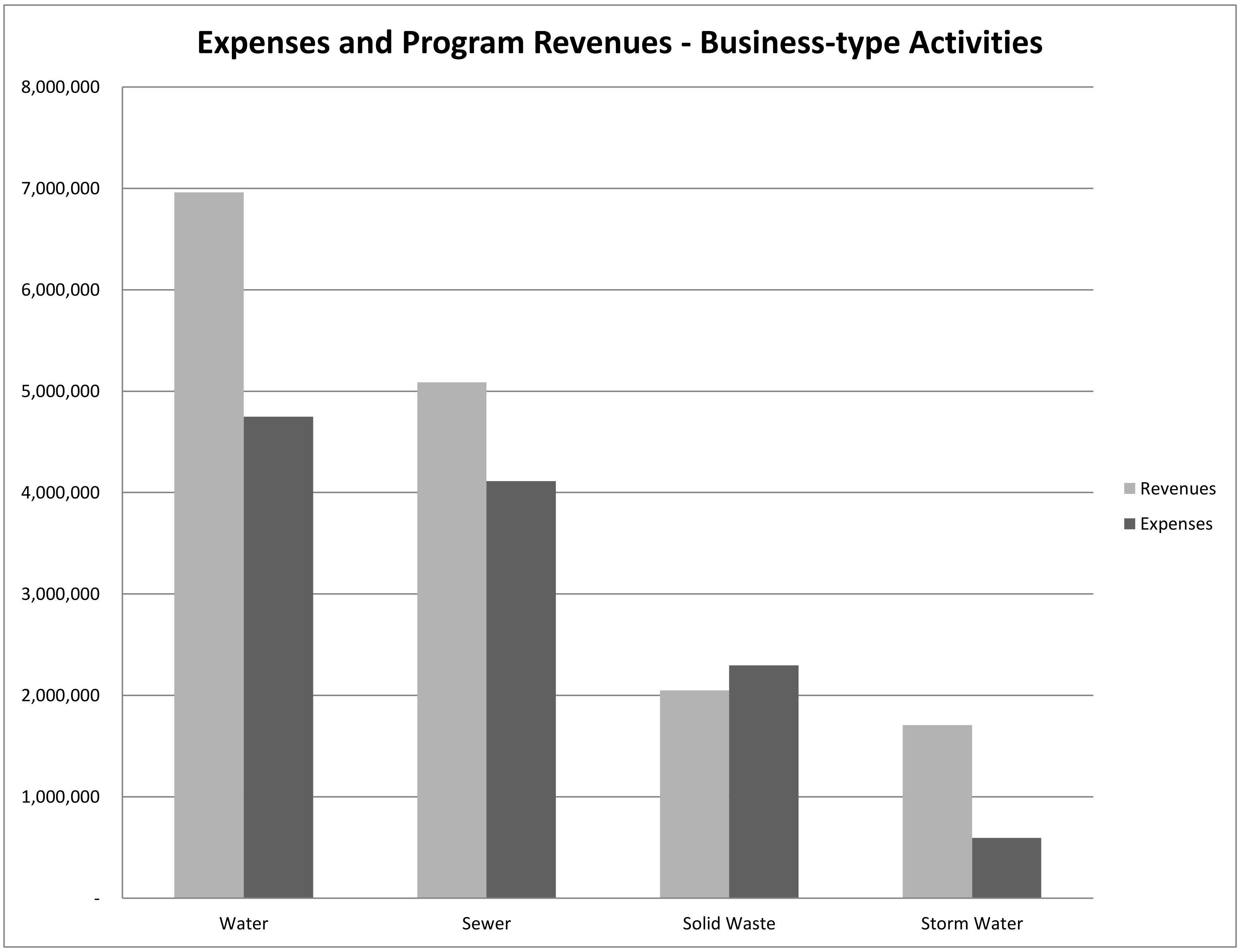
-
General Government
Public Safety
Highways and Streets
Parks and Recreation
Interest and Fiscal Charges
Community Development
Expenses
Revenues


Revenues by Source - Business-type Activities
Impact Fees 17%
Charges for Services 51%
Grants & Contributions 26%
Other 6%



Key Principal Highlights:

- Charges for services increased by $249,714 compared to the prior year. The increase was primarily due to the City having more new customers than in 2022 due to economic growth during fiscal year 2023.

- Capital grants and contributions increased by $6,075,418 due mainly to the City receiving contributed infrastructure for highways and streets and community development.

- Taxes increased by $2,867,867 due to an increase in the certified tax rate and the assessment and collection of property taxes.

Generally, increases in expenses closely paralleled inflation and growth in the demand for services.

Financial Analysis of the Government's Funds

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

Governmental Funds

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

As of June 30, 2023, the City's governmental funds reported a combined ending fund balance of $38,792,028, an increase of $3,872,157 from the prior year, and primarily attributable to the continued growth of the City and increased tax revenues. A balance of $26,552,640 (68.45%) is available for spending at the government's discretion; however, $16,983,325 has been assigned by the City's Budget Officer for subsequent years' capital expenditures and other uses, leaving an unassigned amount of $9,569,315. The remaining $12,239,388 of fund balance is not available for new spending because it is non-spendable in form of legally restricted by parties outside the financial reporting entity for 1) recreation and arts programs of $684,308, 2) debt service of $7,171,565, 3) road construction, maintenance and preservation of $3,337,277, 4) Prepaid expenses of $1,046,238.

The General Fund is the major operating fund of the City. As a measure of the General Fund's liquidity, it may be useful to compare the amount of unassigned fund balance to total fund expenditures of $25,342,952 (37.76% or 138 calendar days). The fund balance of the City's General Fund increased $261,308, during the current fiscal year. This represents a 2.40% change in fund balance. The increase consisted of total revenues exceeding expenses by $5,647,837 as a result of an increase in the taxes offset by a decrease from the American Rescue Plan Act federal grant funds expended in the prior year and not in fiscal year 2023, as well as a decrease as a result of operating transfers in the amount of $5,547,747, to other funds of the City.

Proprietary Funds

Unrestricted net position of the Water fund, Sewer fund, and Garbage Utility fund (major funds) at the end of the year were $5,134,523, $4,882,684, and $11,943 respectively. The increase in total net position was $5,816,028, $2,439,392 and $(233,384), respectively. The increase in net position for the Water and Sewer funds is the result of higher impact fees and additional contributions from the developers. The decrease in net position for the Garbage Utility fund is the result of higher costs while the connection fees and charges for services in the current year had not been raised to cover the increase in the costs.

General Fund Budgetary Highlights

During the fiscal year, the General Fund's original budget was amended from an original revenues budget of $27,791,244 to a final budget of $31,409,942, an increase of $3,618,698. These increases can be briefly summarized as follows:

$843,148 in tax revenue.
$95,503 in interfund charges
$2,643,047 in intergovernmental revenue.
$37,000 in charges for services from other City funds.

The General Fund's original budget was also amended for increased expenses in the amount of $1,984,149.

Capital Assets

The City's net investment in capital assets for its governmental and business-type activities as of June 30, 2023 amounts to $127,060,065. This investment in capital assets includes land, buildings, improvements other than buildings, machinery and equipment, automobiles and trucks, office furniture and equipment, and infrastructure, offset by applicable amounts of long-term debt. The total increase in the City's net investment in capital assets for governmental and business-type activities for the current year was a result of the City continuing to make payments on their debt obligations.

Capital Assets (continued)

Major capital asset events during the current year include the following:

- Improvements other than buildings additions of $6,113,678.
- Machinery and equipment additions of $596,134.
- Automobile and truck purchases of $598,660.
- Office furniture and equipment additions of $59,012.
- Infrastructure additions of $9,677,917 from acquisitions and contributions.
- Depreciation of infrastructure assets of $5,180,235.

Tooele City Corporation's Capital Assets

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Investment in water stock	$ -	$ -	$ 93,184	$ 93,184	$ 93,184	$ 93,184
Land	6,013,463	5,714,218	2,833,937	2,833,937	8,847,400	8,548,155
Infrastructure	73,195,810	70,526,694	13,289,244	11,460,678	86,485,054	81,987,372
Buildings	18,239,551	17,803,766	5,617,536	4,632,496	23,857,087	22,436,262
Construction in progress	-	-	10,832,845	6,048,315	10,832,845	6,048,315
Equipment under capital lease, net	825,398	825,398	-	-	825,398	825,398
Improvements	8,469,333	7,703,159	58,227,797	55,363,733	66,697,130	63,066,892
Machinery and equipment	1,324,418	1,315,474	1,494,317	1,374,471	2,818,735	2,689,945
Automobiles and trucks	2,308,757	2,242,684	639,911	678,812	2,948,668	2,921,496
Office furniture and equipment	74,368	209,188	-	-	74,368	209,188
Water rights	-	-	38,774,532	37,475,332	38,774,532	37,475,332
Total	$ 110,451,098	$ 106,340,581	$ 131,803,303	$ 119,960,958	$ 242,254,401	$ 226,301,539

Additional information on the City's capital assets can be found in the notes to the financial statements.

Long-Term Debt

At the end of the current year, the City had total debt outstanding of $38,490,933. The debt consists of the following:

Tooele City Corporation's Outstanding Debt

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Revenue bonds payable	$ 26,497,000	$ 32,186,000	$ 4,621,001	$ 5,237,000	$ 31,118,001	$ 37,423,000
Net OPEB obligations	2,627,933	2,393,883	116,126	105,784	2,744,059	2,499,667
Net pension liability	2,027,920	-	222,823	-	2,250,743	-
Financed equipment obligation	113,384	165,386	154,761	203,157	268,145	368,543
Grantsville legal settlement	1,444,420	1,522,420	-	-	1,444,420	1,522,420
Compensated absences	717,960	681,887	59,670	59,035	777,630	740,922
Deferred amounts:						
Unamortized bond premiums	241,273	269,658	-	-	241,273	269,658
Unamortized bond discounts	(20,762)	(23,201)	-	-	(20,762)	(23,201)
Loss on defeasance	(300,052)	(384,237)	(32,524)	(45,114)	(332,576)	(429,351)
Total	$ 33,349,076	$ 36,811,796	$ 5,141,857	$ 5,559,862	$ 38,490,933	$ 42,371,658

State statutes limit the amount of debt a City may issue to 4 percent of its total taxable property within its jurisdiction. The City may incur a larger indebtedness for the purpose of supplying the City with water, sewer, or electricity when such public works are owned and controlled by the City. The current debt limitation for Tooele City Corporation is $136,491,050 for all general obligation bonds. As of June 30, 2023 and 2022 the City recorded a loss of defeasance of bonds in the amount of $332,576 and $429,351, respectively, which is recorded as a deferred outflow of resources in the accompanying statement of net position. Additional information on Tooele City Corporation's long-term debt can be found in the notes to the financial statements.

Management's Discussion and Analysis
For the Fiscal Year ended June 30, 2023

Economic Factors and Next Year's Budgets and Rates

- Growth is starting to slow down in Tooele City. Building permits have decreased as well as other construction and growth related fees. Retail sales (sales tax) are beginning to see some slow down even minor decreases over the prior year.
- The 2024 budget was projected with a conservative increase in sales tax which is expected to be less than what has been seen over the past few years and could possibly be flat.
- The City has planned it's FY2024 budget with caution and will review the market often to watch for an increase in downturns in sales tax and property values both of which are possible during the year.

All of the above factors were considered in preparing the City's budget for the 2023-2024 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of Tooele City Corporation's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the Tooele City Finance Director, 90 North Main Street, P.O. Box 89, Tooele, Utah, 84074-0089.

BASIC FINANCIAL STATEMENTS

TOOELE CITY CORPORATION
STATEMENT OF NET POSITION
June 30, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	$ 20,650,179	$ 26,005,028	$ 46,655,207
Receivables:			
Accounts, net	5,308	1,047,890	1,053,198
Assessments	121,591	-	121,591
Taxes	13,425,324	-	13,425,324
Loans receivable	2,540	-	2,540
Developer contributions receivable	825,210	-	825,210
Other	99,164	-	99,164
Prepaid expenses	1,046,238	-	1,046,238
Restricted cash and cash equivalents	15,716,097	962,271	16,678,368
NONCURRENT ASSETS			
Net pension asset	33,600	3,691	37,291
Capital assets not being depreciated	6,013,463	52,534,498	58,547,961
Capital assets being depreciated, net	104,437,635	79,268,805	183,706,440
TOTAL ASSETS	162,376,349	159,822,183	322,198,532
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on bond refunding	300,052	32,524	332,576
Deferred outflows related to OPEB	939,977	41,539	981,516
Deferred outflows related to pensions	2,340,718	257,193	2,597,911
TOTAL DEFERRED OUTFLOWS OF RESOURCES	3,580,747	331,256	3,912,003
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	1,398,633	2,157,970	3,556,603
Accrued liabilities	429,338	-	429,338
Accrued interest payable	195,791	91,194	286,985
Unearned revenue	-	122,854	122,854
Customer deposits	-	228,500	228,500
Financed equipment obligation	-	154,761	154,761
Other noncurrent liabilities, due or payable within one year	1,984,476	635,000	2,619,476
LONG-TERM LIABILITIES			
Due or payable in more than one year	29,636,732	4,161,797	33,798,529
TOTAL LIABILITIES	35,672,890	7,774,899	43,447,789
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	11,271,652	-	11,271,652
Deferred inflows related to OPEB	555,299	24,536	579,835
Deferred inflows related to pensions	71,411	7,847	79,258
TOTAL DEFERRED INFLOWS OF RESOURCES	11,898,362	32,383	11,930,745
NET POSITION			
Net investment in capital assets	83,920,255	127,060,065	210,980,320
Restricted for:			
Recreation and arts	684,308	-	684,308
Debt service	7,171,565	962,271	8,133,836
Roads	3,337,277	-	3,337,277
Impact fees	-	12,017,343	12,017,343
Unrestricted	23,272,439	12,306,478	35,578,917
TOTAL NET POSITION	$ 118,385,844	$ 152,346,157	$ 270,732,001

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

TOOELE CITY CORPORATION
STATEMENT OF ACTIVITIES
For the Fiscal Year ended June 30, 2023

		Program Revenues			Net (Expense) Revenues and Changes in Net Assets		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**
Governmental activities:							
General government	$ 13,943,432	$ 3,672,917	$ 2,678,794	$ 331,119	$ (7,260,602)	$ -	$ (7,260,602)
Public safety	8,515,194	393,103	-	-	(8,122,091)	-	(8,122,091)
Highways and streets	3,757,039	-	2,844,380	4,389,642	3,476,983	-	3,476,983
Parks and recreation	7,079,928	1,267,469	-	-	(5,812,459)	-	(5,812,459)
Community development	860,504	-	-	1,394,745	534,241	-	534,241
Interest and fiscal charges	892,709	-	-	-	(892,709)	-	(892,709)
Total governmental activities	35,048,806	5,333,489	5,523,174	6,115,506	(18,076,637)	-	(18,076,637)
Business-type activities:							
Water	4,749,569	4,555,699	-	2,404,832	-	2,210,962	2,210,962
Sewer	4,114,006	3,466,666	-	1,621,902	-	974,562	974,562
Solid waste	2,296,190	2,050,683	-	-	-	(245,507)	(245,507)
Storm water	594,402	547,650	-	1,158,925	-	1,112,173	1,112,173
Street light	340,098	259,913	-	403,788	-	323,603	323,603
Total business-type activities	12,094,265	10,880,611	-	5,589,447	-	4,375,793	4,375,793
Total primary government	$ 47,143,071	$ 16,214,100	$ 5,523,174	$ 11,704,953	(18,076,637)	4,375,793	(13,700,844)

	Governmental Activities	Business-type Activities	Total
General revenue:			
Taxes:			
Property taxes	11,750,869	-	11,750,869
Sales taxes	11,492,045	-	11,492,045
Franchise taxes	2,736,389	-	2,736,389
Other taxes	190,154	-	190,154
Earnings on investments	1,670,311	582,798	2,253,109
Impact fees, net	1,408,751	3,656,280	5,065,031
Gain on sale of capital assets	2,237,386	25,167	2,262,553
Gain on sale / transfer of water rights	-	684,753	684,753
Miscellaneous	1,121,174	35,460	1,156,634
Transfers	(226,581)	226,581	-
Total general revenues	32,380,498	5,211,039	37,591,537
Change in net position	14,303,861	9,586,832	23,890,693
Net position, beginning	104,081,983	142,759,325	246,841,308
Net position, ending	$ 118,385,844	$ 152,346,157	$ 270,732,001

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

TOOELE CITY CORPORATION
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2023

	General Fund	Depot Redevelopment Agency	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 8,047,158	$ 4,126,121	$ 8,476,900	$ 20,650,179
Receivables:				
Accounts	5,308	-	-	5,308
Assessments	-	-	121,591	121,591
Taxes	10,015,307	3,410,017	-	13,425,324
Loans receivable	-	2,540	-	2,540
Intergovernmental receivable	65,404	90,089	669,717	825,210
Other	99,164	-	-	99,164
Prepaid expenses	1,046,238	-	-	1,046,238
Due from other funds	164,716	46,086	89,151	299,953
Restricted cash and investments	540,942	4,460,315	10,714,840	15,716,097
TOTAL ASSETS	$ 19,984,237	$ 12,135,168	$ 20,072,199	$ 52,191,604
LIABILITIES				
Accounts payable	$ 536,752	$ 3,200	$ 858,681	1,398,633
Accrued liabilities	429,338	-	-	429,338
Due to other funds	-	-	299,953	299,953
TOTAL LIABILITIES	966,090	3,200	1,158,634	2,127,924
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	7,861,652	3,410,000	-	11,271,652
DEFERRED INFLOWS OF RESOURCES	7,861,652	3,410,000	-	11,271,652
FUND BALANCES				
Nonspendable				
Prepaid expenses	1,046,238	-	-	1,046,238
Restricted				
Recreation and arts	-	-	684,308	684,308
Debt service	540,942	4,460,315	2,170,308	7,171,565
Roads	-	-	3,337,277	3,337,277
Assigned				
Capital projects	-	-	12,687,176	12,687,176
Redevelopment agency projects	-	4,261,653	-	4,261,653
Debt service fund	-	-	34,496	34,496
Unassigned	9,569,315	-	-	9,569,315
TOTAL FUND BALANCES	11,156,495	8,721,968	18,913,565	38,792,028
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 19,984,237	$ 12,135,168	$ 20,072,199	$ 52,191,604

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

TOOELE CITY CORPORATION
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2023

Total Fund Balances - Governmental Funds	$ 38,792,028
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 individual funds.	110,451,098
The net pension asset resulting from pension assets exceeding pension liabilities is not an available resource and, therefore, is not reported in the funds.	33,600
Deferred outflows of resources coming from deferred charges on refunding of long-term debt are amortized to expense over the life of the outstanding debt in the statement of activities, and are not reported in the funds.	300,052
Deferred outflows of resources associated with the net pension liability and asset is not an available resource and, therefore, is not reported in the funds.	2,340,718
Deferred outflows of resources associated with OPEB is not an available resource and, therefore, is not reported in the funds.	939,977
Accrued interest expense is not due and payable in the current period and therefore is not recorded in the funds.	(195,791)
Long-term liabilities that pertain to governmental funds, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. All liabilities net of premiums are reported in the statement of net position. Those liabilities consist of:	
General obligation bonds, net of unamortized deferrals of premiums and discounts	(26,717,511)
Obligations under capital leases	(113,384)
Grantsville legal settlement liability	(1,444,420)
Compensated absences payable	(717,960)
Net OPEB obligations	(2,627,933)
Deferred inflows of resources associated with OPEB are not due and payable in the current period and therefore are not recorded in the funds.	(555,299)
Deferred inflows of resources associated with the net pension liability are not due and payable in the current period and therefore are not recorded in the funds.	(71,411)
Total Net Position - Government Activities	$ 118,385,844

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

TOOELE CITY CORPORATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year ended June 30, 2023

	General Fund	Depot Redevelopment Agency	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	$ 22,086,232	$ 3,412,865	$ 670,360	$ 26,169,457
Licenses and permits	884,959	-	-	884,959
Intergovernmental and grants	2,668,794	10,000	2,844,380	5,523,174
Charges for services	3,948,908	-	-	3,948,908
Fines and forfeitures	144,317	-	-	144,317
Interest income	558,979	448,490	662,842	1,670,311
Grants	-	196,123	76,713	272,836
Impact fees	-	-	1,430,219	1,430,219
Interfund charges	856,455	-	-	856,455
Miscellaneous revenues	73,940	-	17,958	91,898
Rental income	650	-	527,476	528,126
TOTAL REVENUES	31,223,234	4,067,478	6,229,948	41,520,660
EXPENDITURES				
General government	7,889,832	686,517	353,510	8,929,859
Public safety	7,864,915	-	-	7,864,915
Highways and streets	2,540,800	-	987,422	3,528,222
Parks and recreation	6,750,391	-	-	6,750,391
Community development	-	860,504	-	860,504
Capital outlay:				
Capital projects	471,120	110,086	4,442,563	5,023,769
Debt service:				
Principal - bonds and notes	-	4,018,075	1,787,000	5,805,075
Principal - capital lease	52,005	-	-	52,005
Interest	6,334	41,207	822,891	870,432
Bond issuance costs and trustee fees	-	1,850	9,101	10,951
TOTAL EXPENDITURES	25,575,397	5,718,239	8,402,487	39,696,123
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	5,647,837	(1,650,761)	(2,172,539)	1,824,537
OTHER FINANCING SOURCES (USES) INCLUDING TRANSFERS				
Operating transfers in	30,000	-	7,399,316	7,429,316
Operating transfers (out)	(5,547,747)	(402,410)	(1,705,740)	(7,655,897)
Private contributions	58,283	-	-	58,283
Proceeds on sale of assets	72,935	2,164,451	-	2,237,386
Refunded impact fees	-	-	(21,468)	(21,468)
TOTAL OTHER FINANCING SOURCES (USES) INCLUDING TRANSFERS	(5,386,529)	1,762,041	5,672,108	2,047,620
NET CHANGE IN FUND BALANCES	261,308	111,280	3,499,569	3,872,157
FUND BALANCE, BEGINNING OF YEAR	10,895,187	8,610,688	15,413,996	34,919,871
FUND BALANCE, END OF YEAR	$ 11,156,495	$ 8,721,968	$ 18,913,565	$ 38,792,028

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

TOOELE 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, 2023

Net Change in Fund Balances - Total Governmental Funds	$ 3,872,157
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 these assets is allocated over the estimated useful lives and reported as depreciation expense. Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources. This is the amount by which capital outlays exceeded depreciation expense in the current period.	4,110,520
Bond proceeds provide current financial resources to governmental funds by issuing debt which increases long-term liabilities in the statement of net position. Repayment of debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets:	
Accrued interest on bonds	33,523
Principal retirement - bonds	5,689,000
Principal retirement - Grantsville note	78,000
Principal retirement - capital lease obligations	52,002
Amortization of bond premiums, net discounts	25,946
Amortization of bond refunding	(84,185)
In the statement of activities, certain operating expenses (compensated absences of unpaid vacation time) are recorded as the benefits are earned during the year. In the governmental funds, these obligations are recorded when they mature (when they are paid). The compensated absences obligation increased during the year.	(36,073)
In the statement of activities, the current year's pension contributions from January to June are removed from pension expense and shown on the statement of net position as deferred outflows of resources - pensions. The Governmental Funds do not adjust pension contribution expense.	706,258
The annual other postemployment benefit (OPEB) cost is the amount that is recognized as an expense in the statement of activities whereas in the governmental funds only the amounts paid are recorded as an expenditure. Payments were less than actuarially required amounts during the year.	(143,287)
Change in Net Position of Governmental Activities	$ 14,303,861

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

TOOELE CITY CORPORATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
For the Fiscal Year ended June 30, 2023

	Budgeted Amounts			Variance
	Original	Final	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	$ 21,681,952	$ 22,525,100	$ 22,086,232	$ (438,868)
Licenses and permits	1,513,000	1,513,000	884,959	(628,041)
Intergovernmental revenues	85,563	2,728,610	2,668,794	(59,816)
Charges for services	3,967,050	4,004,050	3,948,908	(55,142)
Fines and forfeitures	98,500	98,500	144,317	45,817
Interest income	31,000	31,000	558,979	527,979
Interfund charges	355,179	450,682	856,455	405,773
Miscellaneous revenues	16,000	16,000	73,940	57,940
Rental income	43,000	43,000	650	(42,350)
TOTAL REVENUES	27,791,244	31,409,942	31,223,234	(186,708)
EXPENDITURES				
General government	7,508,459	8,610,622	7,889,832	720,790
Public safety	8,163,537	8,384,155	7,864,915	519,240
Highways and streets	2,888,856	2,927,356	2,540,800	386,556
Parks and recreation	6,844,343	7,467,211	6,750,391	716,820
Capital outlay	668,482	668,482	471,120	197,362
TOTAL EXPENDITURES	26,073,677	28,057,826	25,575,397	2,482,429
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,717,567	3,352,116	5,647,837	2,295,721
OTHER FINANCING SOURCES (USES) INCLUDING TRANSFERS				
Operating transfers in	-	-	30,000	30,000
Operating transfers (out)	(2,222,417)	(5,547,746)	(5,547,747)	(1)
Private contributions	-	33,723	58,283	24,560
Proceeds on sale of assets	70,000	125,005	72,935	(52,070)
TOTAL OTHER FINANCING SOURCES (USES) INCLUDING TRANSFERS	(2,152,417)	(5,389,018)	(5,386,529)	2,489
NET CHANGE IN FUND BALANCES	(434,850)	(2,036,902)	261,308	2,298,210
FUND BALANCE, BEGINNING OF YEAR	10,895,187	10,895,187	10,895,187	-
FUND BALANCE, END OF YEAR	$ 10,460,337	$ 8,858,285	$ 11,156,495	$ 2,298,210

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

TOOELE CITY CORPORATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - DEPOT REDEVELOPMENT AGENCY
SPECIAL REVENUE FUND
For the Fiscal Year ended June 30, 2023

	Budgeted Amounts			Variance
	Original	Final	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	$ 2,325,000	$ 2,325,000	$ 3,412,865	$ 1,087,865
Intergovernmental and grants	-	131,754	10,000	(121,754)
Interest income	25,000	25,000	448,490	423,490
TOTAL REVENUES	2,350,000	2,481,754	3,871,355	1,389,601
EXPENDITURES				
General government	609,149	668,249	686,517	(18,268)
Community development	1,050,000	1,088,000	860,504	227,496
Capital outlay	29,154	29,154	110,086	(80,932)
Grant expense	-	50,000	-	50,000
Debt service:				
Principal - notes	336,000	3,761,542	4,018,075	(256,533)
Principal - capital lease	-	-	-	-
Interest	127,154	38,154	41,207	(3,053)
Bond issuance costs and trustee fees	1,850	1,850	1,850	-
TOTAL EXPENDITURES	2,153,307	5,636,949	5,718,239	(81,290)
EXCESS OF REVENUES OVER EXPENDITURES	196,693	(3,155,195)	(1,846,884)	1,308,311
OTHER FINANCING USES INCLUDING TRANSFERS				
Operating transfers out	(402,410)	(402,410)	(402,410)	-
TOTAL OTHER FINANCING USES INCLUDING TRANSFERS	(402,410)	(402,410)	1,762,041	2,164,451
NET CHANGE IN FUND BALANCES	(205,717)	(3,557,605)	(84,843)	3,472,762
FUND BALANCE, BEGINNING OF YEAR	8,610,688	8,610,688	8,610,688	-
FUND BALANCE, END OF YEAR	$ 8,404,971	$ 5,053,083	$ 8,525,845	$ 3,472,762

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

TOOELE CITY CORPORATION
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
June 30, 2023

	Business-type Activities - Enterprise Funds				
	Water	Sewer	Garbage Utility	Nonmajor Enterprise Fund	Total Enterprise Funds
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	$ 12,251,310	$ 11,412,577	$ 10,582	$ 2,330,559	$ 26,005,028
Accounts receivable, net of allowance	466,505	315,820	190,411	75,154	1,047,890
Restricted cash and cash equivalents	409,619	552,652	-	-	962,271
TOTAL CURRENT ASSETS	13,127,434	12,281,049	200,993	2,405,713	28,015,189
NONCURRENT ASSETS					
Net pension asset	2,163	1,528	-	-	3,691
Capital assets not being depreciated:					
Investment in water stock	93,184	-	-	-	93,184
Land	2,298,207	301,500	-	234,230	2,833,937
Water rights	38,774,532	-	-	-	38,774,532
Capital assets being depreciated:					
Infrastructure	-	-	-	15,378,728	15,378,728
Construction in progress	7,899,209	2,933,636	-	-	10,832,845
Buildings	4,150,281	5,874,740	3,220	-	10,028,241
Improvements other than buildings	59,161,139	44,662,483	-	-	103,823,622
Office, furniture & fixtures	25,481	49,120	-	-	74,601
Machinery and equipment	4,443,542	594,709	-	204,557	5,242,808
Autos and trucks	718,717	884,967	23,000	25,893	1,652,577
Accumulated depreciation	(30,617,125)	(24,133,133)	(23,168)	(2,158,346)	(56,931,772)
NET CAPITAL ASSETS	86,947,167	31,168,022	3,052	13,685,062	131,803,303
TOTAL NONCURRENT ASSETS	86,949,330	31,169,550	3,052	13,685,062	131,806,994
TOTAL ASSETS	100,076,764	43,450,599	204,045	16,090,775	159,822,183
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on bond refunding	32,524	-	-	-	32,524
Deferred outflows related to OPEB	21,450	20,089	-	-	41,539
Deferred outflows related to pensions	150,679	106,514	-	-	257,193
TOTAL DEFERRED OUTFLOWS	204,653	126,603	-	-	331,256
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable	1,447,561	392,974	189,050	128,385	2,157,970
Accrued interest	11,105	80,089	-	-	91,194
Deferred revenue	122,854	-	-	-	122,854
Customer deposits	228,500	-	-	-	228,500
Revenue bonds payable - current	468,000	167,000	-	-	635,000
TOTAL CURRENT LIABILITIES	2,278,020	640,063	189,050	128,385	3,235,518
NONCURRENT LIABILITIES					
Net pension liability	130,543	92,280	-	-	222,823
Compensated absences	28,452	31,218	-	-	59,670
Net OPEB obligation	59,966	56,160	-	-	116,126
Financed equipment obligation	-	77,381	-	77,380	154,761
Revenue bonds payable - long-term	981,001	3,005,000	-	-	3,986,001
TOTAL NONCURRENT LIABILITIES	1,199,962	3,262,039	-	77,380	4,539,381
TOTAL LIABILITIES	3,477,982	3,902,102	189,050	205,765	7,774,899
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to OPEB	12,673	11,863	-	-	24,536
Deferred inflows related to pensions	4,597	3,250	-	-	7,847
TOTAL DEFERRED INFLOWS	17,270	15,113	-	-	32,383
NET POSITION					
Net investment in capital assets	85,530,690	27,918,641	3,052	13,607,682	127,060,065
Unrestricted	5,134,523	4,882,684	11,943	2,277,328	12,306,478
Restricted for:					
Impact fees	5,711,333	6,306,010	-	-	12,017,343
Debt service	409,619	552,652	-	-	962,271
TOTAL NET POSITION	$ 96,786,165	$ 39,659,987	$ 14,995	$ 15,885,010	$ 152,346,157

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

TOOELE CITY CORPORATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION - PROPRIETARY FUNDS
For the Fiscal Year ended June 30, 2023

	Business-type Activities - Enterprise Funds				
	Water	**Sewer**	**Garbage Utility**	**Nonmajor Enterprise Fund**	**Total Enterprise Funds**
OPERATING REVENUES					
Charges for services	$ 4,383,570	$ 3,465,646	$ 1,823,333	$ 807,563	$ 10,480,112
Connection and collection fees	172,129	1,020	227,350	-	400,499
Miscellaneous	35,460	-	-	-	35,460
TOTAL OPERATING REVENUES	4,591,159	3,466,666	2,050,683	807,563	10,916,071
OPERATING EXPENSES					
Personal services	785,969	880,318	642,632	-	2,308,919
Contracted services	386,400	240,500	1,486,815	25,000	2,138,715
Operations and maintenance	1,922,935	1,339,673	166,663	487,005	3,916,276
Utilities	20,998	435,039	-	-	456,037
Administration	19,806	-	(1)	103,811	123,616
Depreciation	1,550,878	1,120,564	81	318,684	2,990,207
TOTAL OPERATING EXPENSES	4,686,986	4,016,094	2,296,190	934,500	11,933,770
OPERATING INCOME	(95,827)	(549,428)	(245,507)	(126,937)	(1,017,699)
NON-OPERATING REVENUES (EXPENSES):					
Interest income	184,399	257,256	12,123	129,020	582,798
Interest expense and fiscal charges	(62,583)	(97,912)	-	-	(160,495)
Gain from sale of capital assets	1,167	24,000	-	-	25,167
Sale / transfer of water rights	684,753	-	-	-	684,753
Impact fees	2,699,287	956,993	-	-	3,656,280
Transfers in	-	226,581	-	-	226,581
TOTAL NON-OPERATING REVENUES	3,507,023	1,366,918	12,123	129,020	5,015,084
Contributed from developers	2,404,832	1,621,902	-	1,562,713	5,589,447
CHANGE IN NET POSITION	5,816,028	2,439,392	(233,384)	1,564,796	9,586,832
NET POSITION - BEGINNING OF YEAR	90,970,137	37,220,595	248,379	14,320,214	142,759,325
NET POSITION - END OF YEAR	$ 96,786,165	$ 39,659,987	$ 14,995	$ 15,885,010	$ 152,346,157

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

TOOELE CITY CORPORATION
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year ended June 30, 2023

	Business-type Activities - Enterprise Funds				
	Water	**Sewer**	**Garbage Utility**	**Nonmajor Enterprise Fund**	**Total Enterprise Funds**
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers and users	$ 4,545,331	$ 3,466,589	$ 2,051,455	$ 807,021	$ 10,870,396
Receipts of miscellaneous income	35,460	-	-	-	35,460
Payments to employees	(794,791)	(898,113)	(642,632)	-	(2,335,536)
Payments to contractors	46,100	(30,500)	(1,461,815)	-	(1,446,215)
Payments for operations and maintenance	(1,171,690)	(1,079,999)	(158,954)	(604,261)	(3,014,904)
Payment for interfund services provided	(432,500)	(210,000)	(25,000)	(25,000)	(692,500)
Payments for utilities	(20,998)	(435,039)	-	-	(456,037)
NET CASH PROVIDED BY OPERATING ACTIVITIES	2,206,912	812,938	(236,946)	177,760	2,960,664
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
NET CASH USED BY NONCAPITAL FINANCING ACTIVITIES	-	226,581	-	-	226,581
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Payments for purchase of capital assets	(5,935,082)	(1,449,164)	-	(559,661)	(7,943,907)
Proceeds from sale of capital assets	1,167	24,000	-	-	25,167
Cash paid for finance lease	-	(24,198)	-	(24,198)	(48,396)
Proceeds from sale / transfer of water rights	684,753	-	-	-	684,753
Contributions of water shares	(1,299,200)	-	-	-	(1,299,200)
Deferred defeasance costs	12,590	-	-	-	12,590
Payments of bond principal	(455,999)	(160,000)	-	-	(615,999)
Interest paid on bonds	(66,078)	(101,952)	-	-	(168,030)
Impact fees collected	2,699,287	956,993	-	-	3,656,280
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(4,358,562)	(754,321)	-	(583,859)	(5,696,742)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest received on investments	184,399	257,256	12,123	129,020	582,798
NET CASH PROVIDED BY INVESTING ACTIVITIES	184,399	257,256	12,123	129,020	582,798
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,967,251)	542,454	(224,823)	(277,079)	(1,926,699)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	14,628,180	11,422,775	235,405	2,607,638	28,893,998
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 12,660,929	$ 11,965,229	$ 10,582	$ 2,330,559	$ 26,967,299

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

TOOELE CITY CORPORATION
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
For the Fiscal Year ended June 30, 2023

	Business-type Activities - Enterprise Funds				
	Water	**Sewer**	**Garbage Utility**	**Nonmajor Enterprise Fund**	**Total Enterprise Funds**
CASH FLOWS FROM OPERATING ACTIVITIES:					
Operating income (loss)	$ (95,827)	$ (549,428)	$ (245,507)	$ (126,937)	$ (1,017,699)
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation and amortization	1,550,878	1,120,564	81	318,684	2,990,207
Changes in assets and liabilities:					
Accounts receivable	(6,220)	(77)	772	(542)	(6,067)
Accounts payable	764,645	265,445	7,708	(13,445)	1,024,353
Compensated absences	6,406	(5,771)	-	-	635
OPEB obligation	5,341	5,001	-	-	10,342
Deferred outflows of resources - OPEB	373	349	-	-	722
Deferred inflows of resources - OPEB	(2,444)	(2,288)	-	-	(4,732)
Deferred revenue	(9,198)	-	-	-	(9,198)
Customer deposits	5,050	-	-	-	5,050
Deferred outflows of resources - pensions	(26,413)	(19,180)	-	-	(45,593)
Deferred inflows of resources - pensions	(299,869)	(223,777)	-	-	(523,646)
Net pension liability	130,543	92,280	-	-	222,823
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 2,206,912	$ 812,938	$ (236,946)	$ 177,760	$ 2,960,664
REPRESENTED ON THE BALANCE SHEET AS:					
Cash - unrestricted	$ 12,251,310	$ 11,412,577	$ 10,582	$ 2,330,559	$ 26,005,028
Cash - restricted	409,619	552,652	-	-	962,271
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 12,660,929	$ 11,965,229	$ 10,582	$ 2,330,559	$ 26,967,299
SUPPLEMENTAL SCHEDULE OF NON-CASH FINANCING AND INVESTING ACTIVITIES:					
Contributed capital assets from developers	$ 2,404,832	$ 1,621,902	$ -	$ 1,562,713	$ 5,589,447

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

TOOELE CITY CORPORATION
STATEMENT OF NET POSITION - FIDUCIARY FUNDS
June 30, 2023

	Pension Trust	Custodial Fund
ASSETS		
Restricted cash and cash equivalents	$ 1,029,531	$ 4,135,434
TOTAL ASSETS	$ 1,029,531	$ 4,135,434
LIABILITIES		
Other liabilities	$ -	$ 4,135,434
TOTAL LIABILITIES	-	$ 4,135,434
NET POSITION		
Held in trust for fire department pension and other purposes	1,029,531	
TOTAL NET POSITION	$ 1,029,531	

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

TOOELE CITY CORPORATION
STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS
For the Fiscal Year ended June 30, 2023

	Pension Trust
ADDITIONS	
Contributions:	
Employer	$ 64,636
Investment earnings:	
Interest income	81,748
TOTAL ADDITIONS	146,384
DEDUCTIONS	
Benefits	41,326
TOTAL DEDUCTIONS	41,326
CHANGE IN NET POSITION	105,058
NET POSITION - BEGINNING OF YEAR	924,473
NET POSITION - END OF YEAR	$ 1,029,531

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - CUSTODIAL FUND
For the Fiscal Year ended June 30, 2023

ASSETS	**Balance at Beginning of the Year**	**Additions**	**Deductions**	**Balance at End of the Year**
Cash and cash equivalents	$ 3,979,064	$ 1,422,529	$ (1,266,159)	$ 4,135,434
TOTAL ASSETS	$ 3,979,064	$ 1,422,529	$ (1,266,159)	$ 4,135,434
LIABILITIES				
Accounts payable	$ 150	$ 1,206,906	$ (1,207,056)	$ -
Refunds payable and others	3,978,914	1,425,194	(1,268,674)	4,135,434
TOTAL LIABILITIES	$ 3,979,064	$ 2,632,100	$ (2,475,730)	$ 4,135,434

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

1. THE REPORTING ENTITY

Tooele City Corporation (the "City") is a municipal corporation and is the only city in Utah administered under a "home rule charter" created under the Constitution of the State of Utah. All other cities and towns in Utah operate under forms of government established by the Legislature. The Charter, which was approved by voters in 1965, allows Tooele City to operate under its own rules of administration. The City Charter can only be changed by approval of the voters in a municipal election. The City operates under a Council-Manager form of government and provides the following services: Public Safety (Police and Fire), Highways and Streets, Wastewater, Water, Public Library, Parks, Public Improvements, Planning and Zoning, and General Administrative Services. The City is governed by an elected mayor and a five-member council.

The City's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the City are discussed below.

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

Blended component units, although legally separate entities, are in substance, part of the government's operations. The annual financial report includes the financial activities of Tooele City Corporation (the primary government), and its blended component units, which are the Downtown Redevelopment Agency, the Depot Redevelopment Agency, and the Municipal Building Authority of Tooele City Corporation. Financial information for the City and these component units is accounted for in the accompanying financial statements in accordance with principles defining the governmental reporting entity adopted by GASB. The City Council members, in a separate session, serve as the governing board of each component unit of the City and, as such, these entities are presented on a blended basis. Separate financial information can be obtained from the City. All blended component units have a June 30 year end and are as follows:

The Downtown Redevelopment Agency was created by the City during fiscal year 1984. The Agency uses tax increment financing to support redevelopment projects within the downtown business district. The Agency is governed by the City's Mayor and City Council. Because the Agency's governing body is the same as that of the City, the financial data is included in the reporting entity using the blended method.

The Depot Redevelopment Agency was created by the City during fiscal year 1997. The agency uses tax increment financing to support redevelopment projects in the properties granted to the City by the Department of Defense. The Agency is governed by the City's Mayor and City Council. Because the Agency's governing body is the same as that of the City, the financial data is included in the reporting entity using the blended method.

The Municipal Building Authority of Tooele City was created by the City during fiscal year 1995. The Authority uses the proceeds of its tax exempt bonds to finance the construction or acquisition of general capital assets for the City. The bonds are secured by a lease agreement between the Municipal Building Authority, Utah State University, and Tooele City, and will be retired through lease payments. The Municipal Building Authority's fund structure is comprised of a general fund. The Authority is governed by the Mayor and City Council. Because the Agency's governing body is the same as that of the City, the financial data is included in the reporting entity using the blended method.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide Financial Statements

The City's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. These statements present summaries of Governmental and Business-Type Activities for the City accompanied by a total column. Fiduciary activities of the City are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets and liabilities, including capital assets as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The types of transactions reported as program revenues for the City are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column.

Government Fund Financial Statements

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.

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except for revenues that are subject to accrual (generally received within 60 days after year-end) which are recognized when due. The primary revenue sources, which have been treated as available for accrual by the City, are property tax, sales tax, intergovernmental revenues, and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

The City reports the following funds:

(1) Governmental Fund Types

Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds.

a. *General Fund* - The general fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

b. *Capital Projects Funds* - The capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and special revenue funds. The specific capital projects funds are the Park Improvements Fund, Public Safety Capital Projects Fund, and the Capital Projects Fund.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

<u>Government Fund Financial Statements (continued)</u>

(1) Governmental Fund Types (continued)

c. *Special Revenue Funds* - The special revenue funds are used to account for specific revenues that are legally restricted or committed to expenditure for specific purposes other than debt service or capital projects. The special revenue funds are the Class "C" Road Fund, Municipal Building Authority Fund, Par Tax Fund,, and the Depot Redevelopment Agency Fund.

d. *Debt Service Fund* - The debt service fund is used to account for resources that will be used to service general long-term debt, other than those payable from enterprise funds.

(2) Proprietary Fund Type

Proprietary Fund Financial Statements include a Statement of Net Position, Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and nonmajor funds aggregated.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as investment earnings, result from non-exchange transactions or ancillary activities.

(3) Fiduciary Fund Type

Fiduciary Fund Financial Statements include a Statement of Net Position. The City’s Fiduciary funds represent Pension Trust funds and Agency funds, which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency and the proprietary funds are accounted for on a spending or “economic resources” measurement focus and the accrual basis of accounting.

<u>Use of Restricted Funds</u>

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

<u>Modified Accrual</u>

All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. “Measurable” means the amount of the transaction can be determined. “Available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City defined the length of time used for “available” for purposes of revenue recognition in the governmental fund financial statements to be 60 days.

<u>Budgetary Procedures and Budgetary Accounting</u>

Budgetary procedures for the City have been established by the Uniform Fiscal Procedures Act adopted by the State of Utah, which requires a legal adoption of an annual budget for all funds. The City Council can amend the budget to any extent, provided the budgeted expenditures do not exceed revenues and appropriated fund balance. Furthermore, in accordance with state law, all appropriations, except capital projects fund appropriations, lapse at the end of the budget year. The basis of accounting applied to each fund budget is the same basis as the related fund's financial statements. Amendments to budgets, both governmental and proprietary, were made through legal budget amendment procedures.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

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

Restricted Cash

Certain resources set aside for bond repayment are classified as restricted cash on the balance sheet because their use is limited by applicable bond covenants. Other cash accounts are restricted by local ordinance and limitations on their usage.

Interfund Transactions

During the course of operations, transactions occur that result in amounts owed to a particular fund by another fund, other than for goods provided or services rendered. These receivables and payables are due within one year and are classified as "due from or to other funds" on the statement of net position.

Capital Assets

Capital assets include land, water stock, buildings, improvements other than buildings, furniture, fixtures and equipment and infrastructure (roads, bridges, storm drainage, and sidewalks). These assets are reported in the government-wide financial statements in the relevant column on the statement of net position under governmental or business-type activities. Proprietary fund capital assets are also reported in the appropriate fund statements. Capital assets acquired by governmental funds are recorded as expenditures in the governmental fund financial statements. The capitalization threshold for personal property is defined to be assets with a useful life of at least one year and costing at least $1,000; real property thresholds vary by type of asset. Assets purchased or constructed are recorded at cost. Donated capital assets are recorded at their estimated fair value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. 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.

Buildings, improvements, machinery, automobiles, and furniture and equipment of the City are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	40
Improvements other than buildings	40
Machinery and equipment	7
Automobiles and trucks	5-15
Office furniture and equipment	3-5
Infrastructure - curb, gutter, sidewalks and streetlights	50
Infrastructure - storm drains and waterlines	40
Infrastructure - roads, bridges, and right of way	20

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 position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. 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 position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources (continued)

In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has three types of items reported in this category, including unavailable revenues from property taxes, deferred inflows related to OPEB, and deferred inflows related to pensions. Unavailable revenues are deferred and recognized as an inflow of resources in the period in which the amounts become available. Deferred inflows related to pensions and OPEB arise from differences between expected and actual experience, changes of assumptions, difference between projected and actual earnings, changes in proportionate share and contributions subsequent to the measurement date.

Long-Term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the proprietary fund statements and the government-wide statements (either governmental activities or business-type activities, as applicable). Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable premiums and discounts. Issuance costs are expensed in the period incurred.

In the governmental fund financial statements, bond premiums, discounts and issuance costs are recognized during the current period. The face amount of debt issued and any premiums received are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

Compensated Absences

For governmental funds, amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported as liabilities in the government-wide statement of net position and as expenses in the government-wide statement of activities. No expenditures are reported for these amounts in the fund financial statements. Vested or accumulated unpaid vacation pay of proprietary funds is recorded as an expense and a liability of those funds as the benefits accrue to the employees and are recorded in both the government-wide financial statements and the individual fund financial statements. Sick pay, which does not vest, is recorded as an expense in all funds when leave is taken.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the government to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Taxes and Other Significant Revenues

Property tax is levied by the City and collected by the county governments in the State of Utah. The City Council is authorized by state statute (10-6-133) to levy taxes up to a certified rate of the taxable value against all real and personal property located within its boundaries. Property taxes become a lien on January 1 and are levied on the first Monday of October. Taxes are due and payable on November 1 and delinquent after November 30 of each year.

Under state statute, the County Treasurer, acting as a tax collector, must settle and disburse all current tax collections to all taxing units by the end of March following the taxing year. Delinquent taxes are collected throughout the year and disbursed to the taxing units on a quarterly basis.

Property tax revenues are recognized when they become measurable and available. Available includes those property taxes collected from the taxpayers by the County Treasurer by June 30 of each year. Amounts that are measurable but not available are recorded as deferred inflows of resources. An accrual was made for property taxes receivable and an offsetting unavailable revenue amount were recorded at June 30, 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxes and Other Significant Revenues (continued)

Sales taxes are collected by the State Tax Commission and remitted to the City monthly. Franchise fees are collected by telephone, electric, natural gas, and cable television companies and remitted to the City periodically. Local option sales taxes are collected by the State Tax Commission and remitted to the City and recorded as revenue and then passed on as an expenditure to the Utah Transit Authority.

Fund equity

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

Nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact.

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

Committed fund balance classification include those funds that can only be used for specific purposes pursuant to constraints imposed by formal action of the City Council and remain binding unless removed in the same manner.

Assigned fund balance classification includes amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, as established by the City Council. Assigned fund balance also includes all remaining amounts that are reported in Governmental Funds, other than the General Fund that are not classified as nonspendable, restricted nor committed, or those that are intended to be used for specific purposes.

Unassigned fund balance classification is the residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund balances. Additionally, in other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, the City reports a negative unassigned fund balance for those respective amounts.

The City uses restricted amounts to be spent first when both restricted and unrestricted fund balances are available, unless there are legal documents/contracts that prohibit the use of restricted fund balance, such as grant agreements that require a dollar match. Additionally, the City would then use committed, assigned, and lastly unassigned amounts from the restricted fund balance when expending funds.

Minimum Fund Balance

The City follows the State of Utah's minimum fund balance requirement of 5% of total revenues.

Pensions

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

3. DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. Cash includes amounts in demand deposits including the portion of the Utah State Treasurer's investment pool that is considered a demand deposit. Investments are stated at fair value. Each fund's portion of this pool is displayed on the combined balance sheet as "cash and cash equivalents" which also includes cash accounts that are separately held by several of the City's funds.

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

Tooele City follows the requirements of the Utah Money Management Act (Utah Code, Section 51, Chapter 7) in handling its depository and investment transactions. The Act requires the depositing of the City's funds in a qualified depository. The Act defines qualified depository as any financial institution whose deposits are insured by an agency of the Federal Government and that 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.

Certificates of deposit investments **-** Certificates of deposit held for investment that are not debt securities are included in "Investments." Certificates of deposit with original maturities greater than three months and remaining maturities less than one year are classified as short-term. Certificates of deposit with remaining maturities greater than one year are classified as long-term. All certificates of deposit are measured at their principal balance plus any accrued interest. There were no certificates of deposit investments at June 30, 2022.

Custodial credit risk - deposits is the risk that, in the event of a bank failure, the City's deposits may not be recovered. The City's policy for managing custodial credit risk is to adhere to the Money Management Act. The Act requires all deposits of the City to be in a qualified depository, defined as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Money Management Council. At June 30, 2023, $1,000,000 of the City's bank balances of $68,758,345 was insured and collateralized.

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

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's investments are in the Utah Public Treasurer's Investment Fund, U.S. Treasuries, and qualified institutions. The City's investments have no concentration of credit risk.

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The City's policy for managing interest rate risk is to comply with the Money Management Act. Section 51–7–11 of the Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on all investments in commercial paper, bankers' acceptances, fixed rate negotiable deposits, and fixed rate corporate obligations to 270–365 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.

3. DEPOSITS AND INVESTMENTS (CONTINUED)

The City is authorized to invest in the Utah Public Treasurer's Investment Fund (PTIF), an external pooled investment fund managed by the Utah State Treasurer and subject to the Act and Council requirements. The PTIF is not registered with the SEC as an investment company, and deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah. The PTIF operates and reports to participants on an amortized cost basis. The income, gains and losses (net of administration fees) of the PTIF are allocated based upon the City's' average daily balances. As of June 30, 2022, the fair value per share factor for investments in the PTIF was .99586858. This resulted in a fair value adjustment for the current year of ($259,807).

In accordance with the provisions of GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, investments are stated at their fair value. GASB Statement No. 31 requires that certain investments be reported at fair value and that investment income includes changes in the fair value of these investments. Such changes in fair value are reflected in investment income in the Statement of Revenues, Expenses, and Changes in net position for the Utah State Treasurer's investment pool accounts.

Following are the City's cash on hand, on deposit, and investments at June 30, 2022:

Cash on hand and on deposit:	Fair Value	Carrying Amount	Credit Rating (1)	Weighted Average Years to Maturity (2)
Cash on hand	$ 3,335	$ 3,335	N/A	N/A
Cash on deposit	4,772,591	4,772,591	N/A	N/A
Utah State Treasurer's investment pool accounts	63,722,614	63,982,419	N/A	N/A
TOTAL CASH ON HAND AND DEPOSIT	$ 68,498,540	$ 68,758,345		

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

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

A reconciliation of the fair value of cash on hand and deposit to the financial statements is as follows:

	Fair Value
Statement of net position:	
Cash and cash equivalents	$ 46,655,207
Restricted cash and cash equivalents	16,678,368
Fiduciary funds:	
Restricted cash and cash equivalents, pension fund	1,029,531
Restricted cash and cash equivalents, agency trust	4,135,434
FAIR VALUE OF CASH ON HAND AND DEPOSIT	$ 68,498,540

Fair value measurement

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles and in accordance with GASB Statement No. 72, *Fair Value Measurement and Application.* The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of June 30, 2023:

- Temporary investment funds (PTIF) of $63,722,614 are valued using significant observable inputs (Level 2 inputs). The inputs use the application of the June 30, 2023 fair value as calculated by the Utah State Treasurer, to the City's average daily balance in the Fund.

There were no changes in the valuation techniques used to determine the fair value of these financial instruments during the fiscal year ended June 30, 2023.

TOOELE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
For the Year ended June 30, 2023

4. INTANGIBLE ASSETS

The Water Fund maintains intangible assets consisting of water stocks. These intangible assets are stated at cost and are included in property and equipment of the City, consistent with GASB 51. As of June 30, 2023, the costs of these water stocks were as follows:

	Shares Owned	Cost
Middle Canyon Water Company	461.5	$ 15,034
Settlement Canyon Water Company	711.0	78,150
INVESTMENT IN WATER STOCK		$ 93,184

5. RESTRICTED ASSETS

As of June 30, 2023, certain of the City's cash and cash equivalents are restricted for the following purposes:

Funds and Purpose	Restricted Amount
General Fund for debt service payments	$ 540,942
Depot Redevelopment Agency Fund:	
Debt service payments	4,460,315
Water Fund:	
Funds held by trustee for debt service	409,619
Sewer Fund:	
Funds held by trustee for debt service	552,652
Other Nonmajor Funds:	
Construction, debt service and other uses	10,714,840
Pension and Agency Fund's:	
Held in trust for fire department and others	5,164,965
Total restricted cash and cash equivalents	$ 21,843,333

6. ALLOWANCE FOR DOUBTFUL ACCOUNTS

The City estimates allowances for doubtful accounts for proprietary funds based off management experience and historical collection rates. The allowance for doubtful accounts at June 30, 2023 is as follows:

Funds	Allowance
Water fund - major enterprise fund	$ 8,751
Sewer fund - major enterprise fund	934
Garbage Utility Fund - major enterprise fund	452
Nonmajor enterprise funds	138
	$ 10,275

7. INTERFUND PAYABLES AND RECEIVABLES

Funds which have overdrawn their share of pooled cash show a due to other funds on the balance sheet for the amount of the overdraft. Funds which management selected because of their strong cash position show an offsetting due from other funds on the balance sheet.

7. INTERFUND PAYABLES AND RECEIVABLES (CONTINUED)

Funds which had overdrawn their share of pooled cash and the offsetting funds as of June 30, 2023 were as follows:

Receivable Fund	Payable Fund		Amount
General Fund	Debt Service Fund		$ 164,716
Park Improvements	Debt Service Fund		5,726
Depot RDA Fund	Debt Service Fund		46,086
Road C Maintenance	Debt Service Fund		76,364
Municipal Building Fund	Debt Service Fund		7,061
		Total	$ 299,953

8. CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2023 is as follows:

	Balance at June 30, 2022	Increases	Decreases	Balance at June 30, 2023
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 5,714,218	$ 299,245	$ -	$ 6,013,463
Total capital assets not being depreciated	5,714,218	299,245	-	6,013,463
Capital assets being depreciated:				
Buildings	27,912,092	1,052,806	-	28,964,898
Improvements other than buildings	13,858,886	1,034,092	-	14,892,978
Office furniture and equipment	2,175,877	59,012	-	2,234,889
Machinery and equipment	4,775,696	253,598	(4,500)	5,024,794
Automobiles and trucks	8,523,692	553,860	(160,932)	8,916,620
Infrastructure	116,173,117	7,555,543	-	123,728,660
Total capital assets being depreciated	173,419,360	10,508,911	(165,432)	183,762,839
Less accumulated depreciation for:				
Buildings	(10,108,326)	(617,021)	-	(10,725,347)
Improvements other than buildings	(6,155,727)	(267,918)	-	(6,423,645)
Office furniture and equipment	(1,966,689)	(193,832)	-	(2,160,521)
Machinery and equipment	(3,460,222)	(244,654)	4,500	(3,700,376)
Automobiles and trucks	(5,455,610)	(487,787)	160,932	(5,782,465)
Infrastructure	(45,646,423)	(4,886,427)	-	(50,532,850)
Total accumulated depreciation	(72,792,997)	(6,697,639)	165,432	(79,325,204)
Total capital assets being depreciated, net	100,626,363	3,811,272	-	104,437,635
Governmental activities capital assets, net	$ 106,340,581	$ 4,110,517	$ -	$ 110,451,098

8. CAPITAL ASSETS (CONTINUED)

For the year ended June 30, 2023, depreciation expense was charged to functions of the City as follows:

Governmental activities:	
General government	$ 5,489,006
Public safety	650,279
Highways and streets	228,817
Parks and recreation	329,537
Total depreciation expense, governmental activities	$ 6,697,639

The Enterprise Funds' capital assets consist of the following at June 30, 2023:

	Balance at June 30, 2022	Increases	Decreases/ Reclassifications	Balance at June 30, 2023
Business-type activities				
Capital assets not being depreciated:				
Investment in water stock	$ 93,184	$ -	$ -	$ 93,184
Land	2,833,937	-	-	2,833,937
Water rights	37,475,332	1,299,200	-	38,774,532
Construction in progress	6,048,315	4,784,530	-	10,832,845
Total capital assets not being depreciated	46,450,768	6,083,730	-	52,534,498
Capital assets, being depreciated:				
Buildings	8,868,715	1,159,526	-	10,028,241
Improvements other than buildings	98,744,036	5,079,586	-	103,823,622
Office furniture and fixtures	74,601	-	-	74,601
Machinery and equipment	4,900,272	342,536	-	5,242,808
Automobiles and trucks	1,830,311	44,800	(222,534)	1,652,577
Infrastructure	13,256,354	2,122,374	-	15,378,728
Total capital assets being depreciated	127,674,289	8,748,822	(222,534)	136,200,577
Less accumulated depreciation for:				
Buildings	(4,236,219)	(174,486)	-	(4,410,705)
Improvements other than buildings	(43,380,303)	(2,215,522)	-	(45,595,825)
Office furniture & fixtures	(74,601)	-	-	(74,601)
Machinery and equipment	(3,525,801)	(222,690)	-	(3,748,491)
Automobiles and trucks	(1,151,499)	(83,701)	222,534	(1,012,666)
Infrastructure	(1,795,676)	(293,808)	-	(2,089,484)
Total accumulated depreciation	(54,164,099)	(2,990,207)	222,534	(56,931,772)
Total capital assets being depreciated, net	73,510,190	5,758,615	-	79,268,805
Business-type activities, net	$ 119,960,958	$ 11,842,345	$ -	$ 131,803,303

8. CAPITAL ASSETS (CONTINUED)

For the year ended June 30, 2022, depreciation expense was charged to business-type activities of the City as follows:

Business-type activities:		
Water fund	$	1,550,878
Sewer fund		1,120,564
Garbage utility fund		81
Storm water fund		296,835
Street light fund		21,849
Total depreciation expense, business-type activities	$	2,990,207

9. LONG-TERM DEBT

The following is a summary of transactions affecting long-term liabilities for the year ended June 30, 2023:

	Balance at June 30, 2022	Additions	Reductions & Deletions	Balance at June 30, 2023	Due Within One Year
Governmental Activities:					
Revenue bonds payable	$ 32,186,000	$ -	$ (5,689,000)	$ 26,497,000	$ 1,847,000
Net OPEB obligations	2,393,883	234,050	-	2,627,933	-
Net pension liability	-	2,027,920	-	2,027,920	-
Financed equipment obligation	165,386	-	(52,002)	113,384	56,476
Grantsville legal settlement	1,522,420	-	(78,000)	1,444,420	81,000
Compensated absences	681,887	36,073	-	717,960	-
Deferred amounts:					
Unamortized bond premiums	269,658	-	(28,385)	241,273	-
Unamortized bond discounts	(23,201)	-	2,439	(20,762)	-
Loss on defeasance*	(384,237)	-	84,185	(300,052)	-
Total governmental long-term liabilities	$ 36,811,796	$ 2,298,043	$ (5,760,763)	$ 33,349,076	$ 1,984,476

	Balance at June 30, 2022	Additions	Reductions & Deletions	Balance at June 30, 2023	Due Within One Year
Business-type Activities:					
Revenue bonds payable	$ 5,237,000	$ -	$ (615,999)	$ 4,621,001	$ 635,000
Net OPEB obligations	105,784	10,342	-	116,126	-
Net pension liability	-	222,823	-	222,823	-
Financed equipment obligation	203,157	-	(48,396)	154,761	49,526
Compensated absences	59,035	6,406	(5,771)	59,670	-
Deferred amounts:					
Loss on defeasance*	(45,114)	-	12,590	(32,524)	-
Total business-type long-term liabilities	$ 5,559,862	$ 239,571	$ (657,576)	$ 5,141,857	$ 684,526

* Denotes amount that is included in the deferred outflows of resource in the accompanying statement of net position.

9. LONG-TERM DEBT (CONTINUED)

Government-type activities:	Current Outstanding Balances
On January 5, 2012, the City issued $9,400,000 in Sales Tax Refunding Bonds (Series 2012) at interest rates from 2.00% to 5.00% with a final maturity date of October 1, 2031. Principal payments are due annually with interest payments due on April 1 and October 1 of each year. The bonds were issued to partially advance refund the 2002 Sales Tax Revenue Bonds and to pay the costs of issuing the Series 2012 bonds. The total principal and interest remaining on the defeased bonds was $4,595,000. The 2012 bonds maturing before October 1, 2022 are not subject to redemption at the option of the City. The 2012 bonds maturing on or after October 1, 2022 are subject to optional redemption in whole or in part on or after October 1, 2021 at the option of the City at a redemption price equal to 100% of the principal amount of the Series 2012 Bonds to be redeemed plus accrued interest up to the date of redemption. The Series 2012 Bonds maturing on October 1, 2031 are subject to mandatory sinking fund redemption at a price equal to 100% of the principal amount thereof, plus accrued interest thereon to the date of redemption.	$ 4,300,000
On August 27, 2015, the City issued $4,778,000 in Sales Tax Revenue Refunding Bonds (Series 2015) at an interest rate of 2.060% with a final maturity date of December 1, 2024. Principal payments are due annually with interest payments due on June 1st and December 1st, beginning December 1, 2015. The bonds were issued to advance refund the 2005 Lease Revenue Refunding Bonds and to pay the costs of issuing the 2015 bonds. This advance refunding was undertaken to reduce the total debt service payments by approximately $326,621 over a 9 year period, and resulted in an overall economic gain of $294,894. The deferred loss of $91,512 is being amortized over what would have been the remaining life of the series 2005 bonds.	1,043,000
On August 15, 2015, the City issued $4,508,000 in Franchise Tax Revenue Refunding Bonds (Series 2015) at an interest rate of 2.296% with a final maturity date of November 1, 2027. Principal payments are due annually with interest payments due on May 1st and November 1st beginning November 1, 2015. The bonds were issued to advance refund the 2008 Franchise Tax Revenue Bonds and to pay the costs of issuing the 2015 bonds. This advance refunding was undertaken to reduce the total debt service payments by approximately $273,172 over a 14-year period, and resulted in an overall economic gain of $232,290. The deferred loss of $498,198 is being amortized over the life of the Series 2015 Franchise Tax Revenue Refunding Bonds.	1,879,000
On July 28, 2016, the City issued $11,350,000 in Sales Tax Revenue Bonds, (Series 2016) at interest rates ranging from 2.32% to 3.40%, with a final maturity at December 1, 2036. Principle payments are due annually with interest payments due on December 1 and June 1 of each year. The proceeds from the bond issuance were used to pay the remaining balance of the Tooele Associates legal settlement during fiscal year end 2017, where $10,852,958 was paid to principle and $233,042 was paid to interest.	10,905,000
On October 16, 2015, the City issued $5,084,000 in Franchise Tax Revenue Bonds (Series 2015B) at interest rates from 1.32% to 4.48% with a final maturity date of November 1, 2035. Principal payments are due annually with interest payments due on May 1st and November 1st, beginning May 1, 2016. During the fiscal year ended June 30, 2023 the City paid this bond in full.	-
On April 9, 2019, the City issued $9,000,000 in Lease Revenue Bonds, (Series 2019) at an interest rate of 2.50% with a final maturity date of February 1, 2050. Interest on the bonds is payable annually on each February 1, beginning on February 1, 2021. The Series 2019 Bonds were issued with a final maturity date of February 1, 2050, and are subject to annual Mandatory Sinking Fund redemptions beginning on February 1, 2021.	8,370,000
Total governmental activities - bonds	$ 26,497,000

9. LONG-TERM DEBT (CONTINUED)

Government-type activities (continued):	Current Outstanding Balances
During 2001, the City was served a complaint from two neighboring cities regarding the acquisition of closed portions of the Tooele Army Depot by the Redevelopment Agency of Tooele City. The complaint alleged that military closure and properties are to benefit the entire community, not just Tooele City. Tooele City responded that its actions were entirely lawful, consistent with military closure law, and did in fact benefit the entire community through economic development and job creation. The lawsuit was settled as of the fiscal year ended June 30, 2011. Terms of the settlement included the Redevelopment Agency paying $100,000 to the neighboring cities as well as agreeing to pay a significant portion of the debt service (principal and interest) on a 25-year, $2,500,000 bond for the City of Grantsville to be used in the construction of a library building. The original liability due from the Redevelopment Agency totaled $2,150,000. The settlement agreement requires the Redevelopment Agency to additionally pay interest in the amount of 2.5% per annum on the liability. The annual payments due from the settlement agreement began on October 1, 2013 and continue through October 1, 2037.	$ 1,444,420
Total governmental activities - Grantsville Legal Settlement	$ 1,444,420
On June 15, 2019, the City entered into a contract to finance the purchase of equipment at an interest rate of 4.88% with a final maturity date of July 15, 2024. Principal and interest payments are due annually on June 15 of each year.	$ 90,804
On August 6, 2020, the City entered into a contract to finance the purchase of equipment at an interest rate of 6.002% with a final maturity date of November 30, 2024. Principal and interest payments are due annually on November 30 of each year.	22,580
Total governmental activities - financed equipment obligations	$ 113,384

Business-type activities:	Current Outstanding Balances
In December 2010, Tooele City issued Sewer Revenue C.I.B. Bonds Series 2010 in the amount of $4,600,000 with original interest rates of 4.50%. The bonds mature on September 1, 2036, with interest-only payments beginning September 1, 2011, and both principal and interest payments due annually on September 1 for the remainder of the bond term.	$ 3,172,000
On October 5, 2011, the City issued $5,753,000 in Water Revenue Refunding Bonds (Series 2011) at an interest rate of 3.10% with a final maturity date of April 1, 2026. Principal payments are due annually with interest payments due on April 1 and October 1 of each year. The bonds were issued to partially advance refund the 2006 Water Revenue Refunding Bonds and to pay the costs of issuing the Series 2011 bonds. The total principal and interest remaining on the defeased bonds was $6,278,952. The 2011 bonds maturing before October 1, 2020 are not subject to redemption at the option of the City. The 2011 bonds maturing between October 1, 2020 and September 30, 2021 are subject to optional redemption at 102% of par. The 2011 bonds maturing between October 1, 2021 and September 30, 2022 are subject to optional redemption at 101% of par. Commencing October 1, 2022, the Bonds will be subject to redemption at par value.	1,449,001
On October 28, 2021, the City entered into a contract to finance the purchase of equipment at an interest rate of 2.335% with a final maturity date of November 25, 2026. Principal and interest payments are due annually on November 25 of each year.	154,761
Total business-type activities - bonds	$ 4,775,762

9. LONG-TERM DEBT (CONTINUED)
In accordance with GASB 88, *Certain Disclosures related to Debt, Including Direct Borrowings and Direct Placements,* the City has reported separately below the debt obligations, including direct placements. Direct placements have terms negotiated directly with the investor or lender and are not offered for public sale.

Future payments for principal and interest are as follows:

Governmental Activities:

	Bonds		Bonds from Direct Placements	
Year Ending June 30,	Principal	Interest	Principal	Interest
2024	$ 755,000	$ 506,794	$ 1,092,000	$ 415,599
2025	780,000	478,026	1,125,000	382,803
2026	1,460,000	440,044	608,000	348,463
2027	1,495,000	392,337	621,000	318,162
2028	1,080,000	349,883	637,000	294,097
2029-2033	5,645,000	1,151,715	1,313,000	1,188,493
2034-2038	3,990,000	276,048	1,486,000	783,165
2039-2043	-	-	1,681,000	510,250
2044-2048	-	-	1,902,000	294,750
2048-2050	-	-	827,000	61,775
TOTAL DEBT	$ 15,205,000	$ 3,594,847	$ 11,292,000	$ 4,597,557

Unamortized premiums	$ 241,273
Loss on defeasance	(300,052)
TOTAL	$ 26,438,221

	Financed equipment obligation	
Year Ending June 30,	Principal	Interest
2024	$ 54,293	$ 3,531
2025	59,091	685
2026	-	-
TOTAL DEBT	$ 113,384	$ 4,216

9. LONG-TERM DEBT (CONTINUED)

Business-type Activities:

	Bonds		Bonds from Direct Placements	
Year Ending June 30,	Principal	Interest	Principal	Interest
2024	$ -	$ -	$ 635,000	$ 180,405
2025	-	-	660,000	158,119
2026	-	-	679,000	135,038
2027	-	-	191,000	119,115
2028	-	-	200,000	110,520
2029-2033	-	-	1,142,000	409,320
2034-2037	-	-	1,114,001	128,160
TOTAL DEBT	$ -	$ -	$ 4,621,001	$ 1,240,677

Unamortized premiums	$ -
Loss on defeasance	(32,524)
TOTAL	$ 4,588,477

Business-type Activities:

	Financed equipment obligation	
Year Ending June 30,	Principal	Interest
2024	$ 49,526	$ 3,614
2025	50,683	2,458
2026	54,552	1,274
2027	-	-
TOTAL DEBT	$ 154,761	$ 7,346

Changes to the City's long-term debt as of June 30, 2023 are as follows:

Governmental Activities:	Balance at June 30, 2022	Additions	Reductions & Deletions	Balance at June 30, 2023	Due Within One Year
General bonds	$ 15,925,000	$ -	$ (720,000)	$ 15,205,000	$ 720,000
Financed equipment obligation	165,386	-	(52,002)	113,384	56,476
Bonds from direct placement	16,261,000	-	(4,969,000)	11,292,000	1,127,000
Total governmental long-term liabilities	$ 32,351,386	$ -	$ (5,741,002)	$ 26,610,384	$ 1,847,000

Business-type Activities:	Balance at June 30, 2022	Additions	Reductions & Deletions	Balance at June 30, 2023	Due Within One Year
Financed equipment obligation	203,157	-	(48,396)	154,761	49,526
Bonds from direct placement	$ 5,237,000	$ -	$ (616,000)	$ 4,621,000	$ 635,000
Total business-type long-term liabilities	$ 5,440,157	$ -	$ (664,396)	$ 4,775,761	$ 684,526

9. LONG-TERM DEBT (CONTINUED)

	Governmental Activities - Grantsville Legal Settlement	
Year Ending June 30,	Principal	Interest
2024	$ 81,000	$ 36,125
2025	83,000	34,100
2026	84,000	32,025
2027	87,000	29,925
2028	89,000	27,750
2029-2033	479,000	104,275
2034-2038	541,420	41,325
2039-2043	-	-
TOTAL DEBT	$ 1,444,420	$ 305,525

The City is not obligated in any manner for special assessment debt.

10. PRIOR-YEAR DEFEASANCE OF DEBT

In prior years, the City defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account, assets and liability for the defeased bonds are not included in the financial statements of the reporting entity. At June 30, 2023, bonds totaling $11,740,000 from the City are considered defeased. The deferred charge on refunding reported in the government-wide statement of net position and proprietary funds under deferred outflows of resources results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is accreted over the shorter of the life of the refunded or refunding debt. As of June 30, 2023, the City had deferred outflows of resources related to refunding of debt in the amount of $332,576.

11. DEFERRED INFLOW OF RESOURCES-UNAVAILABLE PROPERTY TAXES

Property taxes in the governmental funds are recorded using the modified accrual basis of accounting, wherein revenues are recognized when they are both measurable and available (expected to be received within 60 days). Property taxes attach as an enforceable lien on property as of the first day of January. Taxes are levied on October 1, and then are due and payable on November 30. Since the property tax to be levied on October 1, 2021 is not expected to be received within 60 days after the year ended June 30, 2023, the City records unearned revenues of the estimated amount of the total property tax.

12. INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2023 are as follows:

	Individual Fund Reconciliation	
	In	Out
Governmental:		
General Fund	$ 30,000	$ (5,547,747)
Depot RDA	-	(402,410)
Debt Service Fund	2,619,092	-
Park Capital Projects	-	-
Capital Projects Fund	4,498,749	(30,000)
Public Safety Capital Projects Fund		(150,000)
Class C Road Fund	-	(666,789)
Municipal Building	281,475	(808,951)
Downtown RDA	-	-
Park Improvements	-	(50,000)
Sewer Fund	226,581	-
Total Governmental	$ 7,655,897	$ (7,655,897)

12. INTERFUND TRANSFERS (CONTINUED)

Detailed descriptions of the interfund transfers for the year ended June 30, 2023 are as follows:

Transfers are used to: (1) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; (2) move receipts restricted to or allowed for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due; and (3) move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

13. RETIREMENT PLANS

General Information About the Pension Plan

Plan Description

Eligible plan participants are provided with pensions through the Utah Retirement Systems. Utah Retirement Systems are comprised of the following Pension Trust Funds:

Defined Benefit Plans

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

• Public Safety Retirement System (Public Safety System) is a cost-sharing, multiple-employer public employee retirement system;

• Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System) is a multiple employer, cost sharing public employee retirement system;

• Tier 2 Public Safety and Firefighter Contributory Retirement System (Tier 2 Public Safety and Firefighters System) is a multiple employer, cost sharing, public employee retirement system.

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with any of the 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 E. 200 S., Salt Lake City, Utah 84102 or visiting the website: www.urs.org/general/publications.

13. RETIREMENT PLAN (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 Percent Per Year of Service	COLA**
Noncontributory	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% to 4% depending upon employer
Firefighters System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 4%
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.50% 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 2020 2.00% per year July 2020 to present	Up to 2.5%

**Actuarial reductions are applied.*

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

Contribution Rate Summary

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

Contribution rates as of June 30, 2023 are as follows:

Utah Retirement Systems	Employee	Employer	Employer 401(k)
Contributory System:			
111 Local Government Division - Tier 2	N/A	16.01%	0.18%
Noncontributory System:			
15 Local Government Division - Tier 1	N/A	17.97%	N/A
Public Safety Systems:			
Contributory			
122 Tier 2 DB Hybrid Public Safety	2.59%	25.83%	N/A
Noncontributory			
43 Other Div. A with 2.5% COLA	N/A	34.04%	N/A
Firefighters Retirement System			
31 Other Division A	15.05%	3.61%	N/A
132 Tier 2 DB Hybrid Firefighters	2.59%	14.08%	N/A

13. RETIREMENT PLAN (CONTINUED)

Tier 2 DC Only			
211 Local Government	N/A	6.69%	10.00%
222 Public Safety	N/A	11.83%	14.00%
232 Firefighters	N/A	0.08%	14.00%

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

For fiscal year ended June 30, 2023, the employer and employee contributions to the Systems were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	$ 580,397	-
Public Safety System	456,914	-
Firefighters System	3,845	16,031
Tier 2 Public Employees System	495,925	-
Tier 2 Public Safety and Firefighter	474,009	48,035
Tier 2 DC Only System	42,568	-
TOTAL CONTRIBUTIONS	$ 2,053,658	$ 64,066

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 Deferred Inflows of Resources Related to Pensions

At June 30, 2023, we reported a net pension asset of $37,291 and a net pension liability of $2,250,743. These balances are broken out by system as follows:

	(Measurement Date): December 31, 2022				
System	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2021	Change (Decrease)
Noncontributory System	$ -	$ 699,240	0.4082560%	0.4108123%	-0.0025563%
Public Safety System	-	1,370,953	1.0602273%	0.9549828%	0.1052445%
Firefighters System	37,291	-	0.1435920%	0.0000000%	0.0000000%
Tier 2 Public Employees System	-	131,110	0.1204066%	0.1056240%	0.0147826%
Tier 2 Public Safety and Firefighter System	-	49,440	0.5926319%	0.6048173%	-0.0121854%
	$ 37,291	$ 2,250,743			

The net pension asset and liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2022, 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, 2023 the City recognized pension expense of $1,312,973.

13. RETIREMENT PLAN (CONTINUED)

At June, 30, 2023 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	$ 317,955	$ 21,788
Changes in assumptions	229,833	8,078
Net difference between projected and actual earnings on pension plan investments	893,124	-
Changes in proportion and differences between contributions and proportionate share of contributions	122,660	49,392
Contributions subsequent to the measurement date	1,034,339	-
TOTAL DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES	$ 2,597,911	$ 79,258

$1,034,339 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, 2022.

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
2023	$ (247,037)
2024	(14,046)
2025	355,211
2026	1,312,086
2027	13,965
Thereafter	64,134

Noncontributory System Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2023, we recognized pension expense of $360,365.

At June 30, 2023, 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	$ 237,172	$ -
Changes in assumptions	114,596	2,792
Net difference between projected and actual earnings on pension plan investments	461,226	-
Changes in proportion and differences between contributions and proportionate share of contributions	14,424	-
Contributions subsequent to the measurement date	282,272	-
TOTAL DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES	$ 1,109,690	$ 2,792

13. RETIREMENT PLAN (CONTINUED)

$282,272 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, 2022.

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
2023	$ (90,411)
2024	21,478
2025	185,256
2026	708,304
2027	-
Thereafter	-

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

For the year ended June 30, 2023, we recognized pension expense of $507,405.

At June 30, 2023, 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	$ 6,070	$ -
Changes in assumptions	36,770	-
Net difference between projected and actual earnings on pension plan investments	317,766	-
Changes in proportion and differences between contributions and proportionate share of contributions	78,068	-
Contributions subsequent to the measurement date	229,684	-
TOTAL DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES	$ 668,358	$ -

$229,684 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, 2022.

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
2023	$ (158,009)
2024	(54,111)
2025	132,466
2026	518,328
2027	-
Thereafter	-

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

For the year ended June 30, 2023, we recognized pension expense of ($20,244).

13. RETIREMENT PLAN (CONTINUED)

At June 30, 2023, 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	$	6,580	$	191
Changes in assumptions		4,635		-
Net difference between projected and actual earnings on pension plan investments		9,977		-
Changes in proportion and differences between contributions and proportionate share of contributions		-		35,939
Contributions subsequent to the measurement date		1,924		-
TOTAL DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES	$	23,116	$	36,130

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

$1,924 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, 2022.

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
2023	$	(10,307)
2024		(6,829)
2025		(3,236)
2026		5,435
2027		-
Thereafter		-

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

For the year ended June 30, 2023, we recognized pension expense of $251,163.

At June 30, 2023, 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	$	44,284	$	5,202
Changes in assumptions		42,565		334
Net difference between projected and actual earnings on pension plan investments		52,859		-
Changes in proportion and differences between contributions and proportionate share of contributions		21,429		5,252
Contributions subsequent to the measurement date		283,699		-
TOTAL DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES	$	444,836	$	10,788

13. RETIREMENT PLAN (CONTINUED)

$283,699 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, 2022.

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
2023	$ 7,335
2024	15,664
2025	24,998
2026	47,554
2027	11,214
Thereafter	43,586

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

For the year ended June 30, 2023, we recognized pension expense of $214,284.

At June 30, 2023, 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	$ 23,849	$ 16,395
Changes in assumptions	31,267	4,952
Net difference between projected and actual earnings on pension plan investments	51,296	-
Changes in proportion and differences between contributions and proportionate share of contributions	8,738	8,202
Contributions subsequent to the measurement date	236,761	-
TOTAL DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES	$ 351,911	$ 29,549

$236,761 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, 2022.

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
2023	$ 4,356
2024	9,752
2025	15,727
2026	32,465
2027	2,751
Thereafter	20,548

13. RETIREMENT PLAN (CONTINUED)

Actuarial Assumptions

The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation:	2.50 percent
Salary increases	3.25 - 9.25 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, 2020. The retired mortality tables are developed using URS retiree experience and are based upon gender, occupation, and age as appropriate with projected improvement using 80% of the ultimate rates from the MP-2019 improvement assumption using a base year of 2020. The mortality assumption for active members is the PUB-2010 Employees Mortality Table for public employees, teachers, and public safety members, respectively.

The actuarial assumptions used in the January 1, 2022, valuation were based on an experience study of the demographic assumptions as of January 1, 2020, and review of economic assumptions as of January 1, 2021.

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.

Actuarial Assumptions (Continued)

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

	Expected Return Arithmetic Basis		
Asset Class	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
Equity securities	35%	6.58%	2.30%
Debt securities	20%	1.08%	0.22%
Real assets	18%	5.72%	1.03%
Private equity	12%	9.80%	1.18%
Absolute return	15%	2.91%	0.44%
Cash and cash equivalents	0%	-0.11%	0.00%
TOTALS	100%		5.17%
		INFLATION	2.50%
EXPECTED ARITHMETIC NOMINAL RETURN			7.67%

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.

13. RETIREMENT PLAN (CONTINUED)

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate: The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.85 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.85 percent) or 1 percentage point higher (7.85 percent) than the current rate:

System	1% Decrease (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
Noncontributory System	$ 4,406,845	$ 699,240	$ (2,398,659)
Public Safety System	4,415,162	1,370,953	(1,104,706)
Firefighters System	29,722	(37,291)	(91,675)
Tier 2 Public Employees System	572,879	131,110	(209,217)
Tier 2 Public Safety and Firefighter System	395,753	49,440	(225,796)
TOTAL	$ 9,820,361	$ 2,213,452	$ (4,030,053)

Pension Plan Fiduciary Net Position

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

Defined Contribution Savings Plans

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

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

* 401(k) Plan
* Roth IRA Plan
* Traditional

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

	2023	2022	2021
401(k) Plan			
Employer Contributions	$ 252,999	$ 275,026	$ 281,047
Employee Contributions	$ 209,225	$ 180,635	$ 145,327
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	$ 65,122	$ 60,947	$ 51,081
Traditional IRA			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	$ 10,005	$ 10,588	$ 10,243

13. RETIREMENT PLAN (CONTINUED)

Volunteer Firefighters' Length of Service Award Plan - The City offers a non-contributory pension plan for volunteer firefighters. The provisions of this Plan apply only to individuals who are or who become Volunteer Firefighters for Tooele City and who provides qualified services without compensation on or after the Effective date of July 1, 2002. Originally, the Plan was funded by the City and administered by a third party. During 2000, the City assumed administration of the Plan as a non-qualified pension trust. Custodial accounts and contracts maintained by the City to provide funding for the Plan may be treated collectively as the Trust if so elected by the City. All assets of the Trust shall remain the sole property of the City and shall be used exclusively to provide the benefits payable under this Plan, subject only to claims of general creditors of the City. Volunteer Retirement benefits are paid at retirement after age sixty-five, at $5 per month per year of service for life, and are subject to a vesting schedule. The present value for a Plan year of the retirement benefit shall not exceed the sum of $3,000 per Volunteer. Pension contributions for the years ended June 30, 2023, 2022, and 2021, were $64,636, $62,809, and $62,809, respectively. This pension plan does not issue a stand-alone financial report as the results of operations are included in the fiduciary funds found in this report.

All benefits provided by the Volunteer Firefighters' Length of Service Award Plan shall be unfunded and provided directly from assets and investments of the City. Nevertheless the City may establish or earmark certain funds or accounts for purposes of funding benefits provided by this Plan. Tooele City Corporation has the authority under which the obligations to contribute to the Plan on behalf of the Plan members, employer(s), and other contributing entities are established or may be amended. No contributions are required by the beneficiary of the plan.

14. EMPLOYEE BENEFIT PLANS

Every two years, an independent actuary calculates the annual contribution requirement. The actuarial valuation was performed on July 1, 2020 and included the following methods and assumptions:

Actuarial Assumptions	
Aggregate Actuarial Cost Method	Projected Unit Credit
Mortality	Pre-Retirement: None
	Post-Retirement: 1994 Group Annuity, Unisex
Interest Rate:	Pre-Retirement: 2.5%
	Post-Retirement: 2.5%
Withdrawal Rates:	None
Actuarial Value of Assets:	Market value of assets
Retirement:	It is assumed that all participants will retire on their normal retirement date or immediately, if older.
Changes in Assumptions:	None

As of June 30, 2023, the value of the assets held by the City totaled $952,891. On July 1, 2022, the City received an updated valuation report on the Volunteer Firefighter's Length of Service Awarded Program. The inputs and assumptions did not change significantly with the most recent valuation report. As of July 1, 2022, the value of the assets held by the City totaled $894,769.

401(k) Plans - The City provides 401(k) plans for all eligible employees. Employees are enrolled in one of two plans: (1) Tooele City Employees' 401(k) Plan managed by John Hancock; or, (2) Utah State Retirement System 401(k) Plan. The Tooele City Employees' 401(k) Plan is available to full-time employees who are 18 or older and have completed six months of continuous employment. Employees become fully vested in the Plan at the conclusion of four years of employment. Employees enrolled in the Tooele City Employees' 401(k) Plan prior to June 30, 2011 were permitted to remain in that plan. Employees enrolling in a 401(k) plan on or after July 1, 2011 may elect to enroll in the Utah Retirement 401(k) Plan. Vesting is immediate in the Utah Retirement 401(k) Plan. Employees may voluntarily contribute to their 401(k) Plan in an amount not to exceed limitations established by the Internal Revenue Service. The City may make contributions at the discretion of the City Council. The City approved a 2% discretionary contribution to the 401(k) plans for fiscal year 2016, with a beginning pay date of September 4, 2015 (effective date set to allow for enrollment). The 401(k) discretionary City contributions was $217,605, $174,250, and $156,874, respectively, as of June 30, 2023, 2022, and 2021. Salaries subject to contributions were $10,739,676, $8,712,498, and $7,843,684, respectively, as of June 30, 2023, 2022 and 2021. The City made no discretionary contributions to the 401(k) plans for the year ended June 30, 2023. These figures do not include City Council Equalization, URS Exempt, and Post-retired Rehires employees whose benefit payments are reflected below.

14. EMPLOYEE BENEFIT PLANS (CONTINUED)

City Council Equalization Benefit - In 2014 the City council approved an equalization benefit calculation for part-time elected officials who would be members of the Tier 2 retirement plan. Under the Tier 2 plan, part-time elected officials are not eligible for retirement. To eliminate this inequity among part-time elected officials, the City makes the equivalent contribution to a URS 401k account for these elected officials equal to what is paid on behalf of other part-time elected officials in the Tier 1 plan. Contributions made for the years ended June 30, 2023, 2022 and 2021 were $7,636, $13,308, and $12,825, respectively.

URS Exempt Elected and Appointed Officials - Tooele City makes contributions to one of the two 401(k) Plans offered by Tooele City in lieu of URS pension premiums as permitted by law, for eligible elected or appointed employees who decline participation in the URS pension system. City and employee contributions to the plans for the years ending June 30, 2023, 2022, and 2021 were $36,386, $30,172, and $30,172, respectively. Salaries subject to contributions were $175,804, $147,395, and $147,320, respectively, for the same years.

URS Post-retired Rehired Employees - Tooele City makes contributions to the Utah State Retirement System 401(k) plan in lieu of URS pension premiums as permitted by law, for post-retired rehired employees hired prior to June 30, 2010. These employees may make voluntarily contributions to the Tooele City Employees' 401(k) Plan managed by John Hancock (excludes loan repayments). These employees are not able to receive discretionary 401(k) contributions per URS post-retired rehire laws. City and employee contributions to the plans the years ending June 30, 2023, 2022 and 2021 were $0, $2,638, and $34,087, respectively. Salaries subject to contributions were $0, $14,595, and $188,938, respectively, for the same years.

Traditional IRA - The City provides a Defined Contribution System Traditional IRA Plan for all eligible employees. Employee contributions to the plan for the years ending June 30, 2023, 2022 and 2021 were $10,310, $10,693, and $10,218, respectively.

Roth IRA - The City provides a Defined Contribution System Roth IRA Plan for all eligible employees. Employee contributions to the plan for the years ending June 30, 2023, 2022 and 2021 were $121,431, $119,696, and $76,693, respectively.

15. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description

In addition to the retirement benefits described above, the City provides postemployment health care and life insurance benefits through a single employer defined benefit plan to all employees who retire from the City and qualify to retire from the Systems. The Plan benefits include paying health insurance and life insurance premiums on behalf of City employees after their retirement. The benefits, benefit levels, employee contributions, and employer contributions are governed by City policy and can be amended at any time. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established to maintain and account for the Plan. The Plan does not issue a separate report.

Funding Policy

The City currently pays for postemployment benefits on a "pay-as-you-go" basis. Although the City is studying the establishment of a trust that would be used to cumulate and invest assets necessary to pay for the accumulated liability, these financial statements assume that "pay-as-you-go" funding will continue.

Net OPEB Asset, Deferred Outflows and Deferred Inflows of Resources Related to OPEB, and OPEB Expense

At June 30, 2023, the City reported a net OPEB asset of $0. The net OPEB asset was measured as of June 30, 2023 by an actuarial valuation using generally accepted actuarial procedures. At June 30, 2023, the reported deferred outflows of resources and deferred inflows of resources related to OPEB are from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 718,849	$ (235,955)
Changes in assumptions	262,667	(343,880)
Net difference between projected and actual earnings in OPEB plan investments for the fiscal year ended June 30, 2023	N/A	N/A
TOTAL DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES	$ 981,516	$ (579,835)

15. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Net OPEB Asset, Deferred Outflows and Deferred Inflows of Resources Related to OPEB, and OPEB Expense (Continued)

The balances as of June 30, 2023 of the deferred outflows / (inflows) of resources will be recognized in OPEB expense in the future fiscal years as noted below.

Fiscal Year Ended June 30,	Net Deferred Outflows (Inflows) of Resources
2024	$ 62,294
2025	62,294
2026	62,297
2027	66,181
2028	83,877
Thereafter	64,738

For the year ended June 30, 2023, the City recognized an actuarially calculated gain of $149,620.

OPEB Plan Covered Employees

For the year ended June 30, 2023, the City had the following covered employees under the OPEB plan:

Covered Employees	Single-Employer- Health Insurance OPEB Plan	Single-Employer- Life Insurance OPEB Plan
Inactive employees currently receiving benefits	11	54
Inactive employees entitled to but not yet receiving benefits	-	-
Active employees	159	159
TOTAL OPEB PLANS COVERED EMPLOYEES	158	199

Actuarial Assumptions

The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Liability measurement method	Valuation date June 30, 2023
Actuarial cost method	Present value of future benefits
Amortization method	Straight-line
Inflation rate	3.25%
Discount rate	4.13%
Asset valuation method	N/A*
Interest rate	4.17%
Health care trend rate	Initial rate of 7.0% decreasing between 0.25% and 0.50% annually to an ultimate rate of 4.5%
Investment rate of return	N/A*
Mortality rates	Developed from the SOA Pub-2010 Mortality Tables using the most recent generational projection scale MP-2021.

* The City has no actuarial value of assets due to the City's pay-as-you-go accounting.

Discount Rate

The discount rate used to measure the total OPEB liability was 4.13 percent. Under GASB 75, the discount rate used in valuing OPEB liabilities for unfunded plans as of the measurement date must be based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). For the current valuation, the discount rate was selected from a range of indices where the range is given as the spread between the lowest and highest rate. The projection of cash flows used to determine the discount rate assumed that there would be employer-paid contributions for retiree health benefits for the next thirty years. The projections include explicit and implicit subsidies.

15. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Net OPEB Liability

The City's net OPEB Liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The change in total OPEB liability is as follows:

Total OPEB liability at June 30, 2022	$ 2,499,667
Activity during the year:	
Service cost	119,088
Interest	104,351
Change in benefit terms	-
Change in assumptions	(8,976)
Differences between expected and actual experience	166,042
Benefit payments	(136,113)
Net change in total OPEB liability	244,392
TOTAL OPEB LIABILITY AT JUNE 30, 2023	$ 2,744,059

Sensitivity of the NET OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following presents the OPEB liability as of June 30, 2023, calculated using the discount rate assumed and what it would be using a one-percentage-point higher (5.13%) and one-percentage-point lower (3.13%) than the current discount rate:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)
1% decrease in discount rate	$ 2,978,817	$ -	$ 2,978,817
Current discount rate	2,744,063	-	2,744,063
1% increase in discount rate	2,530,422	-	2,530,422

The following presents the net OPEB liability as of June 30, 2023, using the health care trend rates assumed and what it would be using one-percentage-point higher and one-percentage-point lower health care trend rates:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)
1% decrease in trend rates	$ 2,467,111	$ -	$ 2,467,111
Current trend rates	2,744,063	-	2,744,063
1% increase in trend rates	3,073,819	-	3,073,819

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of an occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

16. REDEVELOPMENT AGENCIES

In accordance with Utah Code Section 17b-4-1305, the City's Redevelopment Agencies are required to disclose the following information:

A. The collections of tax increment revenue by Redevelopment Agencies as of June 30, 2023 are as follows:

Project Area	Amount
Depot	$ 3,412,865
Total	$ 3,412,865

B. There was no amount of tax increment paid to any taxing agencies pursuant to Section 17B-4-1008 during the year.

C. The Agencies had no outstanding debt during the year.

D. The actual amount expended for:

Project Area	Acquisition of Property	Site Improvement or Preparation Costs	Installation of Public Utilities or Other Public Improvements	Administrative Costs of the Agency
Depot RDA	$ 320,590	$ 650,000	$ 110,086	$ 4,747,649
Total	$ 320,590	$ 650,000	$ 110,086	$ 4,747,649

17. LITIGATION AND SPECIAL ITEMS

In the normal course of operations the City is a named defendant in certain other legal actions pending or in process for miscellaneous unsubstantial claims. The ultimate liability that might result from the final resolution of the above matters is not presently determinable. City management is of the opinion that the final outcome of the claims will not have an adverse material effect on the City's financial statements.

Negative Cash Balances

Management considers the negative cash balances being carried by the debt service fund in the amount of $299,953 are recoverable under the current operating agreements.

18. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft, damage, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. Accordingly the City insures against these risks of loss as part of a comprehensive risk management program. To protect the City from general liability exposure, the City purchases commercial excess insurance and property insurance. The City is fully insured for workers compensation.

The City has not incurred claims settlement in excess of insurance coverage for the past three years. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

19. RECENT ACCOUNTING PRONOUNCEMENTS

In June 2022, the GASB issued Statement No. 101 Compensated Absences. This standard updates the recognition and measurement guidance for compensated absences to align the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. GASB 101 requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through non cash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. GASB 101 also amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). The requirements of GASB 101 are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. The City is currently evaluating the impact of this statement on the financial statements when implemented.

20. SUBSEQUENT EVENTS

The City evaluated all events or transactions that occurred after June 30, 2023 through the date of the audit report, the date these financials were available to be issued. During this period, the City did not have any material recognizable subsequent events.

REQUIRED SUPPLEMENTARY INFORMATION

TOOELE CITY CORPORATION
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - LAST TEN FISCAL YEARS* REQUIRED SUPPLEMENTARY INFORMATION
For the Year ended June 30, 2023

	Noncontributory Retirement System	Contributory Retirement System	Public Safety System	Firefighters Retirement System	Tier 2 Public Employees Retirement System	Tier 2 Public Safety and Firefighter Retirement System
Proportion of the net pension liability/(asset):						
For year ending December 31, 2022	0.4082560%	0.0000000%	1.0602273%	0.1435920%	0.1204066%	0.5926319%
For year ending December 31, 2021	0.4108123%	0.0000000%	0.9549828%	0.0000%	0.1056240%	0.6481730%
For year ending December 31, 2020	0.4027072%	0.0000000%	0.9073879%	0.0000%	0.1086048%	0.6192932%
For year ending December 31, 2019	0.3935393%	0.0000000%	0.9045605%	0.0000%	0.1096528%	0.6952662%
For year ending December 31, 2018	0.3788645%	0.0000000%	0.8670173%	0.0000%	0.1060123%	0.6847533%
For year ending December 31, 2017	0.3720852%	0.0893416%	0.8928747%	0.0000%	0.1124047%	0.7106312%
For year ending December 31, 2016	0.3844558%	0.2056053%	0.8854666%	0.0000%	0.1093276%	0.7010886%
For year ending December 31, 2015	0.3975560%	0.1227386%	0.9004734%	0.0000%	0.9188550%	0.5412317%
For year ending December 31, 2014	0.3969544%	0.2018151%	0.9768338%	0.0000%	0.1046091%	0.6545410%
Proportionate share of the net pension liability/(asset):						
For year ending December 31, 2022	$ 699,240	$ -	$ 1,370,953	$ (37,291)	$ 131,110	$ 49,440
For year ending December 31, 2021	$ (2,352,766)	$ -	$ (775,582)	$ -	$ (44,704)	$ (30,569)
For year ending December 31, 2020	$ 206,566	$ -	$ 753,351	$ -	$ 15,620	$ 55,547
For year ending December 31, 2019	$ 1,483,198	$ -	$ 1,452,378	$ -	$ 24,662	$ 65,400
For year ending December 31, 2018	$ 2,789,854	$ -	$ 2,230,476	$ -	$ 45,403	$ 17,157
For year ending December 31, 2017	$ 1,630,217	$ 7,270	$ 1,400,615	$ -	$ 9,910	$ (8,223)
For year ending December 31, 2016	$ 2,468,677	$ 67,461	$ 1,796,856	$ -	$ 12,195	$ (6,086)
For year ending December 31, 2015	$ 2,249,565	$ 86,267	$ 1,612,974	$ -	$ (201)	$ (7,908)
For year ending December 31, 2014	$ 1,723,669	$ 58,212	$ 1,228,450	$ -	$ (3,170)	$ (9,683)
Covered employee payroll						
For year ending December 31, 2022	$ 3,337,936	$ -	$ 1,289,088	$ 57,313	$ 2,622,789	$ 1,823,402
For year ending December 31, 2021	$ 3,403,578	$ -	$ 1,152,934	$ -	$ 1,959,983	$ 1,446,352
For year ending December 31, 2020	$ 3,351,215	$ -	$ 1,167,105	$ -	$ 1,736,603	$ 1,235,038
For year ending December 31, 2019	$ 3,335,661	$ -	$ 1,169,987	$ -	$ 1,523,868	$ 1,145,962
For year ending December 31, 2018	$ 3,228,807	$ -	$ 1,153,434	$ -	$ 1,238,906	$ 915,698
For year ending December 31, 2017	$ 3,162,199	$ 18,129	$ 1,240,696	$ -	$ 1,098,992	$ 750,015
For year ending December 31, 2016	$ 3,346,208	$ 49,333	$ 1,249,196	$ -	$ 896,577	$ 579,253
For year ending December 31, 2015	$ 3,424,604	$ 52,298	$ 1,335,678	$ -	$ 593,586	$ 322,087
For year ending December 31, 2014	$ 3,436,676	$ 107,866	$ 1,461,239	$ -	$ 513,414	$ 270,535
Proportionate share of the net pension liability/(asset) as a percentage of its covered-employee payroll:						
For year ending December 31, 2022	20.95%	0.00%	106.35%	-65.07%	5.00%	2.71%
For year ending December 31, 2021	-69.13%	0.00%	-67.27%	0.00%	-2.28%	-2.11%
For year ending December 31, 2020	6.16%	0.00%	64.55%	0.0%	0.90%	4.50%
For year ending December 31, 2019	44.46%	0.00%	124.14%	0.0%	1.62%	5.71%
For year ending December 31, 2018	86.41%	0.00%	193.38%	0.0%	3.66%	1.87%
For year ending December 31, 2017	51.55%	40.10%	112.89%	0.0%	0.90%	-1.10%
For year ending December 31, 2016	73.78%	136.75%	143.84%	0.0%	1.36%	-1.05%
For year ending December 31, 2015	65.69%	164.95%	120.76%	0.0%	-0.03%	-2.46%
For year ending December 31, 2014	50.20%	54.00%	84.10%	0.0%	-0.60%	-3.60%
Plan fiduciary net position as a percentage of the total pension liability:						
For year ending December 31, 2022	97.5%	0.0%	93.6%	108.40%	92.3%	96.4%
For year ending December 31, 2021	108.70%	0.00%	104.20%	0.00%	103.80%	102.80%
For year ending December 31, 2020	99.20%	0.00%	95.50%	0.00%	98.30%	93.10%
For year ending December 31, 2019	93.70%	0.00%	90.90%	0.00%	96.50%	89.60%
For year ending December 31, 2018	87.00%	91.20%	84.70%	0.00%	90.80%	95.60%
For year ending December 31, 2017	91.90%	98.20%	90.20%	0.00%	97.40%	103.00%
For year ending December 31, 2016	87.30%	92.90%	86.50%	0.00%	95.10%	103.60%
For year ending December 31, 2015	87.80%	85.70%	87.10%	0.00%	100.20%	110.70%
For year ending December 31, 2014	90.20%	94.00%	90.50%	0.00%	103.50%	120.50%

* In accordance with paragraph 81.a of GASB 68, employers are required to disclose a 10-year history of their proportionate share of the Net Pension Liability (Asset) in their RSI. The 10-year schedule will continue to be built prospectively. The schedule above provides the current year with prior numbers as available from prior years.

The notes to required supplementary information are an integral part of this schedule.

TOOELE CITY CORPORATION
SCHEDULE OF CONTRIBUTIONS - LAST TEN FISCAL YEARS
REQUIRED SUPPLEMENTARY INFORMATION
For the Year ended June 30, 2023

System	As of Fiscal Year Ended June 30,	Actuarial Determined Contributions	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
Noncontributory System	2014	$ 596,700	$ 596,700	$ -	$ 3,566,046	16.73%
	2015	$ 601,526	$ 601,526	$ -	$ 3,413,267	17.62%
	2016	$ 586,831	$ 586,831	$ -	$ 3,398,845	17.27%
	2017	$ 558,245	$ 558,245	$ -	$ 3,066,576	18.20%
	2018	$ 571,427	$ 571,427	$ -	$ 3,170,902	18.02%
	2019	$ 572,726	$ 572,726	$ -	$ 3,256,726	17.59%
	2020	$ 592,544	$ 592,544	$ -	$ 3,322,470	17.83%
	2021	$ 610,262	$ 610,262	$ -	$ 3,409,260	17.90%
	2022	$ 612,431	$ 612,431	$ -	$ 3,345,886	18.30%
	2023	$ 580,397	$ 580,397	$ -	$ 3,264,520	17.78%
Contributory System	2014	$ 14,118	$ 14,118	$ -	$ 106,308	13.28%
	2015	$ 12,172	$ 12,172	$ -	$ 85,967	14.16%
	2016	$ 6,942	$ 6,942	$ -	$ 53,460	12.99%
	2017	$ 6,338	$ 6,338	$ -	$ 43,833	14.46%
	2018	$ 215	$ 215	$ -	$ 1,671	12.87%
	2019	$ 10	$ 10	$ -	$ 151	6.62%
	2020	$ 224	$ 224	$ -	$ 1,515	14.79%
	2021	$ -	$ -	$ -	$ -	0.00%
	2022	$ -	$ -	$ -	$ -	0.00%
	2023	$ -	$ -	$ -	$ -	0.00%
Firefighters System	2021	$ -	$ -	$ -	$ -	0.00%
	2022	$ 803	$ 803	$ -	$ 4,086	19.66%
	2023	$ 3,845	$ 3,845	$ -	$ 106,517	3.61%
Public Safety System	2014	$ 447,864	$ 447,864	$ -	$ 1,489,801	30.06%
	2015	$ 456,664	$ 456,664	$ -	$ 1,436,266	31.80%
	2016	$ 383,473	$ 383,473	$ -	$ 1,228,273	31.22%
	2017	$ 382,943	$ 382,943	$ -	$ 1,144,502	33.46%
	2018	$ 393,945	$ 393,945	$ -	$ 1,201,660	32.78%
	2019	$ 354,990	$ 354,990	$ -	$ 1,122,577	31.62%
	2020	$ 360,644	$ 360,644	$ -	$ 1,157,272	31.16%
	2021	$ 354,178	$ 354,178	$ -	$ 1,148,297	30.84%
	2022	$ 405,573	$ 405,573	$ -	$ 1,195,852	33.91%
	2023	$ 456,914	$ 456,914	$ -	$ 1,342,286	34.04%
Tier 2 Public Employees System*	2014	$ 49,190	$ 49,190	$ -	$ 351,606	13.99%
	2015	$ 89,612	$ 89,612	$ -	$ 599,160	14.96%
	2016	$ 103,003	$ 103,003	$ -	$ 717,215	14.36%
	2017	$ 148,291	$ 148,291	$ -	$ 995,440	14.90%
	2018	$ 187,817	$ 187,817	$ -	$ 1,243,003	15.11%
	2019	$ 210,258	$ 210,258	$ -	$ 1,353,032	15.54%
	2020	$ 261,404	$ 261,404	$ -	$ 1,666,358	15.69%
	2021	$ 279,958	$ 279,958	$ -	$ 1,771,969	15.80%
	2022	$ 354,308	$ 354,308	$ -	$ 2,204,780	16.07%
	2023	$ 495,925	$ 495,925	$ -	$ 3,097,366	16.01%
Tier 2 Public Safety and Firefighter System*	2014	$ 38,705	$ 38,705	$ -	$ 185,638	20.85%
	2015	$ 68,338	$ 68,338	$ -	$ 303,053	22.55%
	2016	$ 97,815	$ 97,815	$ -	$ 447,952	21.84%
	2017	$ 150,547	$ 150,547	$ -	$ 669,097	22.50%
	2018	$ 188,667	$ 188,667	$ -	$ 840,440	22.45%
	2019	$ 239,429	$ 239,429	$ -	$ 1,028,434	23.28%
	2020	$ 279,760	$ 279,760	$ -	$ 1,205,532	23.21%
	2021	$ 332,869	$ 332,869	$ -	$ 1,288,693	25.83%
	2022	$ 434,486	$ 434,486	$ -	$ 1,682,096	25.83%
	2023	$ 474,009	$ 474,009	$ -	$ 1,854,625	25.56%
Tier 2 Public Employees DC Only System*	2014	$ 6,066	$ 6,066	$ -	$ 81,128	7.48%
	2015	$ 5,844	$ 5,844	$ -	$ 86,969	6.72%
	2016	$ 10,623	$ 10,623	$ -	$ 162,571	6.53%
	2017	$ 12,352	$ 12,352	$ -	$ 184,634	6.69%
	2018	$ 17,362	$ 17,362	$ -	$ 258,173	6.72%
	2019	$ 23,886	$ 23,886	$ -	$ 357,044	6.69%
	2020	$ 24,323	$ 24,323	$ -	$ 363,581	6.69%
	2021	$ 31,829	$ 31,829	$ -	$ 452,047	7.04%
	2022	$ 29,878	$ 29,878	$ -	$ 435,973	6.85%
	2023	$ 42,568	$ 42,568	$ -	$ 687,690	6.19%
Tier 2 Public Safety and Firefighter DC Only System*	2014	$ -	$ -	$ -	$ -	0.00%
	2015	$ -	$ -	$ -	$ -	0.00%
	2016	$ 3,878	$ 3,878	$ -	$ 32,784	11.83%
	2017	$ 2,351	$ 2,351	$ -	$ 19,875	11.83%
	2018	$ -	$ -	$ -	$ -	0.00%
	2019	$ -	$ -	$ -	$ -	0.00%
	2020	$ 3,554	$ 3,554	$ -	$ 30,044	11.83%
	2021	$ 5,012	$ 5,012	$ -	$ 42,370	11.83%
	2022	$ -	$ -	$ -	$ -	0.00%
	2023	$ -	$ -	$ -	$ -	0.00%

* 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.

Paragraph 81.b of GASB 68 requires employers to disclose a 10-year history of contributions in RSI. Contributions as a percentage of covered-payroll may be different than the board certified rate due to rounding and other administrative issues.

The notes to required supplementary information are an integral part of this schedule.

TOOELE CITY CORPORATION
SCHEDULE OF CHANGES IN NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY AND RELATED RATIOS - LAST TEN FISCAL YEARS*
REQUIRED SUPPLEMENTARY INFORMATION
For the Year ended June 30, 2023

	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB Liability						
Service cost	$ 119,088	$ 247,136	$ 199,962	$ 156,358	$ 142,922	$ 149,885
Interest	104,351	84,143	83,745	108,195	111,175	103,112
Change of benefit terms	-	(1,486,779)	-	(3,360)	-	-
Changes in assumptions	(8,972)	(447,872)	174,672	214,409	108,074	17,295
Differences between expected and actual experience	166,042	546,913	257,716	(356,037)	(27,968)	(142,358)
Benefit payments	(136,113)	(77,333)	(61,574)	(132,356)	(143,247)	(113,988)
NET CHANGE IN TOTAL OPEB LIABILITY	244,396	(1,133,792)	654,521	(12,791)	190,956	13,946
TOTAL OPEB LIABILITY - BEGINNING	2,499,667	3,633,459	2,978,938	2,991,729	2,800,773	2,786,827
TOTAL OPEB LIABILITY - ENDING (a)	$ 2,744,063	$ 2,499,667	$ 3,633,459	$ 2,978,938	$ 2,991,729	$ 2,800,773
Plan Fiduciary Net Position						
Contributions - employer	$ 136,113	$ 77,333	$ 61,574	$ 132,356	$ 143,247	$ 113,988
Benefit payments	(136,113)	(77,333)	(61,574)	(132,356)	(143,247)	(113,988)
NET CHANGE IN PLAN FIDUCIARY NET POSITION	-	-	-	-	-	-
TOTAL FIDUCIARY NET POSITION - BEGINNING	-	-	-	-	-	-
TOTAL FIDUCIARY NET POSITION - ENDING (b)	$ -	$ -	$ -	$ -	$ -	$ -
NET OPEB LIABILITY - ENDING (a-b)	$ 2,744,063	$ 2,499,667	$ 3,633,459	$ 2,978,938	$ 2,991,729	$ 2,800,773
Plan Fiduciary Net Position as a Percentage of the Total Net OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered Employee Payroll	$ 12,262,267	$ 9,083,420	N/A	N/A	N/A	N/A
Net OPEB Liability as a Percentage of Covered Payroll	22.4%	27.5%	N/A	N/A	N/A	N/A

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

The notes to required supplementary information are an integral part of this schedule.

TOOELE CITY CORPORATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year ended June 30, 2023

1. CHANGE IN ASSUMPTIONS
   No changes were made in actuarial assumptions from the prior year's valuation.

SUPPLEMENTAL INFORMATION

TOOELE CITY CORPORATION
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2023

	Special Revenue Funds				Capital Projects Funds			
	Class "C" Road Fund	**Par Tax Fund**	**Municipal Building Authority**	**Debt Service Fund**	**Park Improvements Fund**	**Capital Projects Fund**	**Public Safety Capital Projects Fund**	**Totals**
ASSETS								
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ 31,683	8,444,744	$ 473	$ 8,476,900
Receivables:								
Assessments	-	121,591	-	-	-	-	-	121,591
Intergovernmental receivable	669,717	-	-	-	-	-	-	669,717
Due from other funds	76,364	-	7,061	-	5,726	-	-	89,151
Restricted cash and cash equivalents	3,478,778	631,886	124,150	1,656,757	4,227,904	-	595,365	10,714,840
TOTAL ASSETS	$ 4,224,859	$ 753,477	$ 131,211	$ 1,656,757	$ 4,265,313	$ 8,444,744	$ 595,838	$ 20,072,199
LIABILITIES								
Accounts payable	$ 220,793	$ 69,169	$ -	$ -	$ 201,053	$ 367,666	$ -	$ 858,681
TOTAL LIABILITIES	220,793	69,169	-	299,953	201,053	367,666	-	1,158,634
FUND BALANCES								
Restricted								
Recreation and arts	-	684,308	-	-	-	-	-	684,308
Debt service	666,789	-	131,211	1,322,308	50,000	-	-	2,170,308
Roads	3,337,277	-	-	-	-	-	-	3,337,277
Assigned								
Capital projects	-	-	-	-	4,014,260	8,077,078	595,838	12,687,176
TOTAL FUND BALANCE	4,004,066	684,308	131,211	1,356,804	4,064,260	8,077,078	595,838	18,913,565
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 4,224,859	$ 753,477	$ 131,211	$ 1,656,757	$ 4,265,313	$ 8,444,744	$ 595,838	$ 20,072,199

TOOELE CITY CORPORATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year ended June 30, 2023

	Special Revenue Funds				Capital Project Funds			
	Class "C" Road Fund	Par Tax Fund	Municipal Building Authority	Debt Service Fund	Park Improvements Fund	Capital Projects Fund	Public Safety Capital Projects Fund	Totals
REVENUES								
Taxes	$ -	$ 670,360	$ -	$ -	$ -	$ -	$ -	$ 670,360
Intergovernmental revenues	2,679,880	164,500	-	-	-	-	-	2,844,380
Interest income	157,702	13,702	7,070	34,396	191,401	233,103	25,468	662,842
Grants	76,713	-	-	-	-	-	-	76,713
Impact fees	-	-	-	-	1,186,329	-	243,890	1,430,219
Miscellaneous revenue	-	12,458	-	-	5,500	-	-	17,958
Rental income	-	-	527,476	-	-	-	-	527,476
TOTAL REVENUES	2,914,295	861,020	534,546	34,396	1,383,230	233,103	269,358	6,229,948
EXPENDITURES								
General government	-	199,338	9	-	2,266	149,631	2,266	353,510
Highways and streets	987,422	-	-	-	-	-	-	987,422
Capital outlay	1,526,235	226,311	-	-	1,104,032	1,585,985	-	4,442,563
Debt service:								
Principal - bonds & notes	-	-	-	1,787,000	-	-	-	1,787,000
Interest	-	-	-	822,891	-	-	-	822,891
Bond issuance costs and trustee fees	-	-	-	9,101	-	-	-	9,101
TOTAL EXPENDITURES	2,513,657	425,649	9	2,618,992	1,106,298	1,735,616	2,266	8,402,487
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	400,638	435,371	534,537	(2,584,596)	276,932	(1,502,513)	267,092	(2,172,539)
OTHER FINANCING SOURCES (USES) INCLUDING TRANSFERS								
Operating transfers in	-	-	281,475	2,619,092	-	4,498,749	-	7,399,316
Operating transfers (out)	(666,789)	-	(808,951)	-	(50,000)	(30,000)	(150,000)	(1,705,740)
Refunded impact fees	-	-	-	-	(21,468)	-	-	(21,468)
TOTAL OTHER FINANCING SOURCES (USES) INCLUDING TRANSFERS	(666,789)	-	(527,476)	2,619,092	(71,468)	4,468,749	(150,000)	5,672,108
NET CHANGE IN FUND BALANCE	(266,151)	435,371	7,061	34,496	205,464	2,966,236	117,092	3,499,569
FUND BALANCE, BEGINNING OF YEAR	4,270,217	248,937	124,150	1,322,308	3,858,796	5,110,842	478,746	15,413,996
FUND BALANCE, END OF YEAR	$ 4,004,066	$ 684,308	$ 131,211	$ 1,356,804	$ 4,064,260	$ 8,077,078	$ 595,838	$ 18,913,565

TOOELE CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS
For the Fiscal Year ended June 30, 2023

	Par Tax Fund		
	Budget	**Actual**	**Variance Favorable (Unfavorable)**
REVENUES			
Taxes	$ 675,000	$ 670,360	$ (4,640)
Intergovernmental revenues	-	164,500	164,500
Interest income	1,500	13,702	12,202
Miscellaneous revenues	13,000	12,458	(542)
TOTAL REVENUES	689,500	861,020	171,520
EXPENDITURES			
General government	181,000	199,338	(18,338)
Capital outlay	691,500	226,311	465,189
TOTAL EXPENDITURES	872,500	425,649	446,851
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(183,000)	435,371	618,371
NET CHANGE IN FUND BALANCE	(183,000)	435,371	618,371
FUND BALANCE, BEGINNING OF YEAR	248,937	248,937	-
FUND BALANCE, END OF YEAR	$ 65,937	$ 684,308	$ 618,371

TOOELE CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS
For the Fiscal Year ended June 30, 2023

	Municipal Building Authority		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest income	$ 500	$ 7,070	$ 6,570
Rental income	958,951	527,476	(431,475)
TOTAL REVENUES	959,451	534,546	(424,905)
EXPENDITURES			
General government	500	9	491
TOTAL EXPENDITURES	500	9	491
EXCESS OF REVENUES OVER EXPENDITURES	958,951	534,537	(424,414)
OTHER FINANCING USES INCLUDING TRANSFERS			
Operating transfers (out)	(958,951)	(527,476)	431,475
TOTAL OTHER FINANCING USES INCLUDING TRANSFERS	(958,951)	(527,476)	431,475
NET CHANGE IN FUND BALANCE	-	7,061	7,061
FUND BALANCE, BEGINNING OF YEAR	124,150	124,150	-
FUND BALANCE, END OF YEAR	$ 124,150	$ 131,211	$ 7,061

TOOELE CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS
For the Fiscal Year ended June 30, 2023

	Class "C" Road Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental revenues	$ 2,410,000	$ 2,679,880	$ 269,880
Interest income	11,500	157,702	146,202
Grants	-	76,713	76,713
TOTAL REVENUES	2,421,500	2,914,295	492,795
EXPENDITURES			
Highways and streets	1,000,000	987,422	12,578
Capital outlay	2,400,000	1,526,235	873,765
TOTAL EXPENDITURES	3,400,000	2,513,657	886,343
EXCESS OF REVENUES OVER EXPENDITURES	(978,500)	400,638	1,379,138
OTHER FINANCING USES INCLUDING TRANSFERS			
Operating transfers out	(666,789)	(666,789)	-
TOTAL OTHER FINANCING USES INCLUDING TRANSFERS	(666,789)	(666,789)	-
NET CHANGE IN FUND BALANCE	(1,645,289)	(266,151)	1,379,138
FUND BALANCE, BEGINNING OF YEAR	4,270,217	4,270,217	-
FUND BALANCE, END OF YEAR	$ 2,624,928	$ 4,004,066	$ 1,379,138

TOOELE CITY CORPORATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NON-MAJOR DEBT SERVICE FUND
For the Fiscal Year ended June 30, 2023

	Debt Service Fund		
	Budget	**Actual**	**Variance Favorable (Unfavorable)**
REVENUES			
Interest income	$ -	$ 34,396	$ 34,396
TOTAL REVENUES	-	34,396	34,396
EXPENDITURES			
Debt service:			
Principal retirement	1,787,000	1,787,000	-
Interest on long-term debt	822,892	822,891	1
Bond issuance costs and trustee fees	9,200	9,101	99
TOTAL EXPENDITURES	2,619,092	2,618,992	100
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(2,619,092)	(2,584,596)	34,496
OTHER FINANCING SOURCES INCLUDING TRANSFERS			
Operating transfers in	2,619,092	2,619,092	-
TOTAL OTHER FINANCING SOURCES INCLUDING TRANSFERS	2,619,092	2,619,092	-
NET CHANGE IN FUND BALANCES	-	34,496	34,496
FUND BALANCE, BEGINNING OF YEAR	1,322,308	1,322,308	-
FUND BALANCE, END OF YEAR	$ 1,322,308	$ 1,356,804	$ 34,496

TOOELE CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR CAPITAL PROJECTS FUND
For the Fiscal Year ended June 30, 2023

	Capital Projects Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest income	$ 8,000	$ 233,103	$ 225,103
TOTAL REVENUES	8,000	233,103	225,103
EXPENDITURES			
General government	1,139,428	149,631	989,797
Capital outlay	2,890,014	1,585,985	1,304,029
TOTAL EXPENDITURES	4,029,442	1,735,616	2,293,826
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,021,442)	(1,502,513)	2,518,929
OTHER FINANCING SOURCES INCLUDING TRANSFERS			
Operating transfers in	4,498,749	4,498,749	-
Operating transfers out	(30,000)	(30,000)	-
TOTAL OTHER FINANCING SOURCES INCLUDING TRANSFERS	4,468,749	4,468,749	-
NET CHANGE IN FUND BALANCE	447,307	2,966,236	2,518,929
FUND BALANCE, BEGINNING OF YEAR	5,110,842	5,110,842	-
FUND BALANCE, END OF YEAR	$ 5,558,149	$ 8,077,078	$ 2,518,929

TOOELE CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR CAPITAL PROJECTS FUND
For the Fiscal Year ended June 30, 2023

	Park Improvements Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest income	$ 11,500	$ 191,401	$ 179,901
Impact fees	1,300,000	1,186,329	(113,671)
Miscellaneous revenues	5,500	5,500	-
TOTAL REVENUES	1,317,000	1,383,230	66,230
EXPENDITURES			
General government	-	2,266	(2,266)
Capital projects			
Capital outlay	2,706,900	1,104,032	1,602,868
TOTAL EXPENDITURES	2,706,900	1,106,298	1,600,602
EXCESS OF REVENUES OVER EXPENDITURES	(1,389,900)	276,932	1,666,832
OTHER FINANCING USES INCLUDING TRANSFERS			
Operating transfers out	(50,000)	(50,000)	-
Refunded impact fees	-	(21,468)	(21,468)
TOTAL OTHER FINANCING USES INCLUDING TRANSFERS	(50,000)	(71,468)	(21,468)
NET CHANGE IN FUND BALANCE	(1,439,900)	205,464	1,645,364
FUND BALANCE, BEGINNING OF YEAR	3,858,796	3,858,796	-
FUND BALANCE, END OF YEAR	$ 2,418,896	$ 4,064,260	$ 1,645,364

TOOELE CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR CAPITAL PROJECTS FUND
For the Fiscal Year ended June 30, 2023

	Public Safety Capital Projects Fund		
	Budget	**Actual**	**Variance Favorable (Unfavorable)**
REVENUES			
Interest income	$ 800	$ 25,468	$ 24,668
Impact fees	300,000	243,890	(56,110)
TOTAL REVENUES	300,800	269,358	(31,442)
EXPENDITURES			
General government	1,000	2,266	(1,266)
Capital outlay	149,800	-	149,800
TOTAL EXPENDITURES	150,800	2,266	148,534
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	150,000	267,092	117,092
OTHER FINANCING USES INCLUDING TRANSFERS			
Operating transfers out	(150,000)	(150,000)	-
TOTAL OTHER FINANCING USES INCLUDING TRANSFERS	(150,000)	(150,000)	-
NET CHANGE IN FUND BALANCE	-	117,092	117,092
FUND BALANCE, BEGINNING OF YEAR	478,746	478,746	-
FUND BALANCE, END OF YEAR	$ 478,746	$ 595,838	$ 117,092

TOOELE CITY CORPORATION
COMBINING STATEMENT OF NET POSITION - NONMAJOR PROPRIETARY FUNDS
June 30, 2023

	Storm Water	Street Light	Total Nonmajor Enterprise Funds
ASSETS			
Current assets:			
Cash and cash equivalents	$ 2,021,961	$ 308,598	$ 2,330,559
Accounts receivable - net of allowance	52,091	23,063	75,154
TOTAL CURRENT ASSETS	2,074,052	331,661	2,405,713
Noncurrent assets:			
Land	234,230	-	234,230
Infrastructure	13,645,251	1,733,477	15,378,728
Machinery and equipment	204,557	-	204,557
Autos and trucks	25,893	-	25,893
Accumulated depreciation	(2,096,741)	(61,605)	(2,158,346)
TOTAL NONCURRENT ASSETS	12,013,190	1,671,872	13,685,062
TOTAL ASSETS	14,087,242	2,003,533	16,090,775
LIABILITIES			
Current liabilities:			
Accounts payable	72,196	56,189	128,385
TOTAL CURRENT LIABILITIES	72,196	56,189	128,385
NONCURRENT LIABILITIES			
Financed equipment obligation	77,380	-	77,380
TOTAL LIABILITIES	149,576	56,189	205,765
NET POSITION			
Net investment in capital assets	11,935,810	1,671,872	13,607,682
Unrestricted	2,001,856	275,472	2,277,328
TOTAL NET POSITION	$ 13,937,666	$ 1,947,344	$ 15,885,010

TOOELE CITY CORPORATION
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - NONMAJOR PROPRIETARY FUNDS
For the Fiscal Year ended June 30, 2023

	Storm Water	Street Light	Total Nonmajor Enterprise Funds
OPERATING REVENUES			
Charges for services	$ 547,650	$ 259,913	$ 807,563
TOTAL OPERATING REVENUES	547,650	259,913	807,563
OPERATING EXPENSES			
Contracted services	25,000	-	25,000
Operations and maintenance	211,720	275,285	487,005
Administration	60,847	42,964	103,811
Depreciation	296,835	21,849	318,684
TOTAL OPERATING EXPENSES	594,402	340,098	934,500
OPERATING INCOME	(46,752)	(80,185)	(126,937)
NON-OPERATING REVENUES			
Interest income	107,649	21,371	129,020
TOTAL NON-OPERATING REVENUES	107,649	21,371	129,020
Contributed from developers	1,158,925	403,788	1,562,713
CHANGE IN NET POSITION	1,219,822	344,974	1,564,796
NET POSITION - BEGINNING OF YEAR	12,717,844	1,602,370	14,320,214
NET POSITION - END OF YEAR	$ 13,937,666	$ 1,947,344	$ 15,885,010

TOOELE CITY CORPORATION
COMBINING STATEMENT OF CASH FLOWS - NONMAJOR PROPRIETARY FUNDS
For the Fiscal Year ended June 30, 2023

	Storm Water	Street Light	Total Nonmajor Enterprise Funds
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES:			
Receipts from customers and users	$ 546,871	$ 260,150	$ 807,021
Payments for operations and maintenance	(294,443)	(309,818)	(604,261)
Payment for interfund services provided	(25,000)	-	(25,000)
NET CASH PROVIDED BY OPERATING ACTIVITIES	227,428	(49,668)	177,760
CASH FLOWS USED BY CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchase of capital assets	(484,832)	(74,829)	(559,661)
Cash paid for finance lease	(24,198)	-	(24,198)
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(509,030)	(74,829)	(583,859)
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES:			
Interest earned	107,649	21,371	129,020
NET CASH PROVIDED BY INVESTING ACTIVITIES	107,649	21,371	129,020
NET DECREASE IN CASH AND CASH EQUIVALENTS	(173,953)	(103,126)	(277,079)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	2,195,914	411,724	2,607,638
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 2,021,961	$ 308,598	$ 2,330,559
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES:			
Operating income	$ (46,752)	$ (80,185)	$ (126,937)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and amortization	296,835	21,849	318,684
Changes in assets and liabilities:			
Accounts receivable	(779)	237	(542)
Accounts payable	(21,876)	8,431	(13,445)
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 227,428	$ (49,668)	$ 177,760
SUPPLEMENTAL SCHEDULE OF NON-CASH FINANCING AND INVESTING ACTIVITIES:			
Contributed capital assets from developers	$ 1,158,925	$ 403,788	$ 1,562,713

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Larson
CERTIFIED PUBLIC ACCOUNTANTS

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*

The Honorable Mayor, and
Members of the City Council
Tooele City, Utah

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities of Tooele City (the City) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated November 30, 2023.

Internal Control Over Financial Reporting

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

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

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

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.*

Larson & Company
765 North Main, Spanish Fork, UT 84660
Main: (801) 798-3545 | www.larsco.com

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.

Larson & Company, PC

Larson & Company, PC

Spanish Fork, Utah
November 30, 2023

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

Honorable Mayor
Members of the City Council
Tooele City, Utah

Report on Compliance with General State Compliance Requirements

We have audited Tooele City's compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, that could have a direct and material effect on the City for year ended June 30, 2023.

State compliance requirements were tested for the year ended June 30, 2023, in the following areas:

Budgetary Compliance
Government Fees
Fraud Risk Assessment
Fund Balance
Restricted Taxes and Related Revenues

Opinion on Compliance

In our opinion, Tooele City complied, in all material respects, with the state compliance requirements referred to above for the year ended June 30, 2023.

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 Tooele 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 District'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 Tooele 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 on City's compliance based on our audit. Reasonable assurance is 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 f the report on compliance about Tooele 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 Tooele 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 Tooele 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 Tooele 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

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

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

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

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

Larson & Company, PC

Larson & Company, PC

Spanish Fork, Utah
November 30, 2023

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

The Honorable Mayor and
Members of the City Council
Tooele City, Utah

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAMS

Opinion on Compliance for Each Major Federal Program

We have audited Tooele City's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Tooele City's major federal programs for the year ended June 30, 2023. Tooele 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, Tooele 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, 2023.

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 Tooele 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 basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Tooele 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 Tooele City's major federal programs.

Auditor's Responsibilities for the Audit 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 Tooele 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 Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from 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 Tooele City's compliance with the requirements of each major federal program.

In performing an audit in accordance with GAAS, *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 Tooele 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 Tooele City's internal control over compliance relevant to the audit in order to design audit procedures that appropriate in the circumstances and to test and report on the internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Tooele 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 in material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we identified no deficiencies in internal control that we consider material weaknesses. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or 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 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 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.

Larson & Company, PC

Larson & Company, PC

Spanish Fork, Utah
November 30, 2023

SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unqualified opinion on the basic financial statements of the Tooele City.

2. No reportable conditions related to the audit of the financial statements are reported in the Auditors' Report on Internal Controls and Compliance with Laws and Regulations.

3. No instances of noncompliance material to the financial statements of Tooele City were disclosed during the audit.

4. No material weaknesses relating to the audit of the major federal award program is reported in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with Uniform Guidance.

5. The independent auditor's report on compliance for the major federal award programs for the Tooele City, expresses an unqualified opinion.

6. The audit disclosed no audit findings that are required to be reported under 2 CFR section 200.516(a).

7. The program(s) tested as a major program include:

ARPA	21.027

8. The threshold for distinguishing Types A and B programs is $750,000 of federal awards expended.

9. Tooele City was determined to be a low-risk auditee.

FINANCIAL STATEMENT FINDINGS

No findings noted during current audit

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No findings noted during current audit

SUMMARY OF PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

FINANCIAL STATEMENT FINDINGS

No findings noted during prior audit.

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No findings noted during prior audit

TOOELE CITY
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

Federal Grantor/Pass-Thru/Grantor/Program Title	Federal CFDA Number	Pass-Through Grantors Contract	Amount of Expenditures
United States Department of Justice			
Passed Through the State of Utah - Office for Victims of Crime			
Victims of Crime Act Grant 22-23	16.575	22-23VOCA	33,847
			33,847
Passed Through the Office of Justice Programs			
Bulletproof Vest Partnership Award 2021	16.607	FY 21 Award	3,600
Bulletprrof Vest Partnership Award 2022	16.607	FY 22 AWARD	3,900
Edward Byrne Memorial JAG Grant 2022	16.738	2021-DJ-BX	14,258
			21,758
Passed Through the UT Comm. On Criminal Justice			
Multi Agency Drug Task Force Grant	16.738	23F15	69,035
			69,035
Passed Through the FBI			
FBI Child Exploitation Task Force	16.543		1,472
			1,472
Total Indirect Assistance			126,113
Total United States Department of Justice			126,113
United States Department of Treasury			
Direct Assistance			
* American Rescue Plan Act (ARPA)	21.027		1,904,618
			1,904,618
Total United States Department of Treasury			1,904,618
National Foundation on the Arts and Humanities			
Passed through the State of Utah			
ARPA Digital Inclusion	45.310	220567	54,622
ARPA ESL Language Physical Collection USL	45.310	222017	1,849
ARPA Hot Spot FY 23	45.310	231023	15,534
ARPA Hot Spot FY 22	45.310	222192	15,423
Continued Covid 19 Response for Public Libraries	45.310	231920	6,260
			93,687
Total Indirect Assistance			93,687
Total National Foundation on the Arts and Humanities			93,687
Dept of Homeland Security			
Pass Through the State of Utah - Dept of Public Safety			
2020 State Homeland Security Program- Fire Dept Award	97.067	DEM-2020-SHSP-00	18,243
2021 State Homeland Security Program- Fire Dept Award	97.067	DEM-2021-SHSP-00	18,035
Total United States Department of Transportation			36,278
TOTAL EXPENDITURES OF FEDERAL AWARDS			**$ 2,160,697**

* Major Program

TOOELE CITY
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

1. **GENERAL**

The accompanying schedule of expenditures of federal awards (the schedule) includes the grant activity of Tooele City (the City) under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the 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). The City reporting entity is defined in Note 1 to the basic financial statements. All federal awards received directly from federal agencies as well as federal awards passed-through other government agencies are included on the schedule of expenditures of federal awards. Because the schedule presents only a selected portion of the operations of Tooele City it is not intended to and does not present the financial position, changes in net position, or cash flows of Tooele City.

2. **BASIS OF ACCOUNTING**

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting for expenditures in governmental fund types and on the accrual basis for expenses in proprietary fund types, which is described in Note 1 to the basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

Pass-through entity identifying numbers are presented where available.

3. **NON-CASH ASSISTANCE**

The City did not receive any non-cash assistance

4. **LOANS OUTSTANDING**

The City has no federal loans outstanding through as of June 30, 2023.

5. **DE MINIMIS INDIRECT COST RATE**

The City has elected not to use the 10% de minimis indirect cost rate.