

PLEASANT VIEW CITY
BASIC FINANCIAL STATEMENTS AND
REQUIRED SUPPLEMENTARY INFORMATION
WITH INDEPENDENT AUDITOR'S REPORTS
YEAR ENDED JUNE 30, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Mayor and City Council of
Pleasant View City

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Pleasant View City, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Pleasant View City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Pleasant View 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, budgetary comparison information, schedule of the proportionate share of net pension liability, the schedule of contributions, and notes to the required supplementary information on pages 4-11 and 55-59 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Pleasant View City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements 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 December 30, 2025, on our consideration of Pleasant View 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 Pleasant View 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 Pleasant View City's internal control over financial reporting and compliance.

Child Richards CPAs & Advisors

Ogden, Utah
December 30, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

PLEASANT VIEW CITY, UTAH
MANAGEMENT'S DISCUSSION & ANALYSIS
JUNE 30, 2025

INTRODUCTION

The following is a discussion and analysis of Pleasant View City's financial performance and activities for the year ended June 30, 2025. 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. Starting with the year ended June 30, 2004 the City implemented new reporting standards established by the Governmental Accounting Standards Board (GASB). These new standards significantly changed the content and structure of the financial statements from earlier years. The new presentations are intended to give current answers to the ongoing questions of "what is the City's financial condition," "what are the resources of the City," "how much do specific City services cost," and "who pays for which service."

HIGHLIGHTS

During the 2025 fiscal year, the governmental activities saw an increase in property taxes in the governmental funds of \$124,069, a decrease in interest of \$16,949 and an increase in sales and use taxes of \$17,773. Sales taxes, property taxes, and franchise taxes now make up 60.4% of all governmental activity revenues excluding capital contributions.

The business-type activities saw a stable growth in user fees in the sewer, solid waste, and storm sewer funds.

OVERVIEW OF THE FINANCIAL STATEMENTS

This presentation is intended to serve as an introduction to the basic financial statements of Pleasant View City. The basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic financial statements, this report also contains the required supplementary information, as well as additional supplementary information informative to the various users of the report.

The government-wide view of the City's finances is a requirement under the GASB Statement 34 *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, and became effective for the City for 2004. Fund financial statements have been reported in the past.

Government-wide Statements – Reporting the City as a Whole

The Statement of Net Position and the Statement of Activities on pages 12 and 13 comprise the government-wide financial statements. These statements provide a broad overview with a long-term focus of the City's finances as a whole and are prepared using the *full-accrual* basis of accounting, similar to private-sector companies. This means all revenues and expenses are recognized regardless of when cash is received or disbursed, and all assets and liabilities, including capital assets and long-term debt, are reported at the entity level.

The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position measure whether the City's overall financial condition is getting better or worse. In evaluating the government's overall condition, however, additional non-financial factors should be considered such as the City's economic outlook, changes in its demographics, and the condition of its capital assets and infrastructure.

PLEASANT VIEW CITY, UTAH
MANAGEMENT'S DISCUSSION & ANALYSIS
JUNE 30, 2025

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Government-wide Statements – Reporting the City as a Whole (continued)

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or most of their costs through user fees and charges (*business-type activities*). Pleasant View City's ongoing governmental activities include general government, public safety, public works, and parks and recreation services. Governmental activities also include the City's effort to accumulate and use resources for significant infrastructure, parks, and facilities. The City has four business-type activities – 1) storm sewer, 2) solid waste, 3) water, and 4) sewer.

The government-wide statements also include information about the Redevelopment Agency, which is a blended *component unit* of Pleasant View City. A detailed explanation of the reporting entity is part of the notes to the financial statements.

Fund Financial Statements

The fund financial statements beginning on page 14 provide detailed information about individual funds. A fund is a group of related accounts that the City uses to keep track of specific resources that are segregated for a specific purpose. Some funds are required by law to exist, while others are established internally to maintain control over a particular activity. All of the City's funds can be divided into two types: governmental funds, and proprietary funds.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental funds use the *modified accrual* basis of accounting, which measures the flow of current financial resources that can be converted to cash and the balances left at year-end that are available for future spending. This *short-term* view of the City's financial position helps determine whether the City has sufficient resources to cover expenditures for its basic services in the near future.

Proprietary Funds – Proprietary funds are presented using the *full-accrual* basis of accounting. Pleasant View City uses one type of proprietary fund, 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 has four enterprise funds – Storm Sewer Fund, Solid Waste Fund, Water Fund and the Sewer Fund.

Reconciliation between Government-wide and Fund Statements

Because the focus of governmental funds (modified accrual accounting, short-term focus) is narrower than that of the government-wide financial statements (full-accrual accounting, long-term focus), it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison on pages 15 and 17 of this report.

PLEASANT VIEW CITY, UTAH
MANAGEMENT'S DISCUSSION & ANALYSIS
JUNE 30, 2025

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Reconciliation between Government-wide and Fund Statements (continued)

Following are some of the major differences between the two statements:

- Capital assets and long-term debt are included on the government-wide statements but are not reported on the governmental fund statements.
- Capital outlays result in capital assets on the government-wide statements but are expenditures on the governmental fund statements.
- The value of developers infrastructure contributions are reported as revenue on the government-wide statements but are not reported on the governmental fund statements.

Notes to the Financial Statements

The notes beginning on page 21 provide additional schedules and information that are essential to a complete understanding of the financial statements. The notes apply to both the government-wide financial statements and the fund financial statements.

OVERALL FINANCIAL ANALYSIS OF THE CITY

The opportunity to live in a growing, active family-oriented community continues to bring citizens to Pleasant View. The City's total net position increased \$6,084,599 or 9.29% over the prior year. Net position of governmental activities increased \$3,927,193 or 10.37%. Net position of business-type activities increased \$2,157,406 or 7.82%.

Net Position

The largest component of the City's net position, \$45,715,036 or 63.88%, reflects investments in capital assets (land, buildings, equipment, roads, and other infrastructure) less all-outstanding debt that was issued to buy or build those assets. As capital assets, these resources are not available for future spending, nor can they all be readily liquidated to pay off the related liabilities. Resources needed to repay capital-related debt are intended to be provided from other sources.

Restricted net position comprises \$9,851,820 or 13.77% of total net position. This portion of net position is subject to external restrictions on how they may be used. These are accumulated from State road taxes, impact fees placed on new development, donor restricted contributions, state liquor funds, and bonding. They are the funding source to pay for the major improvements needed as the population of the City grows.

The amount of unrestricted net position at June 30, 2025 is \$15,994,600 or 22.35% of total net position. This may be used at the City's discretion for future spending.

**PLEASANT VIEW CITY, UTAH
MANAGEMENT'S DISCUSSION & ANALYSIS
JUNE 30, 2025**

OVERALL FINANCIAL ANALYSIS OF THE CITY (CONTINUED)

The following presentation summarizes the City's financial position as of June 30, 2025 compared with 2024.

	Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and Other Assets	\$ 18,163,684	\$ 16,322,441	\$ 11,071,316	\$ 10,230,627	\$29,235,000	\$26,553,068
Capital Assets	26,904,648	25,044,365	19,723,144	18,354,422	46,627,792	43,398,787
Total Assets	45,068,332	41,366,806	30,794,460	28,585,049	75,862,792	69,951,855
Deferred Outflows of Resources	607,534	669,477	165,693	182,326	773,227	851,803
Current and Other Liabilities	1,318,830	1,516,112	508,242	358,046	1,636,097	1,874,158
Long-term Liabilities	740,913	850,127	690,831	805,115	1,622,719	1,655,242
Total Liabilities	2,059,743	2,366,239	1,199,073	1,163,161	3,258,816	3,529,400
Deferred Inflows of Resources	1,814,669	1,795,783	1,077	1,618	1,815,746	1,797,401
Net Position:						
Net Investment in capital assets	26,843,911	24,923,856	18,871,125	17,450,402	45,715,036	42,374,258
Restricted	7,324,254	6,868,496	2,527,566	2,535,207	9,851,820	9,403,703
Unrestricted	7,633,289	6,081,909	8,361,312	7,616,987	15,994,601	13,698,896
Total Net Position	\$ 41,801,454	\$ 37,874,261	\$ 29,760,003	\$ 27,602,596	\$71,561,457	\$65,476,857

Significant increases occurred in capital assets of government and business type activities combined of \$3,229,005. Accumulated depreciation increased by \$569,049 in the business-type activities, and \$719,321 in the governmental activities. Disposals including right-of-use assets resulted in a decrease to capital assets of \$19,848 in the governmental activities and \$0 in the business-type activities.

PLEASANT VIEW CITY, UTAH
MANAGEMENT'S DISCUSSION & ANALYSIS
JUNE 30, 2025

OVERALL FINANCIAL ANALYSIS OF THE CITY (CONTINUED)

	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
General revenues:						
Taxes	\$ 4,800,392	\$ 4,665,094	\$ -	\$ -	\$ 4,800,392	\$ 4,665,094
Other revenues	51,704	35,362	-	-	51,704	35,362
Interest revenue	692,616	709,565	495,864	512,200	1,188,480	1,221,765
Program revenues:						
Charges for services	1,083,089	1,060,614	3,875,877	3,942,225	4,958,966	5,002,839
Operating grants	642,540	1,478,122	-	-	642,540	1,478,122
Capital grants	2,764,791	943,725	1,369,572	355,325	4,134,363	1,299,050
Total revenues	10,035,132	8,892,482	5,741,313	4,809,750	5,776,445	13,702,232
Expenses:						
General government	1,170,350	1,462,822	-	-	1,170,350	1,462,822
Public safety	2,068,038	2,191,110	-	-	2,068,038	2,191,110
Public works	2,096,090	2,356,002	-	-	2,096,090	2,356,002
Parks and recreation	676,250	584,119	-	-	676,250	584,119
Storm sewer	-	-	520,278	522,957	520,278	522,957
Solid waste	-	-	814,923	860,562	814,923	860,562
Water	-	-	1,003,571	1,045,527	1,003,571	1,045,527
Sewer	-	-	1,245,135	1,217,990	1,245,135	1,217,990
Total expenses	6,010,728	6,594,053	3,583,907	3,647,036	9,594,635	10,241,089
Other financing sources (uses)	4,024,404	2,298,429	2,157,406	1,162,714	6,181,810	3,461,143
Gain (loss) on sale of assets	(97,211)	29,885	-	-	(97,211)	29,885
Transfers in (out)	-	-	-	-	-	-
Change in net position	3,927,193	2,328,314	2,157,406	1,162,714	6,084,599	3,491,028
Net position - beginning, restated	37,874,261	35,545,947	27,602,596	26,439,882	65,476,857	61,985,829
Net position - ending	\$41,801,454	\$37,874,261	\$29,760,002	\$27,602,596	\$71,561,456	\$65,476,857

Changes in Net Position

The overall change in Net Position for the City was an increase of \$6,084,599.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Fund balances in the City's governmental funds increased by \$949,573.

PLEASANT VIEW CITY, UTAH
MANAGEMENT'S DISCUSSION & ANALYSIS
JUNE 30, 2025

BUDGET CHANGES

Budgeted revenues and expenditures were decreased in order to better reflect actual events as they year went on. Actual expenditures of the general fund for the year including transfers out were \$6,052,539, and were \$862,243 below final budgeted expenditures. The General Fund made various transfers including \$500,000 to the Equipment Replacement Fund, \$200,000 to the Roads Fund, \$200,007 to the Park Development Fund, and \$162,500 to the City Hall Building Fund for future projects and equipment.

CAPITAL ASSETS AND LONG-TERM DEBT ADMINISTRATION

Capital Assets

Pleasant View City added \$2,146,546 in new capital assets in the governmental funds (including CIP transfers, contributed capital, and ROU assets), and \$1,202,841 in new capital assets in the Enterprise funds during the year ended June 30, 2025.

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 2,321,109	\$ 198,250	\$ -	\$ 2,519,359
Construction in progress	4,420,621	309,749	(31,657)	4,698,713
Total capital assets, not being depreciated	<u>6,741,730</u>	<u>507,999</u>	<u>(31,657)</u>	<u>7,218,072</u>
Capital assets, being depreciated				
Land improvements	3,582,321	96,873	-	3,679,194
Buildings	2,575,536	-	(89,270)	2,486,266
Machinery and equipment	2,741,415	49,588	(150,377)	2,640,626
Right of use asset - leases	195,352	-	(129,279)	66,073
Right of use asset - SBITA	61,407	-	(942)	60,465
Infrastructure	<u>17,878,927</u>	<u>2,097,297</u>	<u>-</u>	<u>19,976,224</u>
Total capital assets, being depreciated	<u>27,034,958</u>	<u>2,243,758</u>	<u>(369,868)</u>	<u>28,908,848</u>
Accumulated depreciation for:				
Land improvements	(798,944)	(73,049)	-	(871,993)
Buildings	(824,020)	(52,578)	69,421	(807,177)
Machinery and equipment	(1,688,180)	(198,467)	150,377	(1,736,270)
Right of use asset - leases	(48,579)	(36,424)	51,967	(33,036)
Right of use asset - SBITA	(12,350)	(6,914)	942	(18,322)
Infrastructure	<u>(5,360,250)</u>	<u>(395,224)</u>	<u>-</u>	<u>(5,755,474)</u>
Total accumulated depreciation	<u>(8,732,323)</u>	<u>(762,656)</u>	<u>272,707</u>	<u>(9,222,272)</u>
Total capital assets, being depreciated, net	<u>18,302,635</u>	<u>1,481,102</u>	<u>(97,161)</u>	<u>19,686,576</u>
Governmental activities capital assets, net	<u>\$ 25,044,365</u>	<u>\$ 1,989,101</u>	<u>\$ (128,818)</u>	<u>\$ 26,904,648</u>

PLEASANT VIEW CITY, UTAH
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CAPITAL ASSETS AND LONG-TERM DEBT ADMINISTRATION (CONTINUED)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities				
Capital assets, not being depreciated				
Land	\$ 2,172,425	\$ 225	\$ -	\$ 2,172,650
Construction in progress	285,704	639,481	-	925,185
Total capital assets, not being depreciated	<u>2,458,129</u>	<u>639,706</u>	<u>-</u>	<u>3,097,835</u>
Capital assets, being depreciated				
Buildings	1,123,695	-	-	1,123,695
Utility systems	22,588,289	1,280,207	-	23,868,496
Machinery and equipment	<u>1,318,987</u>	<u>17,858</u>	<u>(61,850)</u>	<u>1,274,995</u>
Total capital assets, being depreciated	<u>25,030,971</u>	<u>1,298,065</u>	<u>(61,850)</u>	<u>26,267,186</u>
Accumulated depreciation for:				
Buildings	(544,769)	(21,195)	-	(565,964)
Utility systems	(7,708,741)	(472,030)	-	(8,180,771)
Machinery and equipment	<u>(881,168)</u>	<u>(75,824)</u>	<u>61,850</u>	<u>(895,142)</u>
Total accumulated depreciation	<u>(9,134,678)</u>	<u>(569,049)</u>	<u>61,850</u>	<u>(9,641,877)</u>
Total capital assets, being depreciated, net	<u>15,896,293</u>	<u>729,016</u>	<u>-</u>	<u>16,625,309</u>
Business-type activities capital assets, net	<u>\$ 18,354,422</u>	<u>\$ 1,368,722</u>	<u>\$ -</u>	<u>\$ 19,723,144</u>

Long-term Debt

Long-term debt in the governmental activities consists of compensated absences, net pension liability, and capital leases. The governmental activities reduced their outstanding debt by \$55,641 by making payments on the capital leases and SBITA's, and compensated absences decreased by \$43,411. There were additions of \$106,825 in the net pension liability.

The business-type activities paid down their water revenue bonds by \$52,000 by making payments on outstanding bonds payable.

	<u>Balance 06/30/24</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 06/30/25</u>	<u>Amounts Due Within One Year</u>
Governmental activities:					
Lease liabilities	\$ 88,638	\$ -	\$ (55,641)	\$ 32,997	\$ 16,096
SBITA liabilities	27,740	-	-	27,740	10,518
Net pension liability	599,965	106,825	-	706,790	-
Compensated absences	<u>207,753</u>	<u>-</u>	<u>(43,411)</u>	<u>164,342</u>	<u>164,342</u>
<i>Total governmental activities</i>	<u>\$ 850,127</u>	<u>\$ 106,825</u>	<u>\$ (99,052)</u>	<u>\$ 931,869</u>	<u>\$ 190,956</u>

**PLEASANT VIEW CITY, UTAH
MANAGEMENT'S DISCUSSION & ANALYSIS
JUNE 30, 2025**

CAPITAL ASSETS AND LONG-TERM DEBT ADMINISTRATION (CONTINUED)

Long-term Debt (continued)

Business-type activities:	Balance 06/30/24	Additions	Reductions	Balance 06/30/25	Amounts Due Within One Year
Water revenue bonds, series 2019	\$ 604,000	\$ -	\$ (52,000)	\$ 552,000	\$ 53,000
Total debt	604,000	-	(52,000)	552,000	53,000
Net pension liability	163,124	28,708	-	191,832	-
Compensated absences	63,453	-	(3,148)	60,305	60,305
<i>Total business-type activities</i>	<u>\$ 830,577</u>	<u>\$ 28,707</u>	<u>\$ (55,148)</u>	<u>\$ 804,137</u>	<u>\$ 113,305</u>

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of Pleasant View City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning any of the information in this report or any other matters related to the City's finances should be addressed to:

Pleasant View City
520 West Elberta Drive
Pleasant View, Utah 84414

BASIC FINANCIAL STATEMENTS

PLEASANT VIEW CITY
STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 8,716,652	\$ 8,095,474	\$ 16,812,126
Accounts receivable (net of allowance for uncollectibles)	50,303	356,687	406,990
Accounts receivable - intergovernmental	2,074,435	-	2,074,435
Inventory	-	20,000	20,000
Restricted cash	7,322,294	2,527,566	9,849,860
Prepaid expenses	-	71,589	71,589
Net pension asset	-	-	-
Capital assets, net of accumulated depreciation:			
Land	2,519,359	2,172,650	4,692,009
Construction in progress	4,698,713	925,185	5,623,898
Land improvements	2,807,201	-	2,807,201
Buildings	1,679,089	557,731	2,236,820
Machinery and equipment	904,356	379,853	1,284,209
Right of use asset - lease	33,037	-	33,037
Right of use asset - SBITA	42,143	-	42,143
Utility systems	-	15,687,725	15,687,725
Infrastructure	14,220,750	-	14,220,750
Total capital assets, net	26,904,648	19,723,144	46,627,792
Total assets	45,068,332	30,794,460	75,862,792
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources relating to pension	607,534	165,693	773,227
Total deferred outflows of resources	607,534	165,693	773,227
LIABILITIES			
Accounts payable	260,475	204,501	464,976
Customer deposits	752,762	190,436	943,198
Other accrued liabilities	114,637	-	114,637
Noncurrent liabilities:			
Due within one year	190,956	113,305	304,261
Due in more than one year	34,123	499,000	533,123
Net pension liability	706,790	191,832	898,622
Total liabilities	2,059,743	1,199,074	3,258,817
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources relating to pensions	4,026	1,077	5,103
Unavailable revenue - property taxes	1,160,445	-	1,160,445
Unavailable revenue - ARPA Act funding	650,198	-	650,198
Total deferred inflows of resources	1,814,669	1,077	1,815,746
NET POSITION			
Net investment in capital assets	26,843,911	18,871,125	45,715,036
Restricted for:			
Class "C" roads	1,046,921	-	1,046,921
Transportation tax	613,155	-	613,155
Alcoholic beverage enforcement and treatment	10,009	-	10,009
Park development impact fee	-	-	-
Redevelopment	4,836,586	-	4,836,586
City hall building	817,583	-	817,583
Sewer impact fees	-	455,530	455,530
Storm sewer impact fees	-	2,072,036	2,072,036
Unrestricted	7,633,289	8,361,311	15,994,600
Total net position	\$ 41,801,454	\$ 29,760,002	\$ 71,561,456

The accompanying notes are an integral part of these financial statements.

**PLEASANT VIEW CITY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025**

	Expenses	Program Revenues			Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Functions/programs							
Governmental activities							
General government	\$ 1,170,350	\$ 53,537	\$ -	\$ -	\$ (1,116,813)	\$ -	\$ (1,116,813)
Public safety	2,068,038	209,705	13,145	27,289	(1,817,899)	-	(1,817,899)
Public works	2,096,090	734,886	629,395	2,529,533	1,797,724	-	1,797,724
Parks and recreation	676,250	84,961	-	207,969	(383,320)	-	(383,320)
Total governmental activities	6,010,728	1,083,089	642,540	2,764,791	(1,520,308)	-	(1,520,308)
Business-type activities							
Storm sewer	520,278	563,793	-	581,146	-	624,661	624,661
Solid waste	814,923	835,707	-	-	-	20,784	20,784
Water	1,003,571	1,409,604	-	372,156	-	778,189	778,189
Sewer	1,245,135	1,370,397	-	112,646	-	237,908	237,908
Total business-type activities	3,583,907	4,179,501	-	1,065,948	-	1,661,542	1,661,542
Total government	\$ 9,594,635	\$ 5,262,590	\$ 642,540	\$ 3,830,739	(1,520,308)	1,661,542	141,234
General revenues:							
Taxes							
Property					1,183,011	-	1,183,011
Sales and use					2,676,580	-	2,676,580
Fee in lieu					55,971	-	55,971
Franchise					884,830	-	884,830
Interest and investment earnings					692,616	495,864	1,188,480
Gain (loss) on sale of assets					(97,211)	-	(97,211)
Miscellaneous					51,704	-	51,704
Total general revenues and transfers					5,447,501	495,864	5,943,365
Change in net position					3,927,193	2,157,406	6,084,599
Net position at beginning of year, restated					37,874,261	27,602,596	65,476,857
Net position at end of year					\$ 41,801,454	\$ 29,760,002	\$ 71,561,456

The accompanying notes are an integral part of these financial statements.

**PLEASANT VIEW CITY
BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF JUNE 30, 2025**

	General	Roads (Capital)	Equipment Replacement (Capital)	RDA	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash	\$ 3,489,381	\$ 1,769,449	\$ 2,487,782	\$ -	\$ 970,040	\$ 8,716,652
Restricted cash	1,670,085	-	-	4,834,626	817,583	7,322,294
Accounts receivable	33,308	16,685	-	310	-	50,303
Accounts receivable - intergovernmental	1,837,346	235,439	-	1,650	-	2,074,435
Prepaid expenses	-	-	-	-	-	-
TOTAL ASSETS	\$ 7,030,120	\$ 2,021,573	\$ 2,487,782	\$ 4,836,586	\$ 1,787,623	\$ 18,163,684
LIABILITIES						
Accounts payable	\$ 247,844	\$ 10,318	\$ 2,229	\$ -	\$ 84	\$ 260,475
Customer deposits	752,762	-	-	-	-	752,762
Other accrued liabilities	114,632	-	-	-	-	114,632
TOTAL LIABILITIES	1,115,238	10,318	2,229	-	84	1,127,869
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	1,160,445	-	-	-	-	1,160,445
Unavailable revenue - ARPA funding	650,198	-	-	-	-	650,198
TOTAL DEFERRED INFLOWS OF RESOURCES	1,810,643	-	-	-	-	1,810,643
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted for:						
Class C roads	1,046,921	-	-	-	-	1,046,921
Transportation tax	613,155	-	-	-	-	613,155
Park development impact fees	-	-	-	-	-	-
Alcoholic beverage enforcement and treatment	10,009	-	-	-	-	10,009
Redevelopment	-	-	-	4,836,586	-	4,836,586
City hall building	-	-	-	-	817,583	817,583
Assigned for:						
Park improvements	-	-	-	-	969,956	969,956
Equipment replacement	-	-	2,485,553	-	-	2,485,553
Roads and sidewalks	-	2,011,255	-	-	-	2,011,255
Unassigned	2,434,149	-	-	-	-	2,434,149
TOTAL FUND BALANCES	4,104,234	2,011,255	2,485,553	4,836,586	1,787,539	15,225,167
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 7,030,115	\$ 2,021,573	\$ 2,487,782	\$ 4,836,586	\$ 1,787,623	\$ 18,163,679

The accompanying notes are an integral part of these financial statements.

**PLEASANT VIEW CITY
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2025**

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances-total governmental funds	\$ 15,225,167
Capital assets used in governmental activities are not financial resources and, therefore are not reported in the fund financial statements.	26,829,468
Right of use assets	75,180
Net pension assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	-
Deferred outflows of resources, a consumption of net position that applies to future periods, is not shown in the fund statements.	607,534
Long-term liabilities are not due and payable in the current period and therefore are not reported in the fund financial statements. Those liabilities consist of:	
Compensated absences	(164,342)
Net pension liability	(706,790)
Right of use liability - SBITA	(27,740)
Lease liability	(32,997)
Deferred inflows of resources, a use of net position that applies to future periods, is not shown in the fund statements.	(4,026)
Net position of governmental activities	<u><u>\$ 41,801,454</u></u>

The accompanying notes are an integral part of these financial statements.

PLEASANT VIEW CITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	General	Roads (Capital)	Equipment Replacement (Capital)	RDA	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	\$ 4,800,392	\$ -	\$ -	\$ -	\$ -	\$ 4,800,392
Licenses and permits	291,027	-	-	-	-	291,027
Intergovernmental	786,172	364,242	-	3,095	176,680	1,330,189
Charges for services	255,003	182,222	-	-	-	437,225
Fines	209,705	-	-	-	-	209,705
Impact fees	-	81,544	-	-	31,289	112,833
Interest income	206,667	77,233	109,099	231,194	68,423	692,616
Other revenues	66,146	14,347	-	-	-	80,493
Total revenues	6,615,112	719,588	109,099	234,289	276,392	7,954,480
EXPENDITURES						
Current operating:						
General government	1,109,968	-	-	-	-	1,109,968
Public safety	1,922,917	-	-	-	-	1,922,917
Public works	1,328,669	65,653	169,611	23,626	-	1,587,559
Parks and recreation	549,601	-	-	-	10,374	559,975
Debt service:						
Principal	-	-	-	-	-	-
Interest and fees	-	-	-	-	-	-
Capital outlay:						
General government	51,588	-	25,112	-	-	76,700
Public safety	-	61,512	-	-	-	61,512
Public works	27,289	303,337	-	4,501	-	335,127
Parks and recreation	-	-	-	-	166,109	166,109
Total expenditures	4,990,032	430,502	194,723	28,127	176,483	5,819,867
Excess of revenues over (under) expenditures	1,625,080	289,086	(85,624)	206,162	99,909	2,134,613
OTHER FINANCING SOURCES (USES)						
Lease proceeds	-	-	-	-	-	-
Proceeds from sale of assets	-	-	-	-	-	-
Transfers-in	387,000	200,000	500,000	-	362,507	1,449,507
Transfers-out	(1,062,507)	-	-	(387,000)	-	(1,449,507)
Total other financing sources (uses)	(675,507)	200,000	500,000	(387,000)	362,507	-
Net change in fund balances	949,573	489,086	414,376	(180,838)	462,416	2,134,613
Fund balances at beginning of year, restated	3,154,661	1,522,169	2,071,177	5,017,424	1,325,123	13,090,554
Fund balances at end of year	\$ 4,104,234	\$ 2,011,255	\$ 2,485,553	\$ 4,836,586	\$ 1,787,539	\$ 15,225,167

The accompanying notes are an integral part of these financial statements.

PLEASANT VIEW CITY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

Net change in fund balance, total governmental funds	\$ 2,134,613
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.	
Capital outlays	639,448
Right of use assets	-
Amortization	(43,335)
Depreciation expense	<u>(719,321)</u>
	(123,208)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Compensated absences	43,411
Capital assets contributed by developers constitute revenues on the government-wide	2,080,652
The governmental funds report the proceeds from the sale of assets as revenues, while the government-wide financial statements report the difference between the sale proceeds and the net book value of the assets sold as a gain or loss.	
Net book value of assets sold	(97,211)
The Statement of Activities includes the net pension benefit (expense) from the adoption of GASB 68, which is not included in the fund financial statements.	(166,705)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction however, has any effect on net position. This amount is the net effect of these differences in the treatment of long term debt.	
Issuance of debt	-
Repayment of debt - SBITA and leases	<u>55,641</u>
Change in net position of governmental activities	<u>\$ 3,927,193</u>

The accompanying notes are an integral part of these financial statements.

**PLEASANT VIEW CITY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2025**

	Storm Sewer	Solid Waste	Water	Sewer	Total
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 1,435,007	\$ 140,637	\$ 3,614,983	\$ 2,904,847	\$ 8,095,474
Accounts receivable (net)	41,008	72,613	121,077	121,989	356,687
Prepaid expenses	-	-	71,589	-	71,589
Inventory	-	-	20,000	-	20,000
Total current assets	1,476,015	213,250	3,827,649	3,026,836	8,543,750
Noncurrent assets:					
Restricted cash	2,072,036	-	-	455,530	2,527,566
Net pension asset	-	-	-	-	-
Capital assets, net of accumulated depreciation:					
Land	1,040,774	300,000	623,543	208,333	2,172,650
Construction in progress	151,184	-	654,677	119,324	925,185
Buildings	98,546	-	422,185	37,000	557,731
Utility systems	5,479,597	-	7,442,969	2,765,159	15,687,725
Machinery and equipment	208,094	-	133,438	38,321	379,853
Total capital assets, net	6,978,195	300,000	9,276,812	3,168,137	19,723,144
Total noncurrent assets	9,050,231	300,000	9,276,812	3,623,667	22,250,710
Total assets	10,526,246	513,250	13,104,461	6,650,503	30,794,460
Deferred outflows of resources:					
Deferred outflows of resources relating to pensions	36,079	20,513	71,245	37,856	165,693
Total assets and deferred outflows of resources	10,562,325	533,763	13,175,706	6,688,359	30,960,153
LIABILITIES					
Current liabilities:					
Accounts payable	4,208	74,760	15,597	109,936	204,501
Customer deposits	-	-	189,636	800	190,436
Current portion of long-term obligations	13,887	12,536	74,508	12,374	113,305
Total current liabilities	18,095	87,296	279,741	123,110	508,242
Noncurrent liabilities:					
Long-term obligations, net of current portion	-	-	499,000	-	499,000
Net pension liability	44,105	26,340	80,961	40,426	191,832
Total liabilities	62,200	113,636	859,702	163,536	1,199,074
Deferred inflows of resources:					
Deferred inflows of resources relating to pensions	235	(32)	859	15	1,077
Total liabilities and deferred inflows of resources	62,435	113,604	860,561	163,551	1,200,151
NET POSITION					
Net investment in capital assets	6,978,195	-	8,724,793	3,168,137	18,871,125
Restricted for impact fees	2,072,036	-	-	455,530	2,527,566
Unrestricted	1,449,659	420,159	3,590,352	2,901,141	8,361,311
Total net position	\$ 10,499,890	\$ 420,159	\$ 12,315,145	\$ 6,524,808	\$ 29,760,002

The accompanying notes are an integral part of these financial statements.

PLEASANT VIEW CITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	<u>Storm Sewer</u>	<u>Solid Waste</u>	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Operating revenues:					
Charges for services	\$ 440,233	\$ 825,943	\$ 1,269,446	\$ 1,340,255	\$ 3,875,877
Other operating revenues	-	9,764	25,129	5,247	40,140
Total operating revenues	<u>440,233</u>	<u>835,707</u>	<u>1,294,575</u>	<u>1,345,502</u>	<u>3,916,017</u>
Operating expenses:					
Personnel services	244,770	171,937	301,964	193,179	911,850
Contractual services	-	590,007	137,929	821,842	1,549,778
Office supplies and expense	11,591	8,290	20,299	19,047	59,227
Supplies	1,047	-	2,787	1,782	5,616
Lease	-	-	-	-	-
Professional services	25,555	4,748	28,973	22,808	82,084
Utilities	2,893	683	52,702	477	56,755
Equipment and maintenance	33,217	39,009	170,258	87,898	330,382
Depreciation	201,205	249	269,493	98,102	569,049
Total operating expenses	<u>520,278</u>	<u>814,923</u>	<u>984,405</u>	<u>1,245,135</u>	<u>3,564,741</u>
Operating income (loss)	<u>(80,045)</u>	<u>20,784</u>	<u>310,170</u>	<u>100,367</u>	<u>351,276</u>
Nonoperating revenues (expenses)					
Impact fees	123,560	-	115,029	24,895	263,484
Interest revenue	167,357	5,492	169,573	153,442	495,864
Gain or (loss) on disposition of asset	-	-	-	-	-
Interest expense	-	-	(19,166)	-	(19,166)
Total nonoperating revenues (expenses)	<u>290,917</u>	<u>5,492</u>	<u>265,436</u>	<u>178,337</u>	<u>740,182</u>
Net income (loss) before contributions and transfers	<u>210,872</u>	<u>26,276</u>	<u>575,606</u>	<u>278,704</u>	<u>1,091,458</u>
Transfers in (out)	-	-	-	-	-
Capital contributions	<u>581,146</u>	<u>-</u>	<u>372,156</u>	<u>112,646</u>	<u>1,065,948</u>
Change in net position	<u>792,018</u>	<u>26,276</u>	<u>947,762</u>	<u>391,350</u>	<u>2,157,406</u>
Total net position - beginning, as restated	<u>9,707,872</u>	<u>393,883</u>	<u>11,367,383</u>	<u>6,133,458</u>	<u>27,602,596</u>
Total net position - ending	<u>\$ 10,499,890</u>	<u>\$ 420,159</u>	<u>\$ 12,315,145</u>	<u>\$ 6,524,808</u>	<u>\$ 29,760,002</u>

The accompanying notes are an integral part of these financial statements.

**PLEASANT VIEW CITY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2025**

	<u>Storm Sewer</u>	<u>Solid Waste</u>	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Cash flows from operating activities					
Cash received from customers	\$ 442,204	\$ 842,831	\$ 1,277,511	\$ 1,355,406	\$ 3,917,952
Cash paid to suppliers	(118,244)	(620,952)	(427,038)	(866,004)	(2,032,238)
Cash paid to employees	(231,825)	(163,642)	(288,822)	(185,282)	(869,571)
Net cash provided (used) by operating activities	<u>92,135</u>	<u>58,237</u>	<u>561,651</u>	<u>304,120</u>	<u>1,016,143</u>
Cash flows from noncapital financing activities					
Transfers in/out	-	-	-	-	-
Net cash used in noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities					
Acquisition and construction of capital assets	(292,317)	-	(463,978)	(116,155)	(872,450)
Principal payments - bonds	-	-	(52,000)	-	(52,000)
Proceeds from sale of assets	-	-	-	-	-
Interest paid	-	-	(19,166)	-	(19,166)
Impact fees collected	123,560	-	115,029	24,895	263,484
Net cash provided (used) in capital and related financing activities	<u>(168,757)</u>	<u>-</u>	<u>(420,115)</u>	<u>(91,260)</u>	<u>(680,132)</u>
Cash flows from investing activities					
Interest on investments	167,357	5,492	169,573	153,442	495,864
Net cash provided by investing activities	<u>167,357</u>	<u>5,492</u>	<u>169,573</u>	<u>153,442</u>	<u>495,864</u>
Net increase (decrease) in cash	90,735	63,729	311,109	366,302	831,875
Cash - July 1	3,416,308	76,908	3,303,874	2,994,075	9,791,165
Cash - June 30	<u>\$ 3,507,043</u>	<u>\$ 140,637</u>	<u>\$ 3,614,983</u>	<u>\$ 3,360,377</u>	<u>\$ 10,623,040</u>
As reported on the statement of net position:					
Cash and cash equivalents	1,435,007	140,637	3,614,983	2,904,847	8,095,474
Restricted cash	2,072,036	-	-	455,530	2,527,566
	<u>\$ 3,507,043</u>	<u>\$ 140,637</u>	<u>\$ 3,614,983</u>	<u>\$ 3,360,377</u>	<u>\$ 10,623,040</u>
Reconciliation of operating income (loss) to net cash provided by operating activities					
Operating income (loss)	\$ (80,045)	\$ 20,784	\$ 310,170	\$ 100,367	\$ 351,276
Adjustments to reconcile operating income (loss) to net cash provided by operating activities					
Depreciation	201,205	249	269,493	98,102	569,049
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	1,971	7,124	(22,564)	9,904	(3,565)
(Increase) decrease in prepaid expenses	-	-	(5,249)	-	(5,249)
Increase (decrease) in net pension liability	11,952	9,539	14,108	9,201	44,800
Increase (decrease) in customer deposits	-	-	5,500	-	5,500
Increase (decrease) in compensated absences	993	(1,244)	(966)	(1,304)	(2,521)
Increase (decrease) in accounts payable	(43,941)	21,785	(8,841)	87,850	56,853
Net cash provided by operating activities	<u>\$ 92,135</u>	<u>\$ 58,237</u>	<u>\$ 561,651</u>	<u>\$ 304,120</u>	<u>\$ 1,016,143</u>
Noncash investing and financing activities:					
Capital contributions	\$ 581,146	\$ -	\$ 372,156	\$ 112,646	\$ 1,065,948

The accompanying notes are an integral part of these financial statements.

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General Statement

Pleasant View City is incorporated under the laws of the State of Utah and operates within the classification of a fifth-class City. The City government is operated under a mayor and five-member council who are elected for four-year terms. Appointed officers are the city recorder, city treasurer, and the police chief. In defining the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth by the Governmental Accounting Standards board (GASB). Under GASB Statement No. 61, *The Financial Reporting Entity*, the financial reporting entity consists of the primary government and no component units.

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 City has adopted GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance*. Accordingly, the City has elected to apply all applicable GASB pronouncements and codified accounting standards issued by GASB. The more significant accounting policies established in GAAP and used by the City are discussed below.

The City's basic financial statements consist of both government-wide statements and fund statements. The government-wide statements focus on the City as a whole, while the fund statements focus on individual funds.

B. Basic Financial Statements

The City's basic financial statements consist of the government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

Statement of Net Position - The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities. The statement of net position presents the financial condition of the governmental and business-type activities of the City at year end.

Statement of Activities - The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for business-type activities of the City. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function.

Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program.

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basic Financial Statements (Continued)

Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the City.

Fund Financial Statements

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

C. Fund Accounting

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary. The following fund types are used by the City:

Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following describes the major governmental fund of the City:

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.

Road (Capital Projects) Fund is used to accumulate and spend financial resources for the construction and improvements on roads that are not business-type.

Equipment Replacement (Capital Projects) Fund is used to accumulate and spend financial resources for new equipment and other new capital facilities and improvements that are not business-type.

Redevelopment Fund helps eliminate "blighted" areas within the designated project area. The City receives tax increment revenue for the fund. The Redevelopment Fund is a special revenue fund.

The following describes the nonmajor governmental funds of the City:

Park Development (Capital Projects) Fund is used to account for financial resources to be used for the acquisition or construction of park improvements as designate by the governing body (other than those financed by business-type/proprietary funds).

City Hall Fund is used to account for financial resources to be used for the acquisition or construction of improvements to the City Hall as designated by the governing body.

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Fund Accounting (Continued)

Proprietary Funds:

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Proprietary Funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's various departments. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The following is a description of the proprietary funds of the City.

Enterprise Funds account for those operations that are financed and operated in a manner similar to private business enterprises or where the governing body had decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The City's enterprise funds include the Water Fund, Sewer Fund, Storm Sewer, and the Solid Waste Fund.

D. Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made regardless of the measurement focus applied.

Government-wide financial statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled utility services which are accrued. Expenses are recognized at the time liability is incurred. Fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available").

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus/Basis of Accounting (Continued)

"Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period. The government considers all revenues available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Property taxes, franchise taxes, licenses, and interest are susceptible to accrual. Sales taxes collected and held by the state at year end on behalf of the government are also recognized as revenue. Other receipts and taxes become measurable and available when cash is received by the government and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

E. Assets, Liabilities and Equity

1. Deposits and Investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

2. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position.

3. Receivables and Payables

In the government-wide statements, receivables consist of all revenues earned at year end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

4. Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities and Equity (Continued)

5. Capital Assets

Capital assets which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

Interest has not been capitalized during the construction period on property, plant and equipment.

The City capitalizes assets with an original cost of \$2,500 or more and a useful life of more than one years, except for infrastructure. Land improvements with an original cost of \$12,500 or more are capitalized. Buildings and building improvements with an original cost of \$25,000 or more and infrastructure with an original cost of \$100,000 or more are capitalized. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	50
Utility Systems	50
Infrastructure	50
Machinery & Equipment	5-20

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

6. 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.

7. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category. It is the deferred contributions and differences between projected and actual earnings on its pension plan assets.

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities and Equity (Continued)

7. Deferred Outflows and Inflows of Resources (Continued)

In addition to liabilities, the statement of net position reports 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 period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three types of items reported under this category. First, unavailable revenue-property taxes are reported as deferred inflows of resources since they are recognized as receivables before the period for which the taxes are levied. The second type is related to the City's pension plan. The City participates in the Utah Retirement Systems and has deferred inflows of resources associated with differences between expected and actual experience and changes in assumptions. The third type is money from the ARPA act funding received from the federal government but not yet spent within the audited year.

8. Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. If an employee has more than 20 years of service with the Utah Retirement System, the city accrues 20% of the employee's available sick leave hours. Vacation pay is accrued when incurred and is reported as a liability. Amounts not expected to be liquidated with expendable available financial resources are reported in the Statement of Net Position as a noncurrent liability.

The City has adopted GASB 101 – Compensated Absences, which requires that liabilities for compensated absences be recognized for leave that has not been used and more likely than not will be used and has not yet been paid.

9. Long-term Liabilities

The accounting treatment of long-term liabilities depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term liabilities to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term liabilities consist primarily of notes payable and bonds payable.

Long-term liabilities for governmental funds are not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary fund is the same in the fund statements as it is in the government-wide statements.

10. Equity Classifications

Fund financial statements

In February 2009, GASB issued Statement No. 54 on Fund Balance Reporting and Governmental Fund Type Definitions. The statement is effective for years beginning after June 15, 2010. The statement applies only to governmental fund financial statements and not to government-wide statements or proprietary fund

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities and Equity (Continued)

10. Equity Classifications (Continued)

statements. Proprietary fund equity is classified the same as in the government-wide statements. The governmental fund balances may be classified as follows:

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first.

When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless City Council has provided otherwise in its commitment or assignment actions.

Government-wide Statements

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities and Equity (Continued)

11. Interfund Transactions

- c. Unrestricted net position – All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

It is the City’s policy to first apply restricted resources rather than unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

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

All other interfund transactions, except quasi-external transactions and reimbursement, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as non-operating transfers.

12. Property Tax

Real property taxes are collected by the County Treasurer and remitted to the City after collection. Taxes are due and payable on November 1st and delinquent after 12 o'clock noon on November 30th of each year. The tax levy is established by June 15th with a lien date of January 1st. Property tax revenue is not recognized when levied, because it is not expected to be collected within 60 days after the end of the fiscal year and is not available for use in the year in which the taxes are levied.

13. Operating Revenues and Expenses

Operating revenues and expenses in the proprietary funds consist of those revenues that result from the ongoing principal operations of the City. Operating revenues consist of charges for services. Nonoperating revenues and expenses consist of those revenues and expenses that are related to financing and investing type activities and result from nonexchange transactions or ancillary activities.

14. Leases as a lessee / Subscription Based Information Technology Arrangements (SBITAs)

The City recognizes a liability and an intangible right-to-use assets in the government-wide financial statements. At the commencement of a lease / SBITA, the City initially measures the liability at the present value of payments expected to be made during the term. Subsequently, the liability is reduced by the principal portion of payments made. The asset is initially measured as the initial amount of the liability, adjusted for payments made at or before the commencement date, plus certain initial direct / implementation costs. Subsequently, the asset is amortized on a straight-line basis over its useful life.

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

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities and Equity (Continued)

14. Leases as a lessee / Subscription Based Information Technology Arrangements (SBITAs) (Continued)

- The term includes the noncancellable period of the lease /SBITA. Payments included in the measurement of the liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise. In determining the term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the term if the lease / SBITA is reasonably certain to be extended (or not terminated). The City monitors changes in circumstances that would require a remeasurement of its lease / SBITAs and will remeasure the asset and liability if certain changes occur that are expected to significantly affect the amount of the liability. Assets are reported with other capital assets and lease liabilities are reported with long- term debt on the statement of net position. Payments due under the lease / SBITA contracts are fixed payments. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:
 - fixed payments (including in-substance fixed payments), less any lease incentives receivable
 - amounts expected to be payable by the City under residual value guarantees
 - the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
 - payments of penalties for terminating the lease, if the lease term reflects the City exercising that option.

Payments to be made under reasonably certain extension options are also included in the measurement of the liability. Extension and termination options are included in leases / SBITAs to maximize operational flexibility in terms of managing the assets used in the City's operations. The majority of extension and termination options held are exercisable only by the City and not by the respective lessor. The payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the City's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. Leases as a Lessor: The City is a lessor for noncancellable leases of office space and land.

The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

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

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities and Equity (Continued)

14. Leases as a lessee / Subscription Based Information Technology Arrangements (SBITAs) (Continued)

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

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee. The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

15. Adoption of New Accounting Standard

In 2022 GASB Announced GASBS 101 - Compensated Absences, effective for years beginning after December 15, 2023. This Statement requires that liabilities for compensated absences be recognized for leave that has not been used and more likely than not will be used and has not yet been paid. A liability should be recognized for leave that has not been used if the leave is attributable to services already rendered, the leave accumulates, and the leave is more likely than not to be paid.

This statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave is paid.

Adoption of this new standard resulted in a restatement of prior year earnings, detailed in Note III-H.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budget Information

Annual budgets are prepared and adopted in accordance with the "Uniform Fiscal Procedures Act for Utah Cities" by the Pleasant View City Municipal Council prior to June 22nd for the following fiscal year, which begins on July 1. Budgets may be increased by resolution of the Municipal Council at any time during the year, following a public hearing. Budgets are adopted at sub-department levels; however budget amendments by resolution are generally required only if the department desires to exceed its total budget appropriation.

The City adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

1. On or before the first regularly scheduled council meeting in May, the Mayor submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Prior to the formal adoption of the budget the City Council will hold budget workshop meetings, which are open to the public.

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

A. Budget Information (Continued)

3. Prior to June 22nd the City Council sets a date for a public budget hearing at which time taxpayers' comments are heard. Copies of the proposed budget are made available for public inspection 7 days prior to the budget hearing. At the conclusion of the budget hearing the budget, as amended, is legally enacted through passage of a resolution.
4. Formal budgetary integration is employed as a management control device during the year for the General Fund and Enterprise Funds.
5. Budgets for the General Fund are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP). Budgets for the proprietary fund types are prepared using the accrual basis of accounting except that depreciation for all proprietary fund types is not budgeted. Budgeted amounts are as originally adopted, or as amended by the City Council during the fiscal year.
6. Unencumbered budget appropriations lapse at the end of the fiscal year.

B. Fund Equity Restrictions

Restricted for Class "C" Road – Restriction required to account for class "C" road revenues and expenditures.

Restricted for Transportation tax – Restriction required to account for the receipt of transportation tax revenues and expenditures.

Restricted for Alcoholic Beverage Enforcement and Treatment – Restriction required to account for the receipt of State Liquor revenues and expenditures.

Restricted for Impact Fees - The City Council passed an ordinance providing for specific impact fees on all new construction. Impact fees include fees for fire, parks (open space and park development), sanitary sewer, water, and storm sewer. These fees are to be restricted for costs of development.

Restricted for City hall building - Restriction required to account for the receipt of revenues and expenditures in the City hall building fund.

Restricted for Redevelopment - The Redevelopment Fund receives property taxes with the intent to spend the funds on redeveloping the City.

Restricted for Grants - The City receives grants associated with specific equipment purchases or construction projects.

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

III. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS

A. Deposits and Investments

Deposits & Investments

The City maintains a cash and investment pool that is available for use by all funds. Cash includes amounts in demand deposits as well as time deposits. Investments are stated at cost or amortized cost, which approximates fair value. Each fund's portion of this pool is displayed as "Cash and Cash Equivalents" which also includes cash accounts that are separately held by some of the City's funds. Deposits are not collateralized nor are they required to be by State statute.

The City follows the requirements of the Utah Money Management Act (*Utah Code*, Section 51, Chapter 7) in handling its depository and investment transactions. This Act requires the depositing of funds in a "qualified depository".

The Act defines a "qualified depository" as any financial institution whose deposits are insured by an agency of the Federal government and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the deposits may not be returned to it. The City does not have a formal deposit policy for custodial credit risk. As of June 30, 2025, \$196,080 of the City's bank balances of \$611,892 was uninsured and uncollateralized.

Investments

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

The City follows the requirements of the Utah Money Management Act (*Utah Code*, Title 51, Chapter 7) in handling its depository and investment transactions. The Act requires the depositing of funds in a qualified depository. The Act defines a qualified depository as any financial institution whose deposits are insured by an agency of the Federal Government and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

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

Statutes authorize the City to invest in negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations; bankers' acceptances; obligations of the United States Treasury including bills, notes, and bonds; obligations, other than mortgage derivative products, issued by U.S. government sponsored enterprises (U.S. Agencies) such as the Federal

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

III. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

A. Deposits and Investments (Continued)

Home Loan Bank System, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae); bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed rate corporate obligations and variable rate securities rated “A” or higher, or the equivalent of “A” or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in the Money Management Act; and the Utah State Public Treasurers’ Investment Fund.

The Utah State Treasurer’s Office operates the Public Treasurers’ Investment Fund (PTIF). The PTIF is available for investment of funds administered by any Utah public treasurer and is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Money Management Act (*Utah Code*, Title 51, Chapter 7). The Act established the Money Management Council which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

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

Fair Value of Investments

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

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

At June 30, 2025, the City had the following recurring fair value measurements:

	Fair Value Measurements Using			
	Total	Level 1	Level 2	Level 3
Investments by fair value level				
Debt securities:				
Utah Public Treasurer's Investment Fund	\$ 26,825,280	\$ -	\$ 26,825,280	\$ -
Total debt securities	<u>\$ 26,825,280</u>	<u>\$ -</u>	<u>\$ 26,825,280</u>	<u>\$ -</u>

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

III. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

A. Deposits and Investments (Continued)

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 are valued using the following approaches:

- U.S. Treasuries, U.S. Agencies, and Commercial Paper: quoted prices for identical securities in markets that are not active;
- Corporate and Municipal Bonds: quoted prices for similar securities in active markets;
- Money Market, Bond, and Equity Mutual Funds: published fair value per share (unit) for each fund;
- Utah Public Treasurers' Investment Fund: application of the June 30, 2025 fair value factor, as calculated by the Utah State Treasurer, to the City's average daily balance in the Fund.

Interest Rate Risk

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

As of June 30, 2025, the City's investments had the following maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	More than 10
PTIF Investments	\$26,825,280	\$26,825,280	-	-	-
	\$26,825,280	\$26,825,280	-	-	-

Credit Risk

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

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

III. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

A. Deposits and Investments (Continued)

At June 30, 2025, the City's investments had the following quality ratings:

Investment Type	Fair Value	Quality Ratings			
		AAA	AA	A	Unrated
PTIF Investments	26,825,280	-	-	-	26,825,280
	26,825,280	-	-	-	26,825,280

Concentration of Credit Risk

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

Custodial credit risk (investments) – For an investment, this is the risk that, in the event of the failure of the counterparty, the will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The does not have a formal policy for custodial credit risk.

The City's investment in the Utah Public Treasurer's Investment Fund has no custodial credit risk.

Cash on hand and on deposit:

Deposits	\$ (163,294)
PTIF investment	<u>26,825,280</u>
Total cash and investments	<u><u>\$ 26,661,986</u></u>

Cash and investments are included in the accompanying combined statement of net position as follows:

Cash and cash equivalents	\$ 16,812,126
Restricted cash	<u>9,849,860</u>
Total cash and investments	<u><u>\$ 26,661,986</u></u>

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

III. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

B. Accounts Receivable

Intergovernmental accounts receivable for the governmental funds, including the applicable allowance for uncollectible accounts at June 30, 2025, are as follows:

Intergovernmental activities:		General			
Receivables:					
Sales tax		\$	479,668		
Class C road			122,015		
Property tax			10,686		
Deferred property tax			1,160,445		
Franchise taxes			64,531		
WACOG grant			237,090		
Gross receivables			2,074,435		
Less: allowance for uncollectibles			-		
Net total receivables		\$	2,074,435		

Governmental-type:	General	Roads	RDA	Total
Accounts receivables	\$ 33,308	\$ 16,685	\$ 310	\$ 50,303
Less: allowance for uncollectibles	-	-	-	-
Net total receivables	<u>\$ 33,308</u>	<u>\$ 16,685</u>	<u>\$ 310</u>	<u>\$ 50,303</u>

The accounts receivables in the Proprietary funds have the following balances:

Business-type activities:	Storm Sewer	Water	Sewer	Solid Waste	Total
Accounts receivables	\$ 42,008	\$ 122,405	\$ 123,989	\$ 73,613	\$ 362,015
Less: allowance for uncollectibles	(1,000)	(1,328)	(2,000)	(1,000)	(5,328)
Net total receivables	<u>\$ 41,008</u>	<u>\$ 121,077</u>	<u>\$ 121,989</u>	<u>\$ 72,613</u>	<u>\$ 356,687</u>

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

III. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

C. Capital Assets

Capital assets activity in the governmental activities for the year ended June 30, 2025, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 2,321,109	\$ 198,250	\$ -	\$ 2,519,359
Construction in progress	4,420,621	309,749	(31,657)	4,698,713
Total capital assets, not being depreciated	<u>6,741,730</u>	<u>507,999</u>	<u>(31,657)</u>	<u>7,218,072</u>
Capital assets, being depreciated				
Land improvements	3,582,321	96,873	-	3,679,194
Buildings	2,575,536	-	(89,270)	2,486,266
Machinery and equipment	2,741,415	49,588	(150,377)	2,640,626
Right of use asset - leases	195,352	-	(129,279)	66,073
Right of use asset - SBITA	61,407	-	(942)	60,465
Infrastructure	<u>17,878,927</u>	<u>2,097,297</u>	<u>-</u>	<u>19,976,224</u>
Total capital assets, being depreciated	<u>27,034,958</u>	<u>2,243,758</u>	<u>(369,868)</u>	<u>28,908,848</u>
Accumulated depreciation for:				
Land improvements	(798,944)	(73,049)	-	(871,993)
Buildings	(824,020)	(52,578)	69,421	(807,177)
Machinery and equipment	(1,688,180)	(198,464)	150,377	(1,736,270)
Right of use asset - leases	(48,579)	(36,421)	51,967	(33,036)
Right of use asset - SBITA	(12,350)	(6,914)	942	(18,322)
Infrastructure	<u>(5,360,250)</u>	<u>(395,224)</u>	<u>-</u>	<u>(5,755,474)</u>
Total accumulated depreciation	<u>(8,732,323)</u>	<u>(762,656)</u>	<u>272,707</u>	<u>(9,222,272)</u>
Total capital assets, being depreciated, net	<u>18,302,635</u>	<u>1,481,102</u>	<u>(97,161)</u>	<u>19,686,576</u>
Governmental activities capital assets, net	<u>\$ 25,044,365</u>	<u>\$ 1,989,101</u>	<u>\$ (128,818)</u>	<u>\$ 26,904,648</u>

Depreciation and amortization expense was charged to functions/departments of the primary government as follows:

Governmental activities:

General government	\$ 63,248
Public safety	76,353
Public works	524,017
Parks and recreation	<u>99,038</u>
Total depreciation expense	<u>\$ 762,656</u>

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

III. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

C. Capital Assets (Continued)

The City has no leased assets reported in their business-type activities. Capital assets activity in the business-type activities for the year ended June 30, 2025, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities				
Capital assets, not being depreciated				
Land	\$ 2,172,425	\$ 225	\$ -	\$ 2,172,650
Construction in progress	285,704	639,481	-	925,185
Total capital assets, not being depreciated	<u>2,458,129</u>	<u>639,706</u>	<u>-</u>	<u>3,097,835</u>
Capital assets, being depreciated				
Buildings	1,123,695	-	-	1,123,695
Utility systems	22,588,289	1,280,207	-	23,868,496
Machinery & equipment	<u>1,318,987</u>	<u>17,858</u>	<u>(61,850)</u>	<u>1,274,995</u>
Total capital assets, being depreciated	<u>25,030,971</u>	<u>1,298,065</u>	<u>(61,850)</u>	<u>26,267,186</u>
Accumulated depreciation for:				
Buildings	(544,769)	(21,195)	-	(565,964)
Utility systems	(7,708,741)	(472,030)	-	(8,180,771)
Machinery & equipment	<u>(881,168)</u>	<u>(75,824)</u>	<u>61,850</u>	<u>(895,142)</u>
Total accumulated depreciation	<u>(9,134,678)</u>	<u>(569,049)</u>	<u>61,850</u>	<u>(9,641,877)</u>
Total capital assets, being depreciated, net	<u>15,896,293</u>	<u>729,016</u>	<u>-</u>	<u>16,625,309</u>
Business-type activities capital assets, net	<u>\$ 18,354,422</u>	<u>\$ 1,368,722</u>	<u>\$ -</u>	<u>\$ 19,723,144</u>

Depreciation expense was charged to functions/departments of the primary business-type activities as follows:

Business-type activities:

Storm sewer	\$ 201,205
Solid waste	249
Water	269,493
Sewer	<u>98,102</u>
Total depreciation expense	<u>\$ 569,049</u>

**PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

III. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

D. Interfund Transfers/Balances

Transfers for the year June 30, 2025 were as follows:

Transfers Out	Transfers In					Total
	General	Equipment Replacement (Capital)	City Hall Building	Roads - Capital	Park Development	
General fund	\$ -	\$ 500,000	\$ 162,500	\$ 200,000	\$ 200,007	\$ 1,062,507
RDA fund	387,000	-	-	-	-	387,000
Totals	<u>\$ 387,000</u>	<u>\$ 500,000</u>	<u>\$ 162,500</u>	<u>\$ 200,000</u>	<u>\$ 200,007</u>	<u>\$ 1,449,507</u>

The above transfers resulted from the normal course of the City's operation.

E. Long-term Liabilities

Changes in Long-term Liabilities - During the year, the following changes occurred in long-term liabilities for the governmental activities:

Governmental activities:	Balance 06/30/24	Additions	Reductions	Balance 06/30/25	Amounts Due Within One Year
Lease liabilities	\$ 88,638	\$ -	\$ (55,641)	\$ 32,997	\$ 16,096
SBITA liabilities	27,740	-	-	27,740	10,518
Net pension liability	599,965	106,825	-	706,790	-
Compensated absences	207,753	-	(43,411)	164,342	164,342
<i>Total governmental activities</i>	<u>\$ 850,127</u>	<u>\$ 106,825</u>	<u>\$ (99,052)</u>	<u>\$ 931,869</u>	<u>\$ 190,956</u>

Lease agreements are summarized as follows:

Description	Original Date	Term	Payment Amount	Interest Rate	Original Lease Liability	Balance June 30, 2025
2023 Police Vehicles 1&2	9/10/2023	4 years	17,746	5.00%	66,073	32,997
						<u>\$32,997</u>

The police vehicles are leased for the public safety at the beginning of the year each year. The beginning of the leases are noted in the table above as well as the interest rates. The leases are renewable and the guaranteed residual value varies for each vehicle at the end of the lease.

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

III. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

E. Long-Term Liabilities (Continued)

Annual requirements to satisfy long-term obligations and related interest are as follows:

2023 Police Vehicles 1-2:			
Year Ending June 30:	Principal	Interest	Total
2026	16,096	1,650	17,746
2027	16,901	845	17,746
	<u>\$ 32,997</u>	<u>\$ 2,495</u>	<u>\$ 35,492</u>

Changes in Long-Term Liabilities - During the year, the following changes occurred in long-term liabilities for the business-type activities:

Business-type activities:	Balance 06/30/24	Additions	Reductions	Balance 06/30/25	Amounts Due Within One Year
Water revenue bonds, series 2018	\$ 604,000	\$ -	\$ (52,000)	\$ 552,000	\$ 53,000
Total debt	604,000	-	(52,000)	552,000	53,000
Net pension liability	163,124	28,708	-	191,832	-
Compensated absences	63,453	-	(3,148)	60,305	60,305
<i>Total business-type activities</i>	<u>\$ 830,577</u>	<u>\$ 28,708</u>	<u>\$ (55,148)</u>	<u>\$ 804,137</u>	<u>\$ 113,305</u>

Water Revenue Bond, Series 2018. The City refinanced the Series 2015 bonds on September 25, 2018. The settlement amount is \$839,000

The Series bonds' interest rate is set at 3.30% and is due semi-annually on April 1st and October 1st.
Principal payments are due on October 1st of each year.
The bonds mature on October 1, 2033.

\$ 552,000

The annual requirements to amortize the obligation are as follows:

Series 2018 Water Bonds			
Year Ended June 30,	Principal	Interest	Total
2026	53,000	17,342	71,074
2027	56,000	17,342	70,342
2028	58,000	13,662	71,662
2029	60,000	11,715	71,715
2030	61,000	9,719	70,719
2031-2034	264,000	17,721	281,721
Totals	<u>\$ 552,000</u>	<u>\$ 87,500</u>	<u>\$ 637,233</u>

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

III. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

F. Redevelopment Agency

In 2002, the City created a redevelopment agency fund to account for revenues derived from specific taxes, which are designated to finance particular functions of the city. The current year's actual expenditures for the fund consisted of the following:

1. \$27,476 for professional and technical expenses.
2. \$651 for memberships and subscriptions and supplies.
3. \$387,000 in fund transfers to the General Fund.

G. Subscription-Based Information Technology Arrangements

The City has four software arrangements that require recognition under GASBS No. 96. The software amortization expense is included on the Statement of Revenues, Expenses and Changes in Fund Net Position. The City now recognizes a subscription-based information technology arrangements (SBITA) liability and an intangible right-to-use asset for the software.

The software arrangement with PrimeGov is a three-year agreement, initiated in fiscal year 2022 with a one-time payment of \$38,533. The agreement is designed to help the City facilitate various steps in the legislative process, including committee appointments, agenda management, virtual council meetings, minutes annotations, and live and archived video streaming. The City has used a 4.82% discount rate for this arrangement based on other software agreements during the same fiscal year.

The software arrangement with Enfusion Technologies is a five-year agreement, initiated in fiscal year 2021 with a one-time payment of \$4,800 and annual payments of \$5,500 through the agreement term. The agreement is designed to provide a digital permitting and inspection solution to apply for permits online, complete plan reviews, schedule and complete inspections, and track and report on permits and inspections. The City has used a 5.36% discount rate for this arrangement based on other software agreements during the same fiscal year.

The software arrangement with Motorola Solutions is a five-year agreement, initiated in fiscal year 2022 with an initial payment of \$12,967 and annual payments of \$6,468 through the agreement term. The agreement is designed to provide video-as-a-service evidence management software. The City has used a 5.15% discount rate for this arrangement based on other software agreements during the same fiscal year.

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

III. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

G. Subscription-Based Information Technology Arrangements (Continued)

The total costs of the City's subscription asset are recorded as \$42,143, net of accumulated amortization of \$18,322. The future subscription payments under SBITA agreements are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 4,955	\$ 545	\$ 5,500
2027	5,220	280	5,500
	<u>\$ 10,175</u>	<u>\$ 825</u>	<u>\$ 11,000</u>

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 5,563	\$ 905	\$ 6,468
2027	5,850	618	6,468
2028	6,152	316	6,468
	<u>\$ 17,565</u>	<u>\$ 1,839</u>	<u>\$ 19,404</u>

H. Restatement of Beginning Balances

In 2022, GASB Announced GASBS 101- Compensated Absences, effective for years beginning after December 15, 2023. This Statement requires that liabilities for compensated absences be recognized for leave that has not been used and more likely than not will be used and has not yet been paid. A liability should be recognized for leave that has not been used if the leave is attributable to services already rendered, the leave accumulates, and the leave is more likely than not to be paid.

This statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave is paid.

The adoption of this standard required a retrospective recalculation of liabilities related to compensated absences which required a restatement of net position at the beginning of the year.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Net Position - Beginning	\$ 37,948,230	\$ 27,628,058
Prior Period Adjustment - GASB 101	(73,969)	(25,462)
Net Position - Beginning, Restated	<u>\$ 37,874,261</u>	<u>\$ 27,602,596</u>

Proprietary Funds:

	<u>Storm Sewer</u>	<u>Solid Waste</u>	<u>Water</u>	<u>Sewer</u>
Net Position - Beginning	\$ 9,713,668	\$ 402,497	\$ 11,373,237	\$ 6,138,656
GASB 101 Adjustments to Prior Period	(5,796)	(8,614)	(5,854)	(5,198)
Net Position - Beginning, Restated	<u>\$ 9,707,872</u>	<u>\$ 393,883</u>	<u>\$ 11,367,383</u>	<u>\$ 6,133,458</u>

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

III. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

I. Pension Plan

General Information about the Pension Plan

Plan Description:

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

- Public Employees Noncontributory Retirement System (Noncontributory System) is a multiple employer, cost sharing, public employees, retirement systems.
- Public Safety Retirement System (Public Safety System) is a mixed agent and cost-sharing, multiple employer 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 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.

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

III. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (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 System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65*	2.0% per year all years	Up to 4%
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 on the employer
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65*	1.5% 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*	1.5% per year to June 2020; 2.0 % per year July 2020 to present	Up to 2.5%

* with actuarial reductions

** 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 URS 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.

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

III. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

I. Pension Plan (Continued)

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

	Employee Paid	Employer Contribution Rates	Employer Rate for 401(k) Plan
Noncontributory System			
15 - Local Governmental Division Tier 1	N/A	16.97%	N/A
111 - Local Government Division Tier 2	0.70%	15.19%	N/A
211 - Local Government Tier 2 401(k) Option	N/A	5.19%	10.00%
Public Safety Retirement System			
Noncontributory			
43 - Other Div A with 2.5% COLA	N/A	33.54%	N/A
122 - Tier 2 DB Hybrid Public Safety	4.73%	25.33%	N/A
222 - Public Safety Tier 2 401(k) Option	N/A	11.33%	14.00%

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

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

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 143,917	\$ -
Public Safety System	196,129	-
Tier 2 Public Employees System	97,329	4,338
Tier 2 Public Safety and Firefighter	56,861	10,431
Tier 2 DC Public Employees Plan	1,508	-
	<u>\$ 495,744</u>	<u>\$ 14,769</u>

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.

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

III. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

I. Pension Plan (Continued)

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

At June 30, 2025, we reported a net pension liability of \$898,622 and a net pension asset of \$0.

(Measurement Date): December 31, 2024

	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2023	Change (Decrease)
Noncontributory System	\$ -	\$ 288,666	0.0910298%	0.0984230%	-0.0073932%
Public Safety System	-	526,392	0.3402000%	0.3259605%	0.0142395%
Tier 2 Public Employees System	-	59,733	0.0200284%	0.0227369%	-0.0027085%
Tier 2 Public Safety and Firefighter System	-	23,831	0.0526906%	0.0646721%	-0.0119815%
Total Net Pension Asset/Liability	<u>\$ -</u>	<u>\$ 898,622</u>			

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

For the year ended June 30, 2025, we recognized pension expense of \$706,701.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 267,879	\$ 1,664
Changes in assumptions	57,193	380
Net difference between projected and actual earnings on pension plan investments	183,416	-
Changes in proportion and differences between contributions and proportionate share of contributions	19,913	3,058
Contributions subsequent to the measurement date	244,878	-
Total	<u>\$ 773,227</u>	<u>\$ 5,103</u>

\$244,878 was reported as deferred outflows of resources related to pensions resulting from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2024.

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

III. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

I. Pension Plan (Continued)

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,	Deferred Outflows (Inflows) of Resources
2025	\$ 240,047
2026	303,914
2027	(65,989)
2028	(5,180)
2029	18,597
Thereafter	\$ 31,911

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

For the year ended June 30, 2025, we recognized pension expense of \$269,117. At June 30, 2025, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 172,004	\$ -
Changes in assumptions	23,878	-
Net difference between projected and actual earnings on pension plan investments	86,951	-
Changes in proportion and differences between contributions and proportionate share of contributions	1,846	886
Contributions subsequent to the measurement date	71,442	-
Total	<u>\$ 356,121</u>	<u>\$ 886</u>

\$71,442 was reported as deferred outflows of resources related to pensions resulting from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2024.

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

Year ended December 31,	Deferred Outflows (Inflows) of Resources
2025	\$ 165,886
2026	159,631
2027	(35,282)
2028	(6,443)
2029	-
Thereafter	\$ -

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

III. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

I. Pension Plan (Continued)

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

For the year ended June 30, 2025, we recognized pension expense of \$337,776. At June 30, 2025, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 55,624	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	91,103	-
Changes in proportion and differences between contributions and proportionate share of contributions	3,313	-
Contributions subsequent to the measurement date	96,707	-
Total	<u>\$ 246,747</u>	<u>\$ -</u>

\$96,707 was reported as deferred outflows of resources related to pensions resulting from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2024.

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

Year ended December 31,	Deferred Outflows (Inflows) of Resources
2025	\$ 64,438
2026	129,314
2027	(37,004)
2028	(6,708)
2029	-
Thereafter	\$ -

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

III. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

I. Pension Plan (Continued)

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

For the year ended June 30, 2025, we recognized pension expense of \$65,162. At June 30, 2025, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 25,823	\$ 412
Changes in assumptions	19,950	6
Net difference between projected and actual earnings on pension plan investments	3,818	-
Changes in proportion and differences between contributions and proportionate share of contributions	8,737	562
Contributions subsequent to the measurement date	51,924	-
Total	<u>\$ 110,252</u>	<u>\$ 980</u>

\$51,924 was reported as deferred outflows of resources related to pensions resulting from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2024.

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

Year ended December 31,	Deferred Outflows (Inflows) of Resources
2025	\$ 6,809
2026	10,566
2027	4,536
2028	5,624
2029	13,280
Thereafter	\$ 16,534

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

III. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

I. Pension Plan (Continued)

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

For the year ended June 30, 2025, we recognized pension expense of \$34,647. At June 30, 2025, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 14,428	\$ 1,252
Changes in assumptions	13,365	374
Net difference between projected and actual earnings on pension plan investments	1,544	-
Changes in proportion and differences between contributions and proportionate share of contributions	6,017	1,610
Contributions subsequent to the measurement date	24,805	-
Total	<u>\$ 60,159</u>	<u>\$ 3,236</u>

\$24,805 was reported as deferred outflows of resources related to pensions resulting from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2024.

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

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

Year ended December 31,	Deferred Outflows (Inflows) of Resources
2025	\$ 2,915
2026	4,403
2027	1,761
2028	2,346
2029	5,317
Thereafter	\$ 15,378

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

Inflation	2.50 percent
Salary increases	3.5 – 9.5 percent, average, including inflation
Investment rate of return	6.85 percent, net of pension plan investment expense, including inflation

**PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

III. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

I. Pension Plan (Continued)

Actuarial assumptions:

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

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

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

Asset Class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-term Expected Portfolio Real Rate of Return
Equity Securities	35%	7.01%	2.45%
Debt Securities	20%	2.54%	0.51%
Real Assets	18%	5.45%	0.98%
Private Equity	12%	10.05%	1.21%
Absolute Return	15%	4.36%	0.65%
Cash and Cash Equivalents	0%	0.49%	0.00%
Totals	100%		5.80%
	Inflation		2.50%
	Expected arithmetic nominal return		8.30%

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

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.

PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

III. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

I. Pension Plan (Continued)

Discount Rate: Sensitivity of the Proportionate Share of the Net Pension Asset and Liability to Changes in the Discount Rate:

The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.85 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	\$ 1,220,821	\$ 288,666	\$ (493,110)
Public Safety System	1,617,152	526,392	(363,651)
Tier 2 Public Employees System	178,407	59,733	(32,584)
Tier 2 Public Safety and Firefighter	81,263	23,831	(22,086)
Total	<u>\$ 3,097,643</u>	<u>\$ 898,622</u>	<u>\$ (911,431)</u>

Pension Plan Fiduciary Net Position:

Detailed information about the pension plan's fiduciary net position 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.

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

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

**PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

III. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

I. Pension Plan (Continued)

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

	2025	2024	2023
401(k) Plan			
Employer Contributions	\$ 121,753	\$ 156,306	\$ 100,215
Employee Contributions	\$ 95,195	\$ 105,575	\$ 44,694
457 Plan			
Employer Contributions	\$ -	\$ -	\$ -
Employee Contributions	\$ 18,367	\$ 13,772	\$ 12,995
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$ 11,620	\$ 12,160	\$ 5,930
Traditional IRA			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$ 490	\$ 1,494	\$ 650

IV. OTHER INFORMATION

A. Unavailable Revenue

Unavailable revenues are funds where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The unavailable revenue consists of three elements:

1. The City places a lien on property within its taxing jurisdiction for property taxes on January 1st. On that date the property taxes are recognized as a receivable, but are not recognized as revenue until the taxes have been levied and are within the year in which the taxes are to be used to finance the City's operations.
2. The City receives property taxes in advance of the year in which the taxes are to be used to finance the City's operations. These funds are recorded as deferred revenue.

Pleasant View City's unavailable revenue as of June 30, 2025 is as follows:

Property Taxes:	Amount
Subject to a lien	\$ 1,160,445
ARPA funds	\$ 650,198
Total	<u>\$ 1,810,643</u>

B. Risk Management – Claims and Judgments

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters.

**PLEASANT VIEW CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

IV. OTHER INFORMATION (CONTINUED)

B. Risk Management – Claims and Judgments (Continued)

The City maintains commercial insurance for all major programs. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the prior year.

C. Stewardship, Compliance, and Accountability

State code requires the General fund to maintain its actual expenditures below an approved budget in each department. All the expenditures were within the budgeted amounts for the year ending June 30, 2025.

D. Subsequent Events

Subsequent events have been evaluated through December 30, 2025, the date the financial statements were available to be issued.

**REQUIRED
SUPPLEMENTARY INFORMATION**

PLEASANT VIEW CITY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Taxes:				
Current year property taxes	\$ 1,116,591	\$ 1,137,000	\$ 1,163,762	\$ 26,762
Redemptions	24,000	24,000	19,249	(4,751)
Fee in lieu	60,000	63,000	55,971	(7,029)
Sales and use taxes	2,807,000	2,659,000	2,676,580	17,580
Franchise taxes	909,000	910,000	884,830	(25,170)
	<u>4,916,591</u>	<u>4,793,000</u>	<u>4,800,392</u>	<u>7,392</u>
Licenses and permits:				
Business licenses	16,000	18,000	18,498	498
Building permits	93,000	260,000	266,404	6,404
Other licenses	5,120	5,880	6,125	245
	<u>114,120</u>	<u>283,880</u>	<u>291,027</u>	<u>7,147</u>
Intergovernmental:				
Other intergovernmental	133,738	360,538	116,343	(244,195)
ARPA	513,193	100,000	27,289	(72,711)
Class "C" road fund allotment	595,000	610,000	629,395	19,395
State liquor allotment	10,875	13,145	13,145	-
	<u>1,252,806</u>	<u>1,083,683</u>	<u>786,172</u>	<u>(297,511)</u>
Charges for services:				
Inspection fees	7,500	11,800	12,100	300
Plan check fees	50,000	138,000	142,817	4,817
Zoning and subdivision fees	9,500	12,000	15,000	3,000
Founder's day	20,500	24,000	26,265	2,265
Park and recreation fees	52,000	56,500	58,696	2,196
Other fees	750	350	125	(225)
	<u>140,250</u>	<u>242,650</u>	<u>255,003</u>	<u>12,353</u>
Fines and forfeitures	<u>218,500</u>	<u>215,180</u>	<u>209,705</u>	<u>(5,475)</u>
Other revenues:				
Interest earnings	206,000	201,000	206,667	5,667
Rents and concessions	26,000	27,000	28,789	1,789
Miscellaneous revenue	28,900	33,500	37,357	3,857
	<u>260,900</u>	<u>261,500</u>	<u>272,813</u>	<u>11,313</u>
Total revenues	<u>\$ 6,903,167</u>	<u>\$ 6,879,893</u>	<u>\$ 6,615,112</u>	<u>\$ (264,781)</u>

PLEASANT VIEW CITY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Expenditures:				
General government:				
Legislative	\$ 952,983	\$ 214,370	\$ 121,285	\$ 93,085
Judicial	211,350	214,040	200,846	13,194
Administration	466,795	458,065	424,207	33,858
Nondepartmental	216,500	216,500	189,321	27,179
Buildings	138,400	131,900	100,514	31,386
Elections	-	-	-	-
Planning and zoning	214,190	152,655	125,383	27,272
	<u>2,200,218</u>	<u>1,387,530</u>	<u>1,161,556</u>	<u>225,974</u>
Public safety:				
Police department	2,326,650	2,056,990	1,921,127	135,863
Emergency response	3,500	3,500	1,790	1,710
	<u>2,330,150</u>	<u>2,060,490</u>	<u>1,922,917</u>	<u>137,573</u>
Public works				
Building inspection	189,970	204,500	204,646	(146)
Shop	50,325	49,525	37,997	11,528
Streets	1,596,285	1,531,400	1,113,315	418,085
	<u>1,836,580</u>	<u>1,785,425</u>	<u>1,355,958</u>	<u>429,467</u>
Senior citizen	<u>22,000</u>	<u>22,000</u>	<u>21,000</u>	<u>1,000</u>
Parks	<u>350,950</u>	<u>368,005</u>	<u>310,096</u>	<u>57,909</u>
Recreation	<u>156,905</u>	<u>159,325</u>	<u>153,522</u>	<u>5,803</u>
Community promotion	<u>63,400</u>	<u>69,500</u>	<u>64,983</u>	<u>4,517</u>
Total expenditures	<u>6,960,203</u>	<u>5,852,275</u>	<u>4,990,032</u>	<u>862,243</u>
Other financing sources (uses):				
Operating transfers in (out)	(475,500)	(682,500)	(675,507)	(6,993)
Appropriations of class "C" reserve	237,872	(167,000)	-	(167,000)
Appropriations of fund balances	294,664	(178,118)	-	(178,118)
Total other financing sources (uses)	<u>57,036</u>	<u>(1,027,618)</u>	<u>(675,507)</u>	<u>(352,111)</u>
Excess (deficiency) of revenues over expenditures	-	-	949,573	949,573
Fund balance - July 1	<u>3,154,661</u>	<u>3,154,661</u>	<u>3,154,661</u>	<u>-</u>
Fund balance - June 30	<u>\$ 3,154,661</u>	<u>\$ 3,154,661</u>	<u>\$ 4,104,234</u>	<u>\$ 949,573</u>

PLEASANT VIEW CITY
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
UTAH RETIREMENT SYSTEMS
JUNE 30, 2025
with a measurement date of December 31, 2024
Last 10 fiscal years*

			Noncontributory Retirement System	Contributory Retirement System	Public Safety System	Tier 2 Public Employees Retirement System	Tier 2 Public Safety and Firefighters Retirement
Proportion of the net pension liability (asset)	2025		0.0910298%	0.0000000%	0.3402000%	0.0200284%	0.0526906%
	2024		0.0984230%	0.0000000%	0.3259605%	0.0227369%	0.0646721%
	2023		0.0884476%	0.0000000%	0.3173324%	0.2152950%	0.0884256%
	2022		0.0716588%	0.0000000%	0.3235731%	0.0148185%	0.0476163%
	2021		0.0703061%	0.0000000%	0.2964125%	0.0166750%	0.0306499%
	2020		0.0763621%	0.0000000%	0.2694282%	0.0146139%	0.0584374%
	2019		0.0763960%	0.0000000%	0.2466434%	0.0176501%	0.0389251%
	2018		0.0768539%	0.0000000%	0.2261499%	0.0177726%	0.0450631%
	2017		0.0776186%	0.0000000%	0.2306201%	0.0082659%	0.0533640%
	2016		0.0766137%	0.0000000%	0.2119931%	0.0069992%	0.0677873%
Proportion share of the net pension liability (asset)	2025	\$	288,666	\$ -	\$ 526,392	\$ 59,733	\$ 23,831
	2024	\$	228,299	\$ -	\$ 466,177	\$ 44,255	\$ 24,361
	2023	\$	151,489	\$ -	\$ 410,335	\$ 23,443	\$ 7,377
	2022	\$	(410,398)	\$ -	\$ (262,788)	\$ (6,272)	\$ (2,407)
	2021	\$	36,063	\$ -	\$ 246,094	\$ 2,398	\$ 2,749
	2020	\$	287,799	\$ -	\$ 432,599	\$ 3,287	\$ 5,497
	2019	\$	562,559	\$ -	\$ 634,511	\$ 7,559	\$ 975
	2018	\$	336,720	\$ -	\$ 354,752	\$ 1,563	\$ (521)
	2017	\$	498,406	\$ -	\$ 467,992	\$ 922	\$ (463)
	2016	\$	433,518	\$ -	\$ 379,733	\$ (15)	\$ (990)
Covered employee payroll	2025	\$	894,449	\$ -	\$ 725,693	\$ 593,450	\$ 240,517
	2024	\$	927,262	\$ -	\$ 689,685	\$ 587,827	\$ 245,045
	2023	\$	800,656	\$ -	\$ 613,802	\$ 469,419	\$ 272,065
	2022	\$	680,501	\$ -	\$ 659,796	\$ 275,452	\$ 113,868
	2021	\$	659,265	\$ -	\$ 617,962	\$ 266,575	\$ 61,076
	2020	\$	729,845	\$ -	\$ 506,922	\$ 203,116	\$ 96,338
	2019	\$	706,648	\$ -	\$ 496,678	\$ 206,611	\$ 52,081
	2018	\$	713,055	\$ -	\$ 431,706	\$ 173,063	\$ 47,575
	2017	\$	752,632	\$ -	\$ 391,490	\$ 67,788	\$ 44,091
	2016	\$	722,668	\$ -	\$ 355,507	\$ 45,218	\$ 40,332
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	2025		32.27%	0.00%	72.54%	10.07%	9.91%
	2024		24.62%	0.00%	67.59%	7.53%	9.94%
	2023		18.92%	0.00%	66.85%	4.99%	2.71%
	2022		-60.31%	0.00%	-39.83%	-2.28%	-2.11%
	2021		5.47%	0.00%	39.82%	0.90%	4.50%
	2020		39.43%	0.00%	85.34%	1.62%	5.71%
	2019		79.61%	0.00%	127.75%	3.66%	1.87%
	2018		47.22%	0.00%	82.17%	0.90%	-1.10%
	2017		66.22%	0.00%	119.54%	1.36%	-1.05%
	2016		59.99%	0.00%	106.81%	-0.03%	-2.45%
Plan fiduciary net position as a percentage of the total pension liability	2025		96.0%	0.0%	93.3%	87.4%	90.1%
	2024		96.9%	0.0%	93.4%	89.6%	89.1%
	2023		97.5%	0.0%	93.6%	92.3%	96.4%
	2022		108.7%	0.0%	104.2%	103.8%	102.8%
	2021		99.2%	0.0%	95.5%	98.3%	93.1%
	2020		93.7%	0.0%	90.9%	96.5%	89.6%
	2019		87.0%	91.2%	84.7%	90.8%	95.6%
	2018		91.9%	98.2%	90.2%	97.4%	103.0%
	2017		87.3%	92.9%	86.5%	95.1%	103.6%
	2016		87.8%	0.0%	87.1%	100.2%	110.7%

* In accordance with paragraph 81.a of GASB 68, employers will need to disclose a 10-year history of their proportionate share of the Net Pension Liability (Asset) in their RSI.

PLEASANT VIEW CITY
SCHEDULE OF CONTRIBUTIONS
UTAH RETIREMENT SYSTEMS
JUNE 30, 2025
with a measurement date of December 31, 2024
Last 10 fiscal years*

	As of Fiscal Year Ended June 30,	Actuarial Determined Contributions	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
Noncontributory System	2016	\$ 129,697	\$ 129,697	\$ -	\$ 760,698	17.05%
	2017	124,453	124,453	-	744,351	16.72%
	2018	117,524	117,524	-	697,897	16.84%
	2019	121,911	121,911	-	730,102	16.70%
	2020	114,909	114,909	-	698,957	16.44%
	2021	106,764	106,764	-	663,448	16.09%
	2022	125,592	125,592	-	750,751	16.73%
	2023	150,766	150,766	-	871,026	17.31%
	2024	157,203	157,203	-	924,912	17.00%
	2025	143,917	143,917	-	900,297	15.99%
Public Safety System	2016	\$ 109,567	\$ 109,567	\$ -	\$ 372,309	29.43%
	2017	114,237	114,237	-	408,424	27.97%
	2018	117,913	117,913	-	469,468	25.12%
	2019	127,896	127,896	-	492,167	25.99%
	2020	151,577	151,577	-	575,185	26.49%
	2021	164,813	164,813	-	637,115	25.87%
	2022	167,967	167,967	-	634,828	26.46%
	2023	160,406	160,406	-	607,035	26.42%
	2024	219,787	219,787	-	790,167	27.82%
	2025	196,129	196,129	-	654,257	29.98%
Tier 2 Public Employees System*	2016	\$ 6,910	\$ 6,910	\$ -	\$ 46,344	14.91%
	2017	16,211	16,211	-	108,728	14.91%
	2018	33,266	33,266	-	220,162	15.11%
	2019	30,734	30,734	-	197,770	15.54%
	2020	36,445	36,445	-	232,725	15.66%
	2021	44,707	44,707	-	282,954	15.80%
	2022	56,799	56,799	-	353,450	16.07%
	2023	83,092	83,902	-	521,700	15.93%
	2024	98,092	98,092	-	616,640	15.91%
	2025	97,329	97,329	-	640,745	15.19%
Tier 2 Public Safety and Firefighter System*	2016	\$ 9,420	\$ 9,420	\$ -	\$ 41,863	22.50%
	2017	9,996	9,996	-	44,425	22.50%
	2018	11,010	11,010	-	48,781	22.57%
	2019	18,158	18,158	-	78,640	23.09%
	2020	17,409	17,409	-	75,268	23.13%
	2021	22,132	22,132	-	85,476	25.89%
	2022	44,681	44,681	-	172,981	25.83%
	2023	74,892	74,892	-	289,942	25.83%
	2024	58,773	58,773	-	227,539	25.83%
	2025	56,861	56,861	-	224,479	25.33%
Tier 2 Public Employees DC Only System*	2019	\$ 2,714	\$ 2,714	\$ -	\$ 40,572	6.69%
	2020	3,043	3,043	-	45,483	6.69%
	2021	3,209	3,209	-	47,967	6.69%
	2022	3,690	3,690	-	55,156	6.69%
	2023	7,222	7,222	-	116,671	6.19%
	2024	10,163	10,163	-	164,186	6.19%
	2025	1,508	1,508	-	29,065	5.19%

* 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.

See accompanying notes to required supplementary information

**PLEASANT VIEW CITY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
UTAH RETIREMENT SYSTEMS
JUNE 30, 2025**

Changes in Assumptions:

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

SUPPLEMENTARY INFORMATION

**PLEASANT VIEW CITY
COMBINING BALANCE SHEET
NONMAJOR FUNDS
AS OF JUNE 30, 2025**

	Park Development (Capital)	City Hall Building	Total Nonmajor Governmental Funds
ASSETS			
Cash	\$ 970,040	\$ -	\$ 970,040
Restricted cash	-	817,583	817,583
Accounts receivable	-	-	-
TOTAL ASSETS	970,040	817,583	1,787,623
LIABILITIES			
Accounts payable	\$ 84	\$ -	\$ 84
TOTAL LIABILITIES	84	-	84
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-
FUND BALANCES			
Restricted for:			
Impact fees	-	-	-
Redevelopment	-	-	-
City hall building	-	817,583	817,583
Assigned for:			
Park improvements	969,956	-	969,956
Unassigned	-	-	-
TOTAL FUND BALANCES	969,956	817,583	1,787,539
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 970,040	\$ 817,583	\$ 1,787,623

PLEASANT VIEW CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - NONMAJOR FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	Park Development (Capital)	City Hall Building	Total Nonmajor Governmental Funds
REVENUES			
Impact fees	\$ 31,289	\$ -	\$ 31,289
Property tax increment	-	-	-
Interest	33,390	35,033	68,423
Intergovernmental revenues	176,680	-	176,680
Miscellaneous	-	-	-
Total revenues	241,359	35,033	276,392
EXPENDITURES			
Current operating:			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Parks and recreation	10,374	-	10,374
Capital outlay:			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Parks and recreation	166,109	-	166,109
Total expenditures	176,483	-	176,483
Excess of revenues over (under) expenditures	64,876	35,033	99,909
OTHER FINANCING SOURCES (USES)			
Transfers-in or (out)	200,007	162,500	362,507
Total other financing sources (uses)	200,007	162,500	362,507
Net change in fund balances	264,883	197,533	462,416
Fund balances at beginning of year, as restated	705,073	620,050	1,325,123
Fund balances at end of year	\$ 969,956	\$ 817,583	\$ 1,787,539

AUDITOR'S REPORTS AND FINDINGS



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

To the Mayor and City Council of
Pleasant View City

Report On Compliance

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

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

Budgetary Compliance	Cash Management
Fund Balance	Impact Fees
Justice Court	Utah Retirement Systems
Restricted Taxes and Related Restricted Revenue	Crime Insurance Bond
Fraud Risk Assessment	Open and Public Meetings Act
Governmental Fees	

Opinion on Compliance

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

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (Government Auditing Standards); and the *State Compliance Audit Guide* (Guide). 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 Pleasant View 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 Pleasant View 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 Pleasant View City's government programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Pleasant View City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Pleasant View 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 Pleasant View City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Pleasant View 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 Pleasant View City's internal control over compliance. Accordingly, no such opinion is expressed.
- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the *State Compliance Audit Guide* and which is described in the schedule of findings as item 2025-001. Our opinion on compliance is not modified with respect to this matter.

Pleasant View City's response to the noncompliance finding identified in our audit is described in our letter to management dated December 30, 2025. Pleasant View City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report On Internal Control over Compliance

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

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

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

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

Child Richards CPAs & Advisors

Ogden, Utah
December 30, 2025



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

To the Mayor and City Council of
Pleasant View City

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, business-type activities, each major fund, and the aggregate remaining fund information of Pleasant View City, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Pleasant View City's basic financial statements, and have issued our report thereon dated December 30, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Pleasant View 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 Pleasant View City's internal control. Accordingly, we do not express an opinion on the effectiveness of Pleasant View City's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Child Richards CPAs & Advisors

Ogden, Utah
December 30, 2025

**PLEASANT VIEW CITY
SCHEDULE OF FINDINGS
JUNE 30, 2025**

2025-001: State Compliance – Cash Management

Criteria: As part of the Utah Money Management Act, funds received by local governments should be deposited within three business days of receiving the funds.

Condition: As part of our testing, we noted that funds received by the city were not deposited within the required timeframe.

Cause: The City had no secondary person to take deposits to the bank when Court funds were received if the primary depositor is out of the office.

Effect: There is no effect on the financial statements. The City is noncompliant with the compliance requirement.

Recommendation: We recommend the City identify a secondary depositor for Court funds as exists for all other funds received by the City.

Management's Response: Management will implement our recommendation to ensure deposits are made within 3 days of receiving funds.