



7505 S Holden Street
Midvale, UT 84047
801-567-7200
Midvale.Utah.gov

**MIDVALE CITY COUNCIL REGULAR MEETING
AGENDA
January 20, 2026**

Public Notice Is Hereby Given that the **Midvale City Council** will hold a regular meeting on **January 20, 2026** at Midvale City Hall, 7505 South Holden Street, Midvale, Utah as follows:

Electronic & In-Person City Council Meeting

This meeting will be held electronically and in-person. **Public comments may be submitted electronically to the City Council at Midvale.Utah.gov/PublicComment by 5:00 p.m. on January 19, 2026.**

The meeting will be broadcast on **You-Tube (Midvale.Utah.gov/YouTube)**

6:00 p.m. – WORKSHOP

- Audit Training — **[Mariah Hill, Administrative Services Director]**

7:00 p.m. - REGULAR MEETING

I. GENERAL BUSINESS

- A. WELCOME AND PLEDGE OF ALLEGIANCE
- B. ROLL CALL
- C. Proclamation Honoring Dr. Martin Luther King Jr. and Proclaiming January 19, 2026, as Martin Luther King Jr. Day
- D. Unified Fire Authority Report — **[Chief Nathan Kay]**
- E. Kruisers for Kids Report

II. PUBLIC COMMENTS

Any person wishing to comment on any item not otherwise scheduled for a public hearing on the agenda may address the City Council at this point by stepping to the microphone and giving their name for the record. **Comments should be limited to not more than three (3) minutes unless additional time is authorized by the City Council.**

Citizen groups will be asked to appoint a spokesperson. This is the time and place for any person who wishes to comment on issues not scheduled for public hearing. Items brought forward to the attention of the City Council will be turned over to staff to provide a response outside of the City Council meeting.

III. COUNCIL REPORTS

- A. Council Member Bonnie Billings
- B. Council Member Paul Glover
- C. Council Member Heidi Robinson
- D. Council Member Bryant Brown
- E. Council Member Denece Mikolash

IV. MAYOR REPORT

- A. Mayor Dustin Gettel

V. CITY MANAGER REPORT

A. Matt Dahl

VI. CONSENT

- A. Consider Minutes of January 6, 2026 — **[Rori Andreason, H.R. Director/City Recorder]**
- B. Consider **Resolution No. 2026-R-04** Appointing Paul Glover as the Midvale City Representative on the Board of Trustees of the South Salt Lake Valley Mosquito Abatement District — **[Matt Dahl, City Manager]**

VII. ACTION ITEMS

- A. Consider **Resolution No. 2026-R-05** Acknowledging Completion and Receipt of Annual Audit — **[Mariah Hill, Administrative Services Director]**
- B. Consider **Resolution No. 2026-R-06** Adopting the Midvale Wildland-Urban Interface Area Map — **[Matt Dahl, City Manager]**
- C. Consider **Resolution No. 2026-R-07** Approving Change Order Work with Noland & Sons Construction Co. Inc. for the 2025 Sewer Rehabilitation Project **[Branden Anderson, City Engineer]**

VIII. POSSIBLE CLOSED SESSION

The City Council may, by motion, enter into a Closed Session for:

- A. Discussion of the Character, Professional Competence or Physical or Mental Health of an Individual;
- B. Strategy sessions to discuss pending or reasonably imminent litigation;
- C. Strategy sessions to discuss the purchase, exchange, or lease of real property;
- D. Discussion regarding deployment of security personnel, devices, or systems; and
- E. Investigative proceedings regarding allegations of criminal misconduct.

IX. ADJOURN

In accordance with the Americans with Disabilities Act, Midvale City will make reasonable accommodations for participation in the meeting. Request assistance by contacting the City Recorder at 801-567-7207, providing at least three working days advance notice of the meeting. TTY 711

The agenda was posted in the City Hall Lobby, on the City's website at Midvale.Utah.gov and the State Public Notice Website at pmn.utah.gov. Council Members may participate in the meeting via electronic communications. Council Members' participation via electronic communication will be broadcast and amplified so other Council Members and all other persons present in the Council Chambers will be able to hear or see the communication.

Date Posted: January 15, 2026

Rori L. Andreason, MMC
H.R. Director/City Recorder



Midvale City Proclamation

Honoring Dr. Martin Luther King Jr. and Proclaiming January 19, 2026, as Martin Luther King Jr. Day

WHEREAS, Dr. Martin Luther King Jr. made profound and enduring contributions to the social and economic progress of our nation by championing the movement toward racial equality and civil rights for all people, regardless of race, color, creed, or occupation, including efforts to desegregate public and private institutions, advocate for fair labor practices, and promote justice and equality in all aspects of life; and

WHEREAS, through peaceful protests, nonviolent demonstrations, and inspiring oratory, Dr. King became a catalyst for change in the treatment of Black Americans and all marginalized communities, reminding us that "*Injustice anywhere is a threat to justice everywhere*"; and

WHEREAS, on November 2, 1983, the United States Congress passed legislation declaring Martin Luther King Jr. Day a federal holiday, observed annually on the third Monday of January, to honor Dr. King's birthday and his enduring legacy; and

WHEREAS, Midvale City recognizes and honors the extraordinary contributions of Dr. King, reaffirming our commitment to the values he championed, including justice, equality, and universal respect for human dignity, and pledges to uphold these principles for all residents in our community; and

WHEREAS, we commemorate Dr. King's legacy this month, which marks what would have been his 97th birthday, it is fitting and proper to pay tribute to his tireless advocacy for civil rights, his dream of a more inclusive and equitable society, and his unwavering belief in the power of hope, unity, and nonviolence;

NOW, THEREFORE, the Mayor and City Council of Midvale City do hereby proclaim Monday, January 19, 2026, as Martin Luther King Jr. Day and call upon community and faith leaders, civil rights advocates, educators, public officials, and all people of Midvale City and Salt Lake County to honor the life and legacy of Dr. Martin Luther King Jr., reflect on his vision for a better America, and commit to fostering equality and justice in our community.

ADOPTED this 20th day of January 2026.

Dustin Gettel
Mayor

Heidi Robinson
Councilmember

Bonnie Billings
Councilmember

Attest:

Bryant Brown
Councilmember

Paul Glover
Councilmember

Rori Andreason
City Recorder

Denece Mikolash
Councilmember



CITY COUNCIL MEETING
Minutes
Tuesday January 6, 2026

Council Chambers
7505 South Holden Street
Midvale, Utah 84047

MAYOR: Mayor Dustin Gettel

COUNCIL MEMBERS: Council Member Paul Glover
Council Member Bonnie Billings
Council Member Denece Mikolash
Council Member Bryant Brown
Council Member Heidi Robinson

STAFF: Matt Dahl, City Manager; Rori Andreason, HR Director/City Recorder; Garrett Wilcox, City Attorney; Glen Kennedy, Public Works Director; Nate Rockwood, Assistant City Manager; Mariah Hill, Administrative Services Director; Adam Olsen, Community Development Director; Wendelin Knobloch, Planning Director; Jonathan Anderson, Planner; Kate Andrus, RDA Director; Aubrey Christensen, RDA Program Manager; Laura Magness; Communications Director; Chief Jason Mazuran; UPD; Lt. Rich Wilson, UPD; Chief April Morse, UPD; Chief Nathan Kay, UFA; and Josh Short, Network Administrator.

6:00 p.m. – SWEARING IN CEREMONY OPEN HOUSE – SWEARING IN TO FOLLOW AT 7:00 P.M.

7:00 p.m. – REGULAR MEETING

Mayor Dustin Gettel called the business meeting to order at 7:00 p.m.

I. GENERAL BUSINESS

A. **UPD Honor Guard Flag Ceremony**

B. **Welcome and Pledge of Allegiance**

C. **Swearing In of Elected Officials**

Rori Andreason, City Recorder, conducted the Oath of Office for Mayor Dustin Gettel, and Council Members Bryant Brown and Denece Mikolash.

D. **Roll Call** - Council Members Heidi Robinson, Denece Mikolash, Bryant Brown, Bonnie Billings, and Paul Glover were present at roll call.

II. COUNCIL REPORTS

A. Council Member Bonnie Billings – expressed her appreciation to the newly elected officials. She also thanked staff for putting together the event that evening.

B. Council Member Paul Glover – agreed with Council Member Bonnie Billings and congratulated the newly elected officials.

C. Council Member Heidi Robinson - also extended her congratulations to the newly elected officials. She said she is excited to work with the Council.

D. Council Member Bryant Brown – explained what the Council does at each meeting and wanted to make some comments about his experiences during this last election. He thanked his parents, parents' in-laws, and residents in his district for their support. He related some interactions he encountered while campaigning and how they affected him. He said he did not agree with and will not support ICE agents.

E. Council Member Denece Mikolash – expressed how good it is to live in Midvale and said she had some rewarding and positive experiences while campaigning. She thanked her family for their support.

III. MAYOR REPORT

A. Mayor Dustin Gettel – thanked the residents of Midvale for placing trust in him for the next four years. He thanked Preston for his support and Sue Armitage and Luke Maynes for their volunteer efforts. He talked about some of the achievements and future projects happening in Midvale, he also assured residents that Midvale City is not and will not be working with ICE.

I-E. Unified Police Department Report

Chief Morse said congratulations to the newly elected officials and began with the stat report for the month of December with UPD officers responding to 2003 calls resulting in 653 cases, 211 booking arrests, and over 200 citations.

The Chief reported that UPD participated in Officer Santa with the Midvalley Rotary Club and the Shop with the Shield, a UPD sponsored event. With the Shop with the Shield event, they serviced 15 families and 51 children.

Chief Morse reported that the precinct challenge supporting the Connie Crosby Family Resource Center with the competition with Holladay and Millcreek cities was a success. Midvale smoked them with over 10,000 items collected and nearly \$2000 donated to the Connie Crosby Family Resource Center.

The Chief talked about the community support the department received from the public by way of breakfast being delivered to the precinct and handmade ornaments and goodies delivered to the officers.

Chief Morse reported the retirements of Sergeant Chad Zitting and Officer Chad Ogden as well as police service dog Kash after nearly 10 years of service. Sergeant Zach Bench

is transferring positions, and they are gaining Sergeant Ryan Watson and Sergeant Preston Allred. She said they will also have a new hire starting this month.

The Chief mentioned that Saturday, January 17th is the 10 year anniversary of losing Officer Doug Barney in the line of duty. There will be a private lunch with the Barney family that Mayor Gettel will be attending.

IV. PUBLIC COMMENTS

Sue Armitage said she was horrified to learn someone chased Council Member Bryant Brown down the street. She recently had coffee with a friend that has different views than she does, but they know each other and that makes a difference. She grew up in a small community and that is what she loves about Midvale; it feels like home to her.

Tiffany Jacobs Diener said she is grateful to be part of Midvale City. She feels fortunate to be involved with the Community Council. She said the campaigns were so honorable and peaceful. She is so grateful for the Council and the Community Council and is excited to see what is coming up for 2026.

Luke Maynes said there is a Community Council meeting on the last Wednesday of this month where they will be holding elections for the new Executive Committee Officers. They are planning a lot of good things this year. He also congratulated the newly elected officials and thanked them for providing such good service to the city. He said he appreciates their involvement in Community Council.

Ericka Saltee congratulated everyone. She said they are asking for help. The community is having issues with a group of kids from neighboring apartments. Property damage is occurring; a neighbor had her door kicked the other night and it broke her door jamb. She said she is bringing it to the attention of the Council, and she will forward the information to Chief Morse.

Judd Tingey, East Riverwalk resident for 10 years, said he agreed with Ericka. He has had teens doorbell ditch and throw trash over his fence. He said it's very annoying. He said he understands the kind of mischief children get into but not to the extent of kicking in doors. He was the victim of a home invasion when he was 10 years old. He was not harmed physically but he still deals with anxiety relating to the incident 32 years ago. The aftermath of this type of trauma is difficult to overcome. He thanked the Council and those that keep the community safe.

V. CITY MANAGER REPORT

A. Matt Dahl – congratulated the newly elected officials and said he is excited to see what they will be working on over the course of the next few years. He appreciates how they all work together. He expressed appreciation for the work staff put in to make Light Up Main a success. He talked about some issues that occurred causing employees to have to work on a holiday and expressed how much he appreciates those employees.

VI. PUBLIC HEARING

A. RECEIVE PUBLIC COMMENT ON AMENDMENTS TO SECTION 17-7-11.11 OF THE MIDVALE MUNICIPAL CODE TO ALLOW FOR REBUILDING OF NON-CONFORMING STRUCTURES

Wendelin Knobloch said this code text amendment modifies language within the non-conforming structures section of the Form-Based Code.

Rebuilding and limited expansion of a non-conforming structure is now possible if the use is allowed, the new building footprint does not exceed the original building footprint by more than 20%, and the expanded or rebuilt non-conforming structure matches the aesthetics of the original non-conforming structure or is in compliance with the requirements of Section 17-7-11.6 (Building Types).

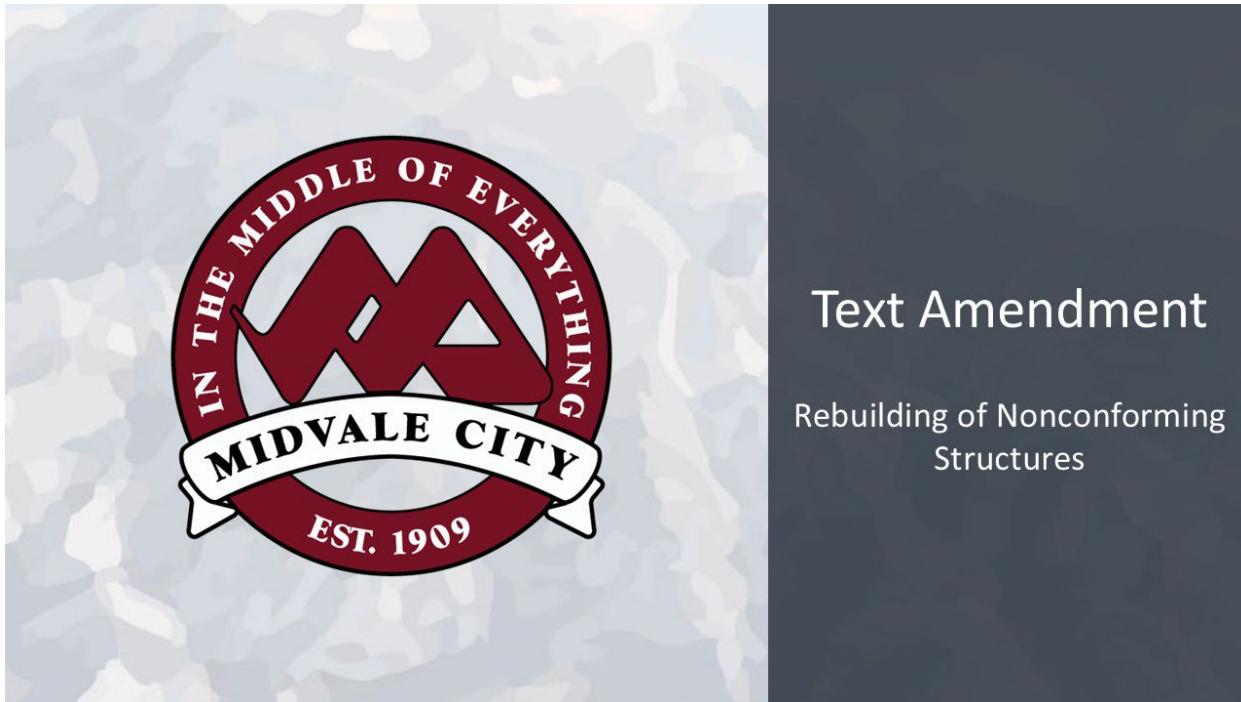
Public notice has been sent to affected entities as required in 17-3-9.B of the Municipal Code. No comments were received prior to the completion of this report.

ZONING CODE AMENDMENT CRITERIA

Midvale City Code 17-3-1(F) outlines the criteria necessary for amendments to the zoning code. A proposal may only be approved if it demonstrates one or more of the following:

1. The proposed amendment promotes the objectives of the general plan and purposes of this title;
2. The proposed amendment promotes the purposes outlined in Utah State Code 10-9a-102;
3. The proposed amendment more clearly explains the intent of the original language or has been amended to make interpretation more straightforward; or
4. Existing zoning code was the result of a clerical error or a mistake of fact.

Staff finds that this proposal meets the first, second, and third criteria listed above because the change promotes the following: (Criterion 1) the general plan objective of preserving and building on the character of Historic Main Street; (Criterion 2) the Municipal Land Use, Development, and Management Act (LUDMA) objectives of promoting prosperity and protecting the tax base; and (Criterion 3) the clear interpretation of code language.



Text Amendment

Rebuilding of Nonconforming Structures

New Code Language

v. Structures.

Alterations must be required by law, eliminate nonconformities, and cannot create new nonconformities, unless it is a routine repair.

(A) Permissions.

- (1) Nonconforming structures may be altered if:
 - (a) the alteration is required by law to restore the structure to a safe condition;
 - (b) the alteration eliminates a nonconformity and does not expand a nonconformity or create a new nonconformity; or
 - (c) the alteration is necessary for routine repair or maintenance.

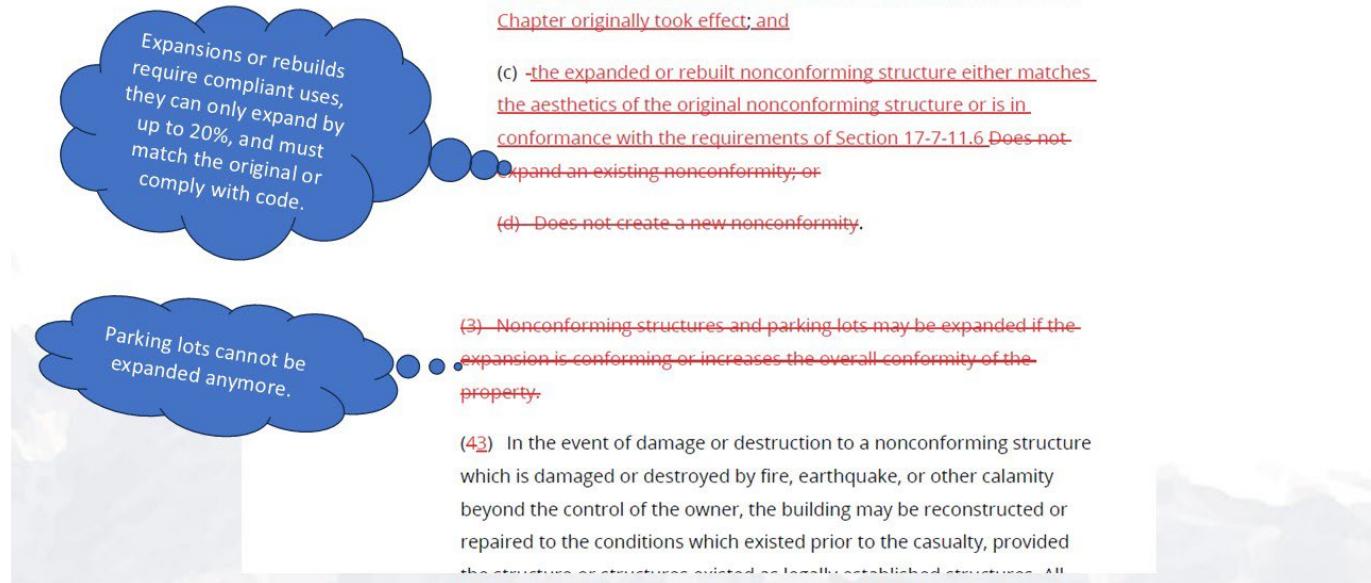
Expansions or rebuilds require compliant uses, they can only expand by up to 20%, and must match the original or comply with code.

- (2) Nonconforming structures may be altered expanded or rebuilt if the following conditions are met:
 - (a) Is routine repair or maintenance the use of the nonconforming structure is allowed under Section 17-7-11.3;
 - (b) Eliminates a nonconformity the building footprint of the rebuilt or expanded nonconforming structure does not exceed 20% of the

New Code Language

Midvale Municipal Code Section 17-7-11.11, Administration

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Text Amendment Criteria

ZONING CODE AMENDMENT CRITERIA

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- 1. The proposed amendment promotes the objectives of the general plan and purposes of this title;
- 2. The proposed amendment promotes the purposes outlined in Utah State Code 10-9a-102;
- 3. The proposed amendment more clearly explains the intent of the original language or has been amended to make interpretation more straightforward; or
- 4. Existing zoning code was the result of a clerical error or a mistake of fact.

Staff finds that this proposal meets the first, second, and third criteria listed above because the change promotes the following: (Criterion 1) the general plan objective of preserving and building on the character of Historic Main Street; (Criterion 2) the Municipal Land Use, Development, and Management Act (LUDMA) objectives of promoting prosperity and protecting the tax base; and (Criterion 3) the clear interpretation of code language.

MOTION: **Council Member Paul Glover MOVED to open the public comment section of the hearing. The motion was SECONDED by Council Member Heidi Robinson. Mayor Gettel called for discussion on the**

motion. There being none, he called for a vote. The motion passed unanimously.

There were no public comments.

MOTION: Council Member Paul Glover MOVED to close the public comment section of the hearing. The motion was SECONDED by Council Member Heidi Robinson. Mayor Gettel called for discussion on the motion. There being none, he called for a vote. The motion passed unanimously.

ACTION: Consider Ordinance No. 2026-O-02 Amending Section 17-7-11.11 of the Midvale Municipal Code to allow for Rebuilding of Non-Conforming Structures.

MOTION: Council Member Heidi Robinson MOVED to Approve Ordinance No. 2026-O-02 Amending Section 17-7-11.11 of the Midvale Municipal Code to allow for Rebuilding of Non-Conforming Structures with the finding noted in the staff report. The motion was SECONDED by Council Member Bonnie Billings. Mayor Gettel called for discussion on the motion. There being none, he called for a roll call vote. The voting was as follows:

Council Member Paul Glover	Aye
Council Member Heidi Robinson	Aye
Council Member Bryant Brown	Aye
Council Member Denece Mikolash	Aye
Council Member Bonnie Billings	Aye

The motion passed unanimously.

VII. CONSENT AGENDA

A. CONSIDER MINUTES OF DECEMBER 2 AND DECEMBER 11, 2025.

MOTION: Council Member Paul Glover MOVED to Approve the Consent Agenda. The motion was SECONDED by Council Member Heidi Robinson. Mayor Gettel called for discussion on the motion. There being none, he called for a roll call vote. The voting was as follows:

Council Member Bryant Brown	Aye
Council Member Denece Mikolash	Aye
Council Member Bonnie Billings	Aye
Council Member Paul Glover	Aye
Council Member Heidi Robinson	Aye

The motion passed unanimously.

VIII. ACTION ITEMS

A. CONSIDER ORDINANCE NO. 2026-0-01 AMENDING THE MIDVALE MUNICIPAL CODE CHAPTER 7.04 EMERGENCY ABATEMENT.

Garrett Wilcox said Ordinance No. 2026-O-01 amends Chapter 7.04 of Midvale Municipal Code to address procedural gaps related to due process, particularly concerning emergency abatements. Due process requires three things: notice, the opportunity to be heard, and a decision by a neutral decision-maker.

Staff recently discovered the procedural shortcomings when they addressed an imminent life safety concern. During the process of handling the recent emergency abatement, staff noted that individuals are entitled to a hearing before our hearing officer. However, Midvale Municipal Code Chapter 7.04, as currently written, has no requirement for the City to provide notice of an emergency abatement. An affected individual would not know of their right to appeal because they are currently not required to be notified of the City's decision and actions.

In order to comply with a person's due process rights, Ordinance No. 2026-O-01 would require the City to provide notice of the City's actions to the responsible person, as well as informing the responsible person of their right to a hearing regarding the City's actions. The proposed text amendment incorporates the notice requirements already provided for in Title 7.

MOTION: **Council Member Bonnie Billings MOVED to Adopt Ordinance No. 2026-O-01 Amending Midvale Municipal Code Chapter 7.04 Emergency Abatement. The motion was SECONDED by Council Member Heidi Robinson. Mayor Gettel called for discussion on the motion. There being none, he called for a roll call vote. The voting was as follows:**

Council Member Denece Mikolash	Aye
Council Member Bonnie Billings	Aye
Council Member Paul Glover	Aye
Council Member Heidi Robinson	Aye
Council Member Bryant Brown	Aye

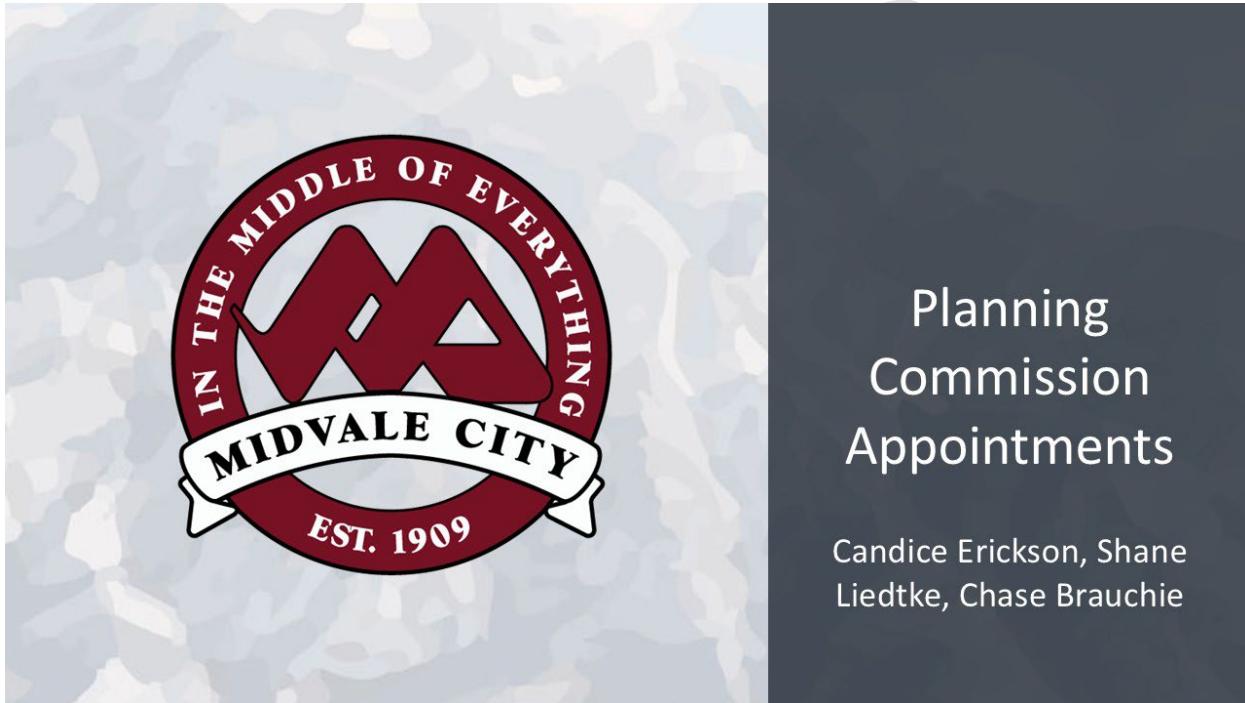
The motion passed unanimously.

B. CONSIDER APPROVAL OF RESOLUTION NOS. 2026-R-01, 2026-R-02, AND 2026-R-03 APPOINTING CANDICE ERICKSON AND SHANE LIEDTKE AS PLANNING COMMISSION MEMBERS AND CHASE BRAUCHIE AS A PLANNING COMMISSION ALTERNATE.

Mayor Dustin Gettel said the Midvale City Planning Commission consists of five full and two alternate members all of whom serve four-year terms. The Commission is responsible for administering land use regulations as established in Utah Code 10-20-301 and 302, which includes making recommendations to the City Council on land use policy. Commissioners prepare for and attend bi-monthly meetings and participate in state mandated training. They provide an altruistic service to the community and function as an unbiased appointed public body.

Candice Erickson's and Shane Liedtke's terms are expiring and agreed to be reappointed. They are members of the Planning Commission and look forward to continuing their service for an additional term.

Chase Brauchie is proposed to be a new alternate commissioner. He has been interested in municipal affairs for several years and has a real estate background. His appointment is needed because Commissioner Kasparian was not able to serve an additional term.



Planning Commission Appointments

Candice Erickson, Shane
Liedtke, Chase Brauchie

Planning Commission Appointments

Candice Erickson (Member)

Shane Liedtke (Member)

Chase Brauchie (Alternate)

Candice Erickson said it's been a pleasure working on the Planning Commission and she is excited to work with the staff who are amazing!

Shane Liedtke said it's an honor to serve the city and a pleasure to work on the Planning Commission.

Council Member Mikolash expressed her appreciation to the Planning Commission members.

Chase Brauchie said he appreciates the opportunity to be an alternate on the Planning Commission. He reads the Planning Commission meeting minutes and believes it's an important part of city development.

MOTION: **Council Member Bryant Brown MOVED to suspend the rules and approve Resolutions No. 2026-R-01, 2026-R-02, and 2026-R-03 Appointing Candice Erickson and Shane Liedtke as Planning Commission Members and Chase Brauchie as a Planning Commission Alternate. The motion was SECONDED by Council Member Heidi Robinson. Mayor Gettel called for discussion on the motion. There being none, he called for a roll call vote. The voting was as follows:**

Council Member Bonnie Billings	Aye
Council Member Paul Glover	Aye
Council Member Heidi Robinson	Aye
Council Member Bryant Brown	Aye
Council Member Denece Mikolash	Aye

The motion passed unanimously.

IX. DISCUSSION ITEM

A. DISCUSS BOARDS AND COMMITTEE ASSIGNMENTS.

Matt Dahl asked if there were any changes to the assignments. There were no changes to the assignments.

Mayor Gettel said Council Member Paul Glover's term is up on the Mosquito Abatement, so he needs to be reappointed. Council Member Glover agreed.

BOARD AND COMMITTEE ASSIGNMENTS

<u>UIA Board</u> Nate Rockwood Council Member Heidi Robinson (Alt) (Council/Manager Decision)	<u>UTOPIA Board</u> Matt Dahl Council Member Bryant Brown (Alt) (Council/Manager Decision)
<u>Unified Fire Authority Board</u> Mayor Dustin Gettel Council Member Paul Glover (Alt.) Matt Dahl (Council/Manager Decision)	<u>Unified Police Department Board</u> Mayor Dustin Gettel Council Member Paul Glover (Alt.) Matt Dahl
<u>Unified Fire Service District Board</u> Mayor Dustin Gettel	<u>Midvale City Audit Committee</u> Council Member Bonnie Billings

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Council Member Paul Glover (Alt.) Matt Dahl (Council/Manager Decision)	Council Member Heidi Robinson Jared Zachariah (Council/Manager Decision)
<u>Community Council of Midvale City</u> Council Member Heidi Robinson Matt Dahl/Nate Rockwood (Council/Manager Decision)	<u>Midvale Arts Council</u> Council Member Bryant Brown (Council/Manager Decision)
<u>Harvest Days Committee</u> Council Member Heidi Robinson Chair Mike Williams Jeanette Heltman Olivia Sessi Kuuai Aiono Su Armitage Brett Coulam Luke Maynes	<u>South Valley Reclamation Facility</u> Glen Kennedy Branden Anderson (Alt.)
<u>Jordan Valley Water Cons. Dist.</u> Glen Kennedy Branden Anderson Alan Hoyne	<u>TransJordan Landfill Board</u> Glen Kennedy Jerimie Thorne (Alt.)
<u>Historical Society</u> Council Member Paul Glover (Council/Manager Decision)	<u>Community Building Community</u> Mayor Dustin Gettel (Council/Manager Decision)
<u>Mosquito Abatement District</u> Council Member Paul Glover (Council/Manager Decision)	<u>VECC</u> Matt Dahl (City Manager Appt.)
<u>ULCT Legislative Policy Committee</u> Mayor Dustin Gettel Council Member Bonnie Billings Matt Dahl (Council/Manager Decision)	<u>Assoc. of Government Councils</u> Council Member Heidi Robinson (Council/Manager Decision)
<u>Council Governments (COG)</u> Mayor Dustin Gettel (Mayor Appt.)	<u>Shelter the Homeless Board</u> Mayor Dustin Gettel (Council/Manager Decision)
<u>Conference of Mayors</u> Mayor Dustin Gettel (Mayor Appt.)	<u>Planning Commission</u> Council Member Denece Mikolash (Council/Manager Decision)
<u>Boys and Girls Club Board</u> Mayor Dustin Gettel Council Member Bonnie Billings (Council/Manager Decision)	<u>Animal Services Advisory Committee</u> Mayor Dustin Gettel
<u>Jordan River Commission</u> Mayor Dustin Gettel Wendelin Knobloch (Alt.) (Council/Manager Decision)	<u>Road Home Coordination Committee</u> Mayor Dustin Gettel
<u>Utah Homelessness Council</u> Mayor Dustin Gettel	<u>Community Development Block Grant Policy Committee</u>

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	Mayor Dustin Gettel
<i>Air Quality Policy Advisory Board</i> Branden Anderson Mayor Dustin Gettel	<i>Canyons Education Foundation</i> Council Member Bonnie Billings
<i>Homeland Security Grants Council</i> Nate Rockwood	<i>Salt Lake County Board of Health</i> Mayor Dustin Gettel
<i>Utah Community Action Board of Trustees</i> Mayor Dustin Gettel	<i>WFRC Technical Advisory Committee</i> Branden Anderson
<i>Main Street Façade Improvement Advisory Board</i> Mayor Dustin Gettel RDA Representative City Planner RDA Board Member CD Rep Main Street Business Alliance Rep	<i>Traffic Control Committee</i> Branden Anderson (Chair)
<i>Art Advisory Boards</i> RDA Rep City Planner RDA Board Member CD Rep Main Street Business Alliance Rep	
<i>Bingham Junction</i> Council Member Denece Mikolash	
<i>Main Street</i> Council Member Bryant Brown	
Council Member Heidi Robinson	

X. ADJOURN

MOTION: Council Member Paul Glover MOVED to adjourn the meeting. The motion was SECONDED by Council Member Heidi Robinson. Mayor Gettel called for discussion on the motion. There being none, he called for a vote. The motion passed unanimously.

The meeting adjourned at 8:06 p.m.

Rori L. Andreason, MMC
H.R. DIRECTOR/CITY RECORDER

Approved this January 20, 2026

Proceedings of City Council Meeting
January 6, 2026

PENDING



MIDVALE CITY COUNCIL SUMMARY REPORT

Meeting Date: January 20, 2026

SUBJECT: Consideration of Resolution No. 2026-R-04 Appointing Paul Glover as the Midvale City Representative on the Board of Trustees of the South Salt Lake Valley Mosquito Abatement District

SUBMITTED BY: Matt Dahl, City Manager

SUMMARY

The South Salt Lake Valley Mosquito Abatement District (District), established in 1952, serves most of Salt Lake County. The District's Board of Trustees comprises representatives from each municipality within the District and an at-large member representing Salt Lake County. The District's mission is to protect the public's health, welfare, and comfort by controlling mosquitoes and black flies, prioritizing safety, high standards, environmental awareness, cost-effectiveness, responsibility, and leadership.

Since January 1, 2018, City Council Member Paul Glover has represented Midvale City on the District's Board of Trustees. His second term is expiring, and District Manager/Director Dan McBride has requested his reappointment, acknowledging his effective representation of Midvale.

In September 2025, the City Council approved board and committee assignments by resolution, including Council Member Paul Glover's assignment as the Midvale City representative to the District. During the January 6, 2026 City Council meeting, the Council confirmed that no changes were needed to the Board and Committee Assignments List, thus supporting Glover's continued representation to the District.

The District seeks confirmation of the Council's decision to appoint Paul Glover to the Board of Trustees. To expedite the appointment, staff is requesting the suspension of the rules governing the discussion and approval process. A resolution confirming Glover's appointment has been attached for consideration.

RECOMMENDED MOTION: I move that we approve Resolution No. 2026-R-04 appointing Paul Glover as the Midvale City representative on the Board of Trustees for the South Salt Lake Valley Mosquito Abatement District.

ATTACHMENTS: Resolution No. 2026-R-04

MIDVALE CITY, UTAH
RESOLUTION NO. 2026-R-04

**A RESOLUTION APPOINTING PAUL GLOVER AS THE MIDVALE CITY
REPRESENTATIVE ON THE BOARD OF TRUSTEES OF THE SOUTH SALT LAKE VALLEY
MOSQUITO ABATEMENT DISTRICT**

WHEREAS, Midvale City is located within the service area of the South Salt Lake Valley Mosquito Abatement District (District); and

WHEREAS, municipalities located within the District have the authority to appoint a representative to serve on the District's Board of Trustees; and

WHEREAS, the Midvale City Council seeks to appoint a representative to serve on the District's Board of Trustees in accordance with Section 17B-1-304 of the Utah Code; and

WHEREAS, City Council Member Paul Glover has represented Midvale City on the District's Board of Trustees since January 1, 2018; and

WHEREAS, City Council Member Paul Glover has expressed his interest in serving for an additional 4-year term as a District Trustee representing Midvale City; and

WHEREAS, the Midvale City Council seeks to reappoint Paul Glover as Midvale City's representative to serve on the Board of Trustees of the District for a four-year term beginning January 1, 2026.

NOW, THEREFORE, BE IT IS RESOLVED BY THE CITY COUNCIL OF MIDVALE, UTAH:

Section 1. The City Council hereby appoints Council Member Paul Glover to serve as Midvale City's representative on the Board of Trustees of the South Salt Lake Valley Mosquito Abatement District for a four-year term beginning January 1, 2026 and ending December 31, 2029.

Section 2. This Resolution shall take effect immediately.

PASSED AND ADOPTED by the City Council of Midvale City, State of Utah, this 20th day of January, 2026.

Dustin Gettel, Mayor

ATTEST:

Rori L. Andreason, MMC
City Recorder

Voting by the City Council "Aye" "Nay"

Bonnie Billings	<hr/> <hr/>
Paul Glover	<hr/> <hr/>
Heidi Robinson	<hr/> <hr/>
Bryant Brown	<hr/> <hr/>
Denece Mikolash	<hr/> <hr/>



MIDVALE CITY COUNCIL SUMMARY REPORT

Meeting Date: January 20, 2026

ITEM TYPE: Action

SUBJECT: Consideration of Resolution No. 2026-R-05, Acknowledging Completion and Receipt of Annual Audit.

SUBMITTED BY: Mariah Hill, Administrative Services Director

SUMMARY:

An annual financial audit is required of all municipalities who have revenues or expenditures of \$1,000,000 or more. The independent auditor is responsible for reporting whether or not the governing body's financial statements are prepared in conformity with generally accepted accounting principles. This report will be presented by Marcus Arbuckle of Keddington & Christensen L.L.C. The report will be submitted to the State Auditor's Office and will be available to the public. An electronic version of the Annual Comprehensive Financial Report will be sent to the Council. An electronic version of the Annual Comprehensive Financial Report will be posted on the City's website shortly after acceptance by the Council. As required in Utah Code section 10-6-152, notice will be given to the public that the audit has been completed and is available for inspection.

PLAN COMPLIANCE: N/A

FISCAL IMPACT:

See Annual Comprehensive Financial Report for fiscal year 2025 performance.

STAFF'S RECOMMENDATION AND MOTION:

Staff recommends approval.

Recommended motion:

I move we approve Resolution 2026-R-05, acknowledging completion of the fiscal year 2025 audit and direct that notice be published pursuant to section 10-6-152 of the Utah Code.

Attachments:

Resolution 2026-R-05

**MIDVALE CITY CORPORATION
RESOLUTION 2026-R-05**

**A RESOLUTION ACKNOWLEDGING COMPLETION AND RECEIPT OF ANNUAL
AUDIT.**

Whereas, pursuant to section 10-6-151 of the Utah Code, Midvale City is required to have an independent audit in conformity with Title 51, Chapter 2a, Accounting Reports from Political Subdivisions, Interlocal Organizations, and Other Local Entities Act; and

Whereas, pursuant to section 10-6-152 of the Utah Code, within ten (10) days following receipt of the independent audit, the City is required to publish notice advising the public that the audit is complete and available for inspection; and

Whereas, the City retained Keddington & Christensen L.L.C., to do an independent audit of the City's accounts for fiscal year 2024-2025; and

Whereas, Keddington & Christensen L.L.C. has completed the independent audit of the City's accounts for fiscal year 2024-2025; and

Whereas, Keddington & Christensen L.L.C., has presented the independent audit to the Mayor and Midvale City Council; and

Whereas, the Midvale City Council wants to acknowledge receipt of the completed audit and order that notice be published pursuant to section 10-6-152 of the Utah Code.

Now therefore be it resolved, by the Midvale City Council as follows:

It hereby acknowledges that the independent audit of the City's accounts for fiscal year 2024-2025 has been completed by Keddington & Christensen L.L.C., and submitted to the Midvale City Council. As required by section 10-6-152 of the Utah Code, the City Recorder is directed to publish notice, advising the public that the independent audit is complete and available for inspection.

This resolution shall become effective immediately upon passage thereof.

Passed and adopted by the City Council of Midvale City, State of Utah, this 20th day of January, 2026.

Dustin Gettel, Mayor

ATTEST:

Rori L. Andreason, MMC
City Recorder

Voting by the City Council: “Aye” “Nay”

Bonnie Billings	_____	_____
Paul Glover	_____	_____
Denece Mikolash	_____	_____
Heidi Robinson	_____	_____
Bryant Brown	_____	_____

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2025

2025



Midvale City, Utah

**Midvale City
State of Utah**

Annual Comprehensive Financial Report
For the Fiscal Year Ended
June 30, 2025

PREPARED BY THE FINANCE DEPARTMENT

MARIAH HILL, ADMINISTRATIVE SERVICES DIRECTOR
CHRIS JONES, SENIOR ACCOUNTANT
KAREN KESTER, CITY TREASURER

Midvale City, Utah

Annual Comprehensive Financial Report For the Fiscal Year Ended June 30, 2025

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INTRODUCTORY SECTION





7505 South Holden Street
Midvale, UT 84047
Phone (801) 567-7200
www.midvale.utah.gov

January 15, 2026

To the Honorable Mayor, Members of the City Council, and Citizens of Midvale City:

The Finance Department of Midvale City is pleased to present the Annual Comprehensive Financial Report (ACFR) for Midvale City Corporation for the year ended June 30, 2025.

Utah law requires that all local governments publish, within six months of the close of the fiscal year, a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited in accordance with Generally Accepted Auditing Standards by a firm of licensed Certified Public Accountants. This Annual Comprehensive Financial Report is hereby issued and submitted to you in accordance with these requirements.

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

K&C, Certified Public Accountants, has audited Midvale City's financial statements. The goal of an independent audit is to provide reasonable assurance that the City's financial statements, for the fiscal year ended June 30, 2025, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.

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

The financial reporting entity (the City) includes all funds of the primary government (i.e., the City as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. Blended component units, although legally separate entities are, in substance, part of the primary government's operations and are included as part of the primary government. Accordingly, the Midvale City Redevelopment Agency (RDA) and Midvale City Municipal Building Authority (MBA)

are, in substance, part of the primary government's operations and are included as part of the primary government. Accordingly, the Midvale City Redevelopment Agency (RDA) and Midvale City Municipal Building Authority (MBA) are reported in this ACFR as special revenue funds.

In addition to the basic financial statements, the ACFR includes a statistical section which provides a ten-year history of detailed information as a context for understanding the City's overall financial health.

PROFILE OF THE GOVERNMENT

Midvale City was incorporated in 1909. The City is governed using a Mayor/Council form of government. Legislative powers are vested in the five-member Council, while executive powers lie with the Mayor. The Mayor is elected to serve the citizens at large; the Council Members are elected by voting districts. All elected officials serve four-year terms which are staggered every two years. The elections are on a non-partisan basis. The City Manager is responsible for day-to-day operations and managing the employees of the City.

The City provides the full range of municipal services normally associated with a municipality. In brief, the general government functions include park construction and maintenance, street reconstruction and maintenance, public improvements, engineering, building inspection, planning and zoning, and administrative services. The City also operates water distribution, sewer collection and treatment, storm water maintenance, waste collection, and street lighting services. Police services are provided by the Unified Police Department of Greater Salt Lake (UPD) and fire services are provided by the Unified Fire Authority (UFA).

With a current population of approximately 36,219, the City lies in the middle of Salt Lake County, with the state's capitol, Salt Lake City, located approximately 11 miles north. Midvale provides commuter access via Interstates 15 and 215, State Street, and Fort Union Boulevard. Utah Transit Authority provides bus and lightrail service, with three light-rail stations within Midvale's boundaries. The geographic area of the City is 5.93 square miles.

FACTORS AFFECTING FINANCIAL CONDITION

Midvale has a robust retail base. Sales tax revenue makes up 41 percent of General Fund revenues, and property tax constitutes 15 percent of General Fund revenues. While the stability of sales tax revenue is less predictable than property tax, the advantage to the City is the ability to delay property tax increases and provides the flexibility to increase property tax as needed if or when sales tax revenue declines. The state of Utah's property tax formula provides the City the same amount of revenue as the prior year, plus any new growth that occurs in the City. The formula does not have any provisions for cost of living or inflationary increases.

Over the past ten years, General Fund revenues have increased from \$15,102,700 to \$30,540,861, and general fund expenditures have increased from \$14,446,200 to \$23,077,164. Revenues have increased due to additional development in Midvale (mainly in the RDAs, as discussed below), and expenditures have increased due to inflation and providing services to additional residences and businesses.

One of three Redevelopment Project Areas in the City, Bingham Junction, consists of 390 acres in the northwest corner of the City. The collaborative efforts of Midvale City, private developers, and the Redevelopment Agency of the City (RDA) have turned this former brownfield site into a successful model for redevelopment. Bingham Junction is substantially built-out with a mix of commercial, residential, and retail establishments.

The second project area, Jordan Bluffs, consists of 268 acres and is in the southwest corner of the City. The Jordan Bluffs project area and surrounding property encompasses nearly 10% of Midvale City's total area and

represents a significant opportunity to redevelop the former smelter property into a successful project with a positive contribution to the community. In 2015, the RDA entered into an Option to Purchase Agreement with the current owners of this former Sharon Steel superfund site. The purpose of the agreement was to allow the Agency to perform due diligence and market the site for sale and development. In November 2017, the option was transferred to Gardner Development and they purchased the property. Gardner commenced construction of the backbone infrastructure in 2018, which included an extension of Bingham Junction Boulevard. Vertical construction commenced in 2018 with the Wasatch residential development. In the summer of 2022 Zions Bancorporation completed a new 400,000 square foot banking technological campus in the northwest portion of the Jordan Bluffs project area.

The third project area is Main Street. The RDA is excited to have created a new project area which incorporates Midvale's historic Main Street, as well as the surrounding residential and commercial areas. This area is an integral component to the vitality and history of Midvale. Recent changes have added new value and activity to the neighborhoods around Main Street and will continue to do so as redevelopment continues.

LONG-TERM FINANCIAL PLANNING

Midvale City uses a long-term strategic planning model to enhance the annual budget process and work towards maintaining and improving all infrastructure systems. It is the policy of the Council to maintain General Fund reserves at or above fifteen percent of operating revenue. Additionally, no encumbrance or expenditure shall be made in excess of total departmental appropriations in the budget without the prior written approval of the Council. The City undertook five year fee rate studies for the water and sewer utilities in fiscal year 2021 and will be reevaluated for fiscal year 2027. Long-term fee rate studies for storm water, building, and planning fees were started in fiscal year 2022 and will be completed in fiscal year 2026.

ACKNOWLEDGEMENTS

While the entire City Staff has contributed to the timely and efficient preparation of this report, special thanks are due to the Finance department. We also appreciate the professionalism of our auditors and their assistance in drafting and proofreading the ACFR. Finally, thank you to our Mayor, City Council, City Manager, Assistant City Manager, and Department Heads for their dedication to making Midvale City great.

Sincerely,



Mariah Hill
Director of Finance and Administrative Services



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Midvale City
Utah**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

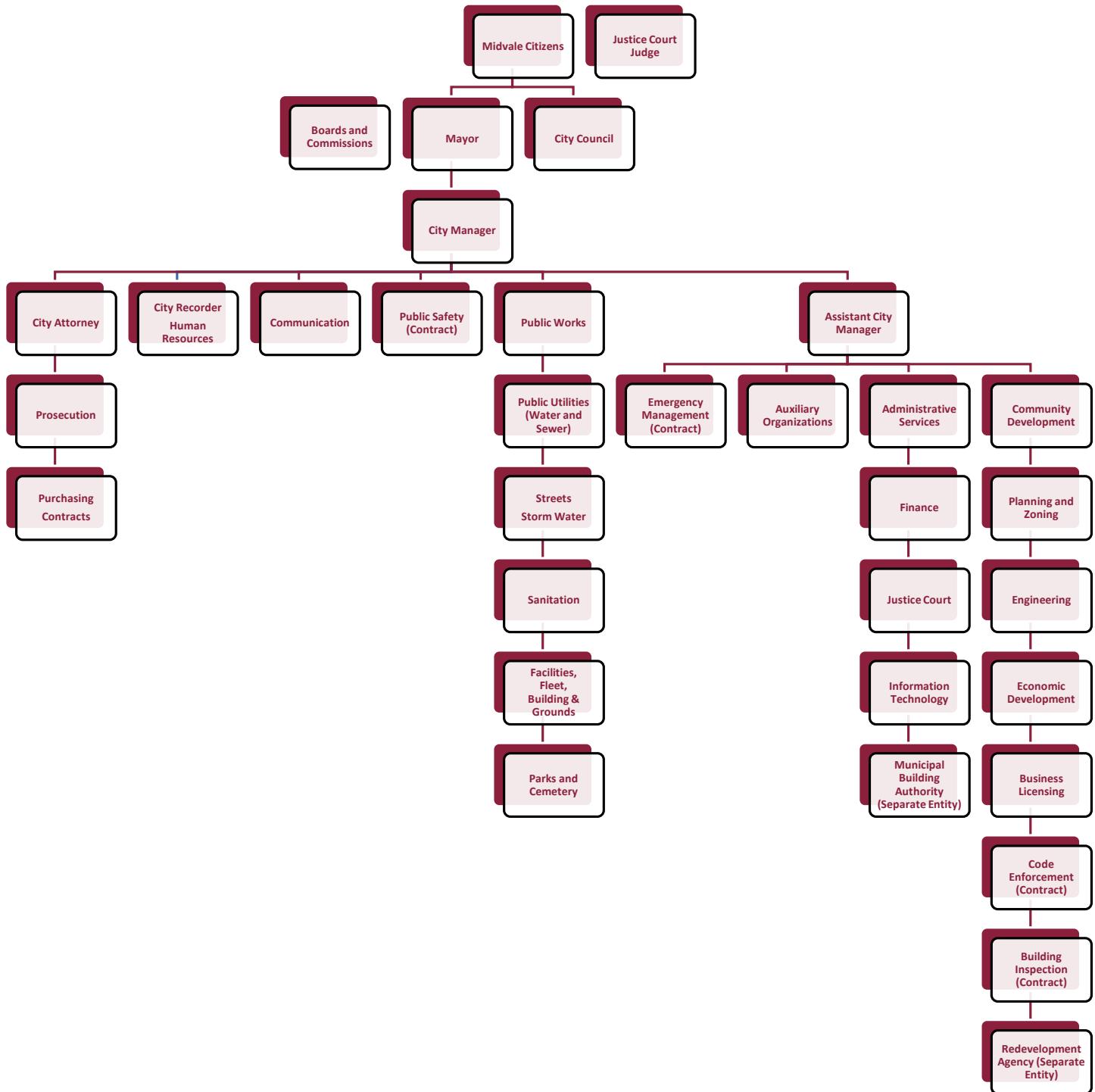
June 30, 2024

Christopher P. Morill

Executive Director/CEO



ORGANIZATION CHART





ELECTED & APPOINTED OFFICIALS

Elected Officials



Mayor
Dustin Gettel



Councilmember
Bonnie Billings
District 1



Councilmember
Paul Glover
District 2



Councilmember
Heidi Robinson
District 3



Councilmember
Bryant Brown
District 4



Councilmember
Denece Mikolash
District 5

Appointed Officials

Matthew Dahl	.....	City Manager
Nathaniel Rockwood	.....	Assistant City Manager
Garrett Wilcox	.....	City Attorney
Rori Andreason	.....	HR Director/City Recorder
Karen Kester	.....	City Treasurer
Branden Anderson	.....	City Engineer
Mariah Hill	.....	Director of Finance and Administrative Services
Glen Kennedy	.....	Public Works Director
Adam Olsen	.....	Community Development Director
George Vo-Duc	.....	Justice Court Judge

FINANCIAL SECTION





CERTIFIED PUBLIC
ACCOUNTANTS

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

INDEPENDENT AUDITOR'S REPORT

To the Mayor, City Council, and Audit Committee
Midvale City, Utah

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, the internal service funds combining and individual fund financial statements, and the budgetary comparison information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 and the internal service funds combining and individual fund financial statements, and the budgetary comparison information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 15, 2026, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

K&C, CPAs

K&C, Certified Public Accountants
Woods Cross, Utah
January 15, 2026



MANAGEMENT'S DISCUSSION & ANALYSIS

As management of Midvale City, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for fiscal year ended June 30, 2025.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2025 by \$151,817,313 (net position). Of this amount, \$29,927,842 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- Total net position of Midvale City increased by \$9,055,793 during fiscal year 2025. Of this increase, \$6,327,213 (69.9 percent) is attributable to governmental activities, this is from tax collections exceeding budgeted expectations and expenses below budgeted expectations as well as recognizing grant revenue. Business-type activities provided a \$2,728,580 increase to the City's net position, primarily due to the Water and Sewer funds operating with a positive net income. The City's overall net position increased due to significant capital projects moving forward after being delayed in previous years.
- As of the close of fiscal year 2025, the City's governmental funds reported combined ending fund balances of \$31,514,270, a decrease of \$6,251,604 (19.8 percent). Most of this decrease is due to planned use of fund balance for capital projects in the General, Capital Projects, Main Street Redevelopment, and City-Wide Housing Redevelopment funds in fiscal year 2025. Of the total fund balance, \$5,344,857 (17.8 percent) is restricted for road construction and maintenance, debt service, and development activities.
- At the end of fiscal year 2025, unassigned fund balance of the General Fund was \$8,451,073, or 27.7 percent of general fund revenues (excluding other financing sources). Utah state law allows any balance of unrestricted funds (assigned and unassigned fund balance) in excess of 5 percent of the total revenues to be utilized for budget purposes. The maximum fund balance allowed is 35 percent of total revenues. The City's General Fund unassigned fund balance is currently at 27.7 percent of revenues. The City's financial policies recommend a general fund unrestricted fund balance of at least 15 percent.
- The City's total long-term obligations decreased \$5,581,664 (7.2 percent). This is primarily due to regularly scheduled debt service payments.
- At the end of fiscal year 2025, the City recognized total net pension liability of \$1,445,188 and a net pension asset of \$0. Much of this change is due to investment earnings not meeting expectations. More information regarding the City's retirement plans can be found on page 64 and in the Required Supplementary Information beginning on page 72.

REPORT OVERVIEW

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

The Statement of Net Position presents information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. However, other non-financial factors should also be considered.

The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are taken into account regardless of when cash is received or paid.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government; public safety; highways and public improvements; parks, recreation, and public property; redevelopment; community development; and other. The business-type activities of the City include public utilities (water, sewer, storm water, sanitation, street lighting) and telecommunications.

The government-wide financial statements can be found on pages 26-28 of this report.

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FUND FINANCIAL STATEMENTS

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

Governmental Funds – Governmental funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. These fund statements focus on how money flows into and out of these funds and the balances left at year end that are available for spending. Such information may be useful in evaluating a government's near-term financing requirements.

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

Governmental funds report the difference between their assets, deferred outflows of resources, liabilities, and deferred inflows of resources as fund balance, which is divided into nonspendable, restricted, committed, assigned, and unassigned portions. Nonspendable balances include inventories and prepaid expenditures that are not expected to be converted to cash. Restricted balances include net fund resources of the City that are subject to external constraints due to state or federal laws or externally imposed conditions by grantors or creditors. Restrictions include debt service reserve requirements, redevelopment agency funds, road funds, and development related funds. Assigned balances in the general fund and other governmental funds are those that do not meet the requirements of restricted or committed but are intended to be used for specific purposes. In addition, fund balances appropriated in a subsequent fiscal year are also recorded as assigned fund balance. Unassigned balances in the General Fund are all other available net resources. At June 30, 2025, the City's combined governmental fund balance is \$31,514,270 (\$96,795 in nonspendable, \$5,344,857 in restricted, \$17,621,545 in assigned, and \$8,451,073 in unassigned fund balances). Additional detail regarding governmental fund balances can be found on the governmental funds balance sheet located on page 30 of this report.

Governmental funds are reported using an accounting method called modified accrual accounting, which measures cash and other financial assets readily convertible to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps users determine the financial resources that can be spent in the near future to finance the City's programs. The relationship (or differences) between governmental activities and governmental funds is detailed in a reconciliation included with the fund financial statements.

The City maintains the following six individual governmental funds, with the Public Safety fund being a new addition in fiscal year 2025:

General
Public Safety
Capital Projects
Debt Service
Redevelopment Agency
Municipal Building Authority

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general and capital projects which are major funds, and the redevelopment agency fund which is a special revenue fund.

The basic governmental fund financial statements can be found on pages 30-33 of this report.

Proprietary Funds – The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Water, Sewer, Storm Water, Sanitation, Streetlight, and Telecommunication Funds.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses an internal service fund to account for its fleet of vehicles and information technology. Internal service fund assets have been included in the governmental activities in the government wide statements, but the income has been split into governmental and business-type activities depending on contributing funds.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, sewer, and storm water funds, which are considered major funds of the City. Conversely, the internal service funds are combined into a single, aggregate presentation in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 35-38 of this report.

Notes to the financial statements – The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 40 of this report.

Required Supplementary Information (RSI) – This section contains required supplementary information for the City's pension program. The RSI section begins on page 73.

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GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Midvale City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$151,817,313 as of June 30, 2025.

By far the largest portion of the City's position (63.8 percent) reflects its investments in capital assets (e.g., land, water shares, buildings and structure, machinery and equipment, improvements, construction in progress, intangible assets, and right of way), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investments in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following table summarized the City's net position:

Midvale City Summary of Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 43,716,818	\$ 47,499,428	\$ 25,552,730	\$ 28,104,891	\$ 69,269,548	\$ 75,604,319
Capital assets	117,447,788	109,053,143	43,637,395	43,598,251	161,085,183	152,651,394
Total Assets	161,164,606	156,552,571	69,190,125	71,703,142	230,354,731	228,255,713
Deferred outflows of resources	1,432,847	1,364,987	573,254	555,143	2,006,101	1,920,130
Current Liabilities	6,785,405	5,931,401	3,387,709	6,709,136	10,173,114	12,640,537
Noncurrent Liabilities	40,889,198	44,577,632	23,823,151	25,726,584	64,712,349	70,304,216
Total Liabilities	47,674,602	50,509,033	27,210,860	32,435,720	74,885,462	82,944,753
Deferred inflows of resources	5,653,724	4,466,612	4,330	2,958	5,658,054	4,469,570
Net position:						
Net investment in capital assets	70,335,644	68,549,681	26,582,637	27,171,629	96,918,281	95,721,310
Restricted	22,969,637	20,859,872	2,001,554	1,435,019	24,971,191	22,294,891
Unrestricted	15,963,846	13,532,360	13,963,996	11,212,959	29,927,842	24,745,319
Total net position	\$ 109,269,126	\$ 102,941,913	\$ 42,548,187	\$ 39,819,607	\$ 151,817,313	\$ 142,761,520

An additional portion of the City's net position (16.5 percent) represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position of \$29,927,842 may be used to meet the government's ongoing obligations to citizens and creditors.

As of June 30, 2025, the City can report positive balances in all three categories of net position for the government as a whole as well as for its separate governmental-type and business-type activities.

Analysis of the City's Operations – The following table provides a summary of the City's operations for the year ended June 30, 2025.

Midvale City Summary of Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program Revenues:						
Charges for Services	\$ 3,130,332	\$ 1,938,075	\$ 16,391,093	\$ 14,618,577	\$ 19,521,425	\$ 16,556,652
Operating Grants and Contributions	13,809,273	10,080,824	-	-	13,809,273	10,080,824
Capital Grants and Contributions	5,811,477	4,955,275	-	-	5,811,477	4,955,275
General Revenues:						
Property Taxes	4,549,385	3,768,493	-	-	4,549,385	3,768,493
Sales Taxes	12,672,980	12,519,490	-	-	12,672,980	12,519,490
Other Taxes	3,309,144	3,349,211	-	-	3,309,144	3,349,211
Intergovernmental	-	-	285,584	-	285,584	-
Gain on Sale of Capital Assets/Equity Investment	198,553	448,016	218,926	279,779	417,479	727,795
Other	1,822,409	2,288,636	883,652	805,094	2,706,061	3,093,730
Total revenues	45,303,554	39,348,020	17,779,255	15,703,450	63,082,809	55,051,470
Expenses:						
General Government	5,317,862	4,443,602	-	-	5,317,862	4,443,602
Public Safety	14,201,892	12,419,796	-	-	14,201,892	12,419,796
Highways and Public Improvements	4,548,698	5,611,441	-	-	4,548,698	5,611,441
Parks and Recreation	1,933,801	1,727,818	-	-	1,933,801	1,727,818
Redevelopment	9,510,942	4,597,095	-	-	9,510,942	4,597,095
Community Development	1,375,920	1,142,786	-	-	1,375,920	1,142,786
Interest on Long-term Debt	1,394,241	1,588,700	-	-	1,394,241	1,588,700
Water	-	-	7,282,493	6,319,506	7,282,493	6,319,506
Sewer	-	-	3,642,305	3,412,784	3,642,305	3,412,784
Storm Water	-	-	2,115,264	2,075,930	2,115,264	2,075,930
Sanitation	-	-	1,499,753	1,428,315	1,499,753	1,428,315
Telecommunications	-	-	999,657	980,195	999,657	980,195
Street Lighting	-	-	204,188	399,773	204,188	399,773
Total Expenses	38,283,356	31,531,238	15,743,660	14,616,503	54,027,016	46,147,741
Increase (Decrease) in Net Position Before Transfers						
Transfers	7,020,198	7,816,782	2,035,595	1,086,947	9,055,793	8,903,729
Increase (Decrease) in Net Position	(692,985)	(695,612)	692,985	695,612	-	-
Net Position - Beginning	6,327,213	7,121,170	2,728,580	1,782,559	9,055,793	8,903,729
Net Position - Ending	102,941,913	95,820,743	39,819,607	38,037,048	142,761,520	133,857,791
	\$ 109,269,126	\$ 102,941,913	\$ 42,548,187	\$ 39,819,607	\$ 151,817,313	\$ 142,761,520

Governmental Activities – Governmental activities increased the City's net position by \$6,327,213. Key elements affecting governmental activities net position are as follows:

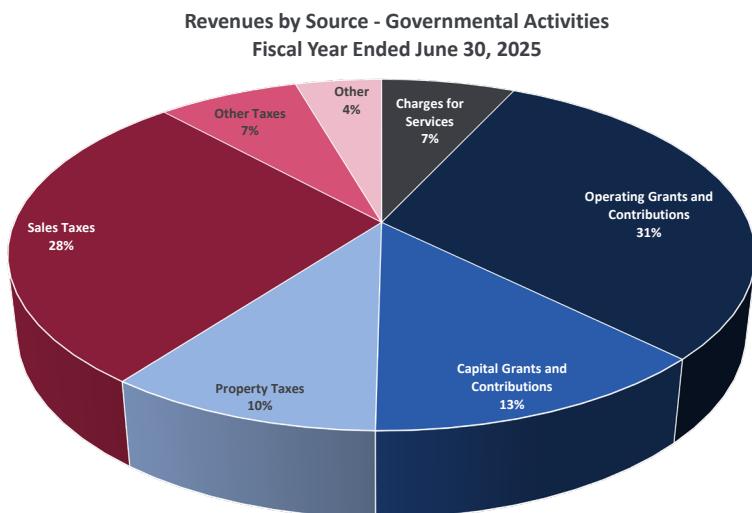
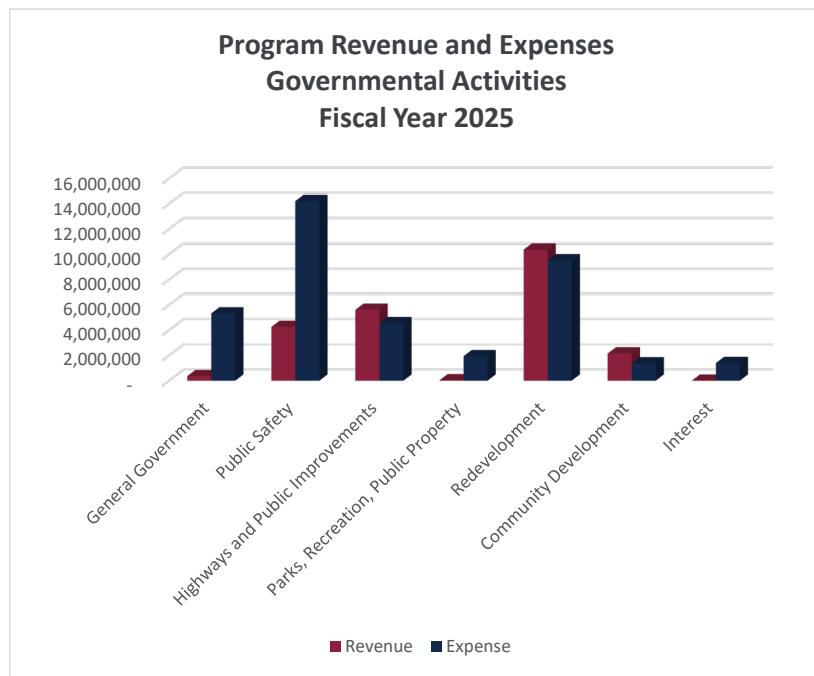
Significant increases in governmental activities revenues include:

- Charges for services increased by 61.5% (\$1,192,257) mainly due to a significant increase in building and plan review fee charges due to an increase in development and building within the City in FY2025.
- Operating grants and contributions increased by 36.9% (\$3,728,449) due to ARPA funds being expended and the grant revenue being recognized.
- Capital grants and contributions increased by 17.3% (\$856,202) mainly due to increased grant revenues from the State of Utah. First, in the allocation the City receives in Homeless Mitigation Funding due to the Connie Crosby Family Resource Center being located in Midvale and second, due to an increase in B&C Road Funds that are collected by the state based on gas sales and divided among entities that maintain and construct roads.
- Property taxes increased due to the City increasing their property tax rate by 6.28% which generated \$780,892 in new property tax revenue.

Significant changes in the governmental expenses include:

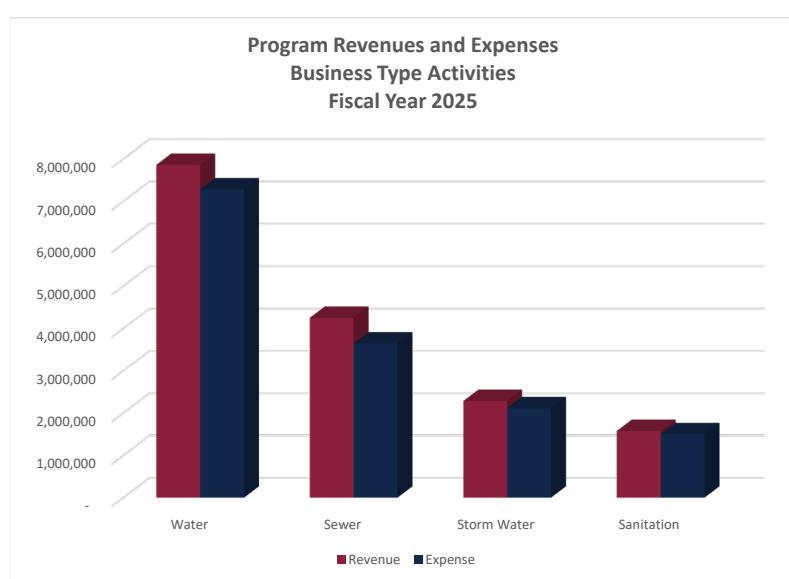
- All activities and departments saw personnel cost increases due to a 3% cost of living adjustment and 2% merit increase for all employees
- Public Safety increased mainly due to police services, which are provided by the Unified Police Department, and increased by \$1,722,379 due to the negotiated wage increases for sworn officers, the inflationary increases to operating costs such as vehicles and ammunition, and the removal of the Salt Lake County Sheriff's office from the Unified Police Department which is detailed further in the notes section of this statement.
- Redevelopment expenses increased by \$4,913,847 due to continued redevelopment efforts continuing in the City's three project areas. A large portion of this increase was due to a \$6.2 million affordable housing loan that was distributed to a developer in the Main Street Project Area.

During fiscal year 2025, the capital assets in the City's governmental funds also impacted the net position by increasing \$8,394,644. Work in progress assets totaled \$181,490 at year-end. The most significant projects completed during the year include \$4,919,881 for the purchase of a portion of the Midvale City Park, \$1,824,800 for the purchase of land for a planned public works campus expansion, and \$1,239,472 for lighting on Main Street.

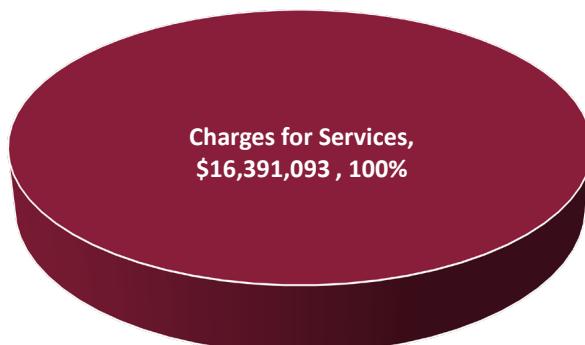


Business-Type Activities – Business-type activities increased the City's net position by \$2,728,580, which represents a increase of \$946,020 over the previous year's change. Key elements of the change in business-type net position are as follows:

- The business type activities revenue increased mainly due to an increase of \$1,772,516 (12.13%) in charges for services due to a planned 5% increase in all water and sewer fees as a part of a five-year master plan that began in FY2021. There was also a 4% increase in the stormwater and sanitations fees to keep up with the rising cost of providing services.
- All activities and departments saw personnel cost increases due to 3% cost of living adjustment and 2% merit increase for all employees.
- Each fund within the business-type activities contributed to the increase in net position, including:
 - » During fiscal year 2025, the City's business-type activities increased \$39,144 in capital assets and had \$3,756,807 of projects in progress at year end.
 - » The street lighting fund posted an increase in net position of \$224,497. This is mainly due to a bond maturing. A streetlight master plan will begin to determine future use of funds.
 - » The sanitation fund experienced an increase in net position of \$305,654, mainly due to its investment in the Trans Jordan Landfill.
 - » The water fund contributed \$1,178,849 to the increase in net position. The majority of this increase is due to higher than anticipated interest income and delays to water master plan projects.
 - » The sewer fund contributed \$740,709 to the increase in net position due to delays to master plan projects.
 - » The Storm Water fund contributed \$206,166 to the increases in net position due to a delay in a Storm Water Master Plan project.



Revenues by Source - Business Type Activities
Fiscal Year Ended June 30, 2025



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FINANCIAL HIGHLIGHTS

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

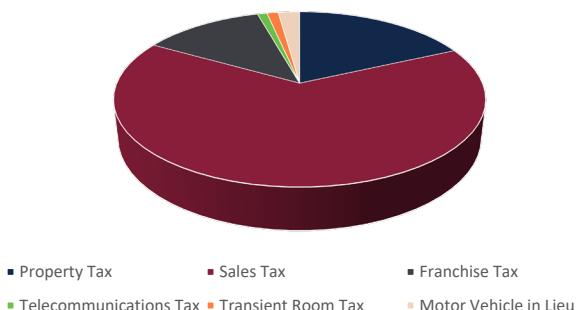
As of June 30, 2025, The City's governmental funds (General, Public Safety, Capital Projects, RDA, and Municipal Building Authority) reported combined fund balances of \$31,514,270. This represents a decrease of \$6,251,604 from the previous year's ending balance. \$8,451,173 (26.8 percent) of the total fund balance constitutes unassigned fund balance and is therefore available for spending at the City's discretion. Assigned fund balance totals \$17,621,545 (55.9 percent), meaning the City intends to use this amount for specific purposes (capital projects, redevelopment, and debt service). Fund balance of \$5,344,857 (17.8 percent) is restricted to indicate it is not available for new spending because it has already been committed to pay for road construction and maintenance, development related expenses, and debt service. \$96,795 is nonspendable because it represents prepaid assets.

General Fund

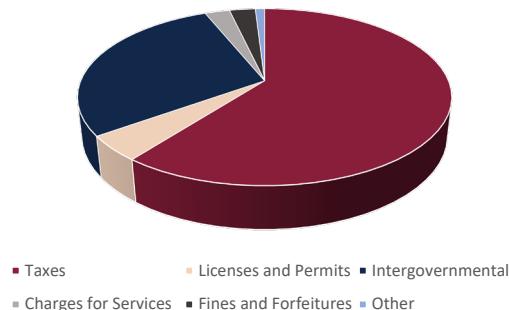
The General Fund is the chief operating fund of the City. All activities which are not required to be accounted for in separate funds either by state or local ordinance or by a desire to maintain a matching of revenues and expenditures are accounted for in this fund. Expenditures exceeded revenues (including other financing sources and uses) in the General Fund by \$1,957,500 during the year. Taxes continue to be the largest source of revenue in the General Fund and represent 60.5 percent of total General Fund revenues. The largest component of tax revenue is sales tax, which represents 68.5 percent of total tax revenues and 41.5 percent of total General Fund revenues. This compares with 50.5 percent of total general fund revenues in the prior fiscal year ended June 30, 2024.

General fund expenditures increased during fiscal year 2025, going from \$20,610,613 in 2024 to \$23,077,166 in 2025. This can mostly be attributed to increases in public safety costs, which increased due to the legislatively mandated split of the Unified Police Department from the Salt Lake County's Sheriff's office, as well as general increases in operating and personnel costs across all departments.

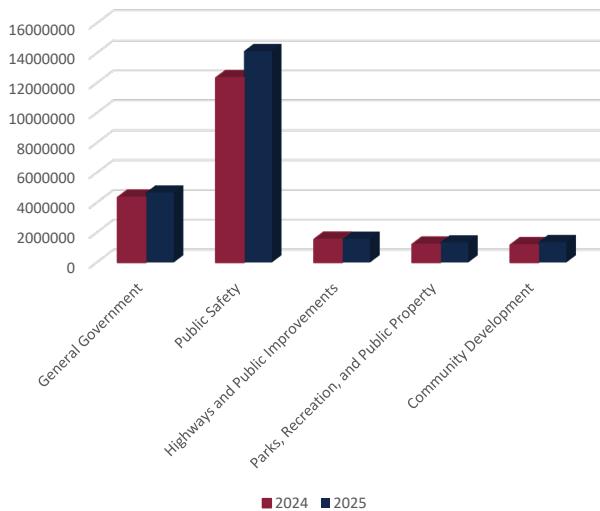
Fiscal Year 2025 General Fund Tax Revenue by Type



Fiscal Year 2025 General Fund Revenue by Source



General Fund Expenditures by Function
Fiscal Year 2024 and 2025



Other Governmental Funds

Highlights from the City's other governmental funds show indicators of a growing city and strong local economy. During fiscal year 2025, property tax collections from redevelopment areas increased 8.3 percent to a total of \$11,353,656 during the same period. This increase is due to an increase in taxable values due to successful redevelopment activities in the three redevelopment areas. RDA fund balance decreased \$5,583,568 to a total of \$12,780,091 (30.4 percent decrease). The decrease is mainly due to a significant affordable housing project in the Main Street Project Area. The remaining fund balance will be used to support the City's redevelopment project areas and complete outstanding projects.

Beginning in fiscal year 2026, the City will begin operating a new major special revenue fund - the Public Safety fund. For fiscal year 2025, the fund only has a deferred inflow of resources for assessed property taxes, but beginning in fiscal year 2026, all public safety related functions will be funded from the public safety fund.

Fund balance in the Capital Projects Fund decreased \$2,434,842 during the fiscal year to an ending fund balance of \$6,017,044. This is due to several large projects that had been delayed in previous fiscal years starting as well as two land acquisitions - a portion of the Midvale City Park and land for a planned public works campus expansion. Other governmental funds include the Debt Service Fund and the Municipal Building Authority. Fund balance in the Debt Service Fund had a decrease of \$204,386 during the fiscal year to an ending fund balance of \$1,371,211. The debt service fund was created in fiscal year 2022. The fund balance is a result of interest income. The Municipal Building Authority Fund increased \$13,692 during the fiscal year to an ending balance of \$727,041, mainly due to larger than anticipated interest income. The Municipal Building Authority fund is a legally separate governmental unit that is used to collect lease revenue and make debt service payments on the City's 2012 Lease Revenue Bonds and is reported in the financial statements as a blended component unit. The MBA Bonds have a debt service reserve of \$621,468 constituting the majority of fund balance.

Proprietary Funds - The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. In summary, unrestricted net position increased from -\$466,366 to \$1,089,928 in the Water Fund; increased from \$6,472,962 to \$7,032,145 in the Sewer Fund; and increased from \$1,505,682 to \$1,538,388 in the Storm Water Fund.

Water Fund unrestricted net position increased by \$1,556,292, this is mainly due to spending on capital projects that increased the net investment in capital assets compared to debt.

The net position increase in the Sewer Fund is largely due to an increase in the City's investment in the South Valley Water Reclamation Facility (SVWRF).

Finally, the net position increase in the storm water fund is due to normal operating fluctuations.

The City's nonmajor proprietary funds (street lighting, sanitation, and telecommunications) increased unrestricted net position from \$2,982,698 in fiscal year 2024 to \$3,507,637 in fiscal year 2025 (a \$524,939 increase). The Street Lighting fund realized a \$224,497 increase in net position, largely due to a bond maturing and a streetlight master plan being underway to determine needed projects. The Sanitation Fund saw a \$305,654 net position increase, largely due to a gain on the City's equity investment in Trans Jordan Landfill. Finally, the Telecommunications Fund saw a \$5,212 net position decrease, mainly due to regular operating fluctuations.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the fiscal year, General Fund budgeted expenditures were amended from an original budget total of \$23,811,319 to a final budget total of \$24,237,357 (1.8 percent difference). All departments monitor their budgets closely and are required to stay within their allotment. Budget adjustments made during the year can be summarized as follows:

- The City added funds to hire a contracted attorney, overlap the employment of a new city engineer with the retiring city engineer, hire an IT intern, and recruit for open positions.
- The City carried forward funds in multiple departments for one-time projects budgeted for in fiscal year 2024 that did not get completed.
- The City added funding for one-time, unexpected IT equipment replacements.
- The City added minimal amounts across multiple departments for one-time changes in operating expenses.

General fund budgeted revenues were not amended in fiscal year 2025. All expenditures changes were funded by a use of fund balance.

During the year, actual revenues were greater than budgeted revenues by \$4,924,222. Actual expenditures were less than budgeted expenditures by \$1,160,190.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets – Midvale City's investment in capital assets for its governmental and business-type activities as of June 30, 2025, amounts to \$161,085,183 (net of accumulated depreciation). This investment in capital assets includes land, water stock & rights, buildings, improvements, infrastructure, machinery & equipment, and construction in progress. The total increase in the City's investment in capital assets for the current year was 5.2 percent (a 7.1 percent increase for governmental activities and a 0.1 percent increase for business-type activities).

Midvale City Capital Assets, Net of Depreciation June 30, 2025

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 71,810,420	\$ 65,065,740	115,062	115,062	\$ 71,925,482	\$ 65,180,802
Water Stock & Rights	-	-	3,081,299	3,081,299	3,081,299	3,081,299
Buildings	22,649,472	20,155,336	2,962,621	3,054,702	25,612,093	23,210,038
Improvements	4,350,239	3,149,353	33,552,365	34,772,244	37,902,604	37,921,597
Infrastructure	15,820,007	17,158,159	-	-	15,820,007	17,158,159
Machinery & Equipment	2,636,159	2,854,252	169,241	207,296	2,805,400	3,061,548
Construction in Progress	181,490	670,303	3,756,807	2,367,648	3,938,297	3,037,951
TOTAL:	\$ 117,447,788	\$ 109,053,143	\$ 43,637,395	\$ 43,598,251	\$ 161,085,183	\$ 152,651,394

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

- \$4,919,881 Purchase of a portion of the Midvale City Park
- \$1,824,800 Purchase of land for public works campus expansion
- \$1,239,473 Main Street lighting
- \$299,407 Sidewalk curb & gutter improvements
- \$277,086 Vehicle and Equipment purchases
- \$73,300 Information Technology hardware purchases

Additional information on the City's capital assets can be found on page 53-55 of this report.

Long-Term Debt - As of June 30, 2025, the City had total long-term debt outstanding of \$69,274,119. The City has no general obligation bonds outstanding.

Midvale City

Outstanding Long-Term Debt

June 30, 2025

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Lease Revenue Bonds	\$ 4,390,000	\$ 4,635,000	\$ -	\$ -	4,390,000	4,635,000
Tax Revenue Bonds	30,370,000	33,247,000	-	-	30,370,000	33,247,000
Unamortized Bond Premiums	2,342,338	2,621,462	914,191	982,548	3,256,529	3,604,010
Direct Borrowings	5,895,402	6,424,119	57,029	77,851	5,952,430	6,501,970
Water, Sewer, Storm Water Revenue Bonds	-	-	24,274,000	25,974,000	24,274,000	25,974,000
Compensated Absences	763,091	489,077	268,069	239,805	1,031,160	728,882
TOTAL:	<u>\$ 43,760,831</u>	<u>\$ 51,517,157</u>	<u>\$ 25,513,288</u>	<u>\$ 18,606,661</u>	<u>\$ 69,274,119</u>	<u>\$ 74,690,862</u>

The City's total debt outstanding decreased by \$5,416,743 during the fiscal year (7.24 percent). This decrease is due to regular debt service payments.

The City currently has no General Obligation debt. The most recent bond ratings issued for Midvale City include:

- Series 2016, 2018, and 2023 Water, Sewer, and Storm Water Revenue Bonds, a Fitch rating of "AA-" (rating outlook: positive)
- Series 2017 and 2018 RDA Tax Increment and Sales Tax Revenue Bonds, a Fitch rating of "AA+" (rating outlook: stable)
- Series 2017 Sales Tax Revenue Bonds a Fitch rating of "AA+" (rating outlook: stable)
- 2012 MBA Lease Revenue Bonds a Fitch rating of "AA" (rating outlook: stable)
- Standalone Credit Profile (SCP) of "AA-" (Fitch ratings)
- Issuer Default Rating (IDR) of "AA+" (Fitch ratings)

State statutes limit the amount of General Obligation debt a governmental entity may issue to 12 percent of the “reasonable fair cash value” of property within the City. Of this percent, a maximum of 4 percent may be used for general purposes. The current limitation for the City is \$284,386,12 which is significantly in excess of the City’s outstanding General Obligation debt (the City has no General Obligation debt outstanding). The remaining 8 percent and any unused portion of the 4 percent available for general purposes, up to the maximum of 12 percent, may be utilized for water, sewer, and electrical projects. The current limitation for all debt, including that used for water, sewer and electrical projects is thus \$568,773,623, which again significantly exceeds the outstanding city-wide debt.

The City has two direct borrowings in the form of loans from the Utah Department of Transportation State Infrastructure Bank. One was issued in 2021 for \$2.1 million and one was issued during fiscal year 2022 for \$5.5 million. Both loans are for parking structures and the payments are made via pass-through revenue paid to the City by developers. These loans are not for capital purposes.

Additional information on the City’s long term-debt can be found on pages 58-63 of this report.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETE AND RATES

- The June 2025 unemployment rate for the Midvale City was 3.7 percent. This compares with a national unemployment rate of 4.1 percent. The 2024 unemployment rate for the Midvale City was also 3.4 percent. (Source: Bureau of Labor Statistics.)
- General Fund budgeted revenues for the fiscal year ending June 30, 2026 (\$27,171,559) reflect a decrease of 11.0 percent over the final revenues for the fiscal year ended June 30, 2025 (\$30,540,861). In light of recent economic uncertainty the City anticipates very little to no growth in sales tax income, but may have need to increase property taxes to maintain level of service. General Fund expenditures in fiscal year 2026 are budgeted \$2,934,242 greater than fiscal year 2025 budget. This increase is primarily due to an increase in public safety costs and other increases in operating costs.
- A 5-year water and sewer rate increase model was passed by the City Council to fund necessary capital needs of the water and sewer funds that covers fiscal years 2021 to 2026. The City is working to implement the use of software that will help set rates moving forward.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of Midvale City’s finances for all those with an interest in the City’s finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to: Midvale City, Finance Department, 7505 S Holden St, Midvale City, UT 84047 or call (801) 567-7200, or e-mail mhill@midvaleut.gov.

BASIC FINANCIAL SECTION





STATEMENT OF NET POSITION

JUNE 30, 2025

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash, cash equivalents, and investments:			
Unrestricted	\$ 26,196,505	\$ 5,026,161	\$ 31,222,666
Restricted	3,991,280	10,088,930	14,080,210
Receivables (net of allowance for uncollectibles):			
Accounts and taxes	8,234,589	1,845,198	10,079,787
Court fines	277,412	-	277,412
Due from other governments	2,361,408	-	2,361,408
Notes	213,522	-	213,522
Inventory	-	246,264	246,264
Internal balances	(795,898)	795,898	-
Prepays and deposits	109,813	44,570	154,383
Total current assets	40,588,631	18,047,021	58,635,652
Noncurrent assets:			
Contracts receivable	-	70,770	70,770
Investment in Joint Ventures	-	7,434,939	7,434,939
Note receivable	2,978,057	-	2,978,057
Land held for resale	150,130	-	150,130
Capital assets not being depreciated:			
Water stock	-	3,081,299	3,081,299
Land	71,810,420	115,062	71,925,482
Construction in progress	181,490	3,756,807	3,938,297
Capital assets, net of accumulated depreciation:			
Buildings	22,649,472	2,962,621	25,612,093
Improvements other than buildings	4,350,239	33,552,365	37,902,604
Equipment	2,636,159	169,241	2,805,400
Infrastructure	15,820,007	-	15,820,007
Total noncurrent assets	120,575,975	51,143,104	171,719,079
Total assets	161,164,606	69,190,125	230,354,731
Deferred outflows of resources:			
Deferred outflows related to pensions	1,432,847	524,450	1,957,297
Deferred charge on refunding	-	48,804	48,804
Total deferred outflows of resources	\$ 1,432,847	\$ 573,254	\$ 2,006,101

The accompanying notes are an integral part of this financial statement.



STATEMENT OF NET POSITION (CONTINUED)

JUNE 30, 2025

LIABILITIES

Current liabilities:

	Governmental Activities	Business-type Activities	Total
Accounts payable	\$ 1,263,174	\$ 867,515	\$ 2,130,689
Accrued liabilities	337,923	139,650	477,573
Accrued interest payable	289,970	237,328	527,298
Compensated absences	478,687	169,013	647,700
Bonds and notes payable	3,796,300	1,964,000	5,760,300
Unearned Revenue	619,350	10,203	629,553
Total current liabilities	6,785,405	3,387,709	10,173,114

Noncurrent liabilities:

Bonds and notes payable	39,201,439	23,281,219	62,482,658
Compensated absences	284,404	99,056	383,460
Net pension liability	1,057,878	387,310	1,445,188
Deposits held	345,476	55,566	401,042
Total noncurrent liabilities	40,889,198	23,823,151	64,712,349
Total liabilities	47,674,602	27,210,860	74,885,462

Deferred inflows of resources:

Deferred revenue property taxes	5,642,269	-	5,642,269
Deferred inflows related to pensions, net	11,455	4,330	15,785
Total deferred inflows of resources	5,653,724	4,330	5,658,054

NET POSITION

Net investment in capital assets

Restricted for:

Capital projects and redevelopment	17,502,991	2,001,554	19,504,545
Road Funds	488,458	-	488,458
Development-related funds	1,585,792	-	1,585,792
Debt Service	3,392,396	-	3,392,396
Unrestricted	15,963,846	13,963,996	29,927,842

Total net position

	Governmental Activities	Business-type Activities	Total
Total net position	\$ 109,269,126	\$ 42,548,187	\$ 151,817,313

The accompanying notes are an integral part of this financial statement.



STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Function/Programs	Program Revenues				Net (Expense) Revenues and Changes in Net Position		
	Expenses	Charges for Services		Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities
							Total
Governmental activities							
General government	\$ 5,317,862	\$ 128,462	\$ 230,323	\$ -	\$ (4,959,077)		\$ (4,959,077)
Public safety	14,201,892	824,983	3,419,249	-	(9,957,660)		(9,957,660)
Highways and public improvements	4,548,698	-	-	5,604,044	1,055,346		1,055,346
Parks, recreation and public property	1,933,801	33,010	-	-	(1,900,791)		(1,900,791)
Redevelopment	9,510,942	-	10,159,701	200,000	848,759		848,759
Community development	1,375,920	2,143,878	-	7,434	775,391		775,391
Interest	1,394,241	-	-	-	(1,394,241)		(1,394,241)
Total governmental activities	38,283,356	3,130,332	13,809,273	5,811,477	(15,532,273)		(15,532,273)
Business-type activities							
Water	7,282,493	7,860,921	-	-	578,428		578,428
Sewer	3,642,305	4,248,991	-	-	606,686		606,686
Storm water	2,115,264	2,283,339	-	-	168,075		168,075
Sanitation	1,499,753	1,576,042	-	-	76,289		76,289
Telecommunications	999,657	10,411	-	-	(989,246)		(989,246)
Street lighting	204,188	411,389	-	-	207,201		207,201
Total business-type activities	15,743,660	16,391,093	-	-	647,433		647,433
Total primary government	\$ 54,027,016	\$ 19,521,425	\$ 13,809,273	\$ 5,811,477	(15,532,273)	647,433	(14,884,840)
General Revenues:							
Property taxes				4,549,385	-		4,549,385
Sales taxes				12,672,980	-		12,672,980
Telecommunications and franchise taxes				3,309,144	-		3,309,144
Intergovernmental				-	285,584		285,584
Gain on sale of assets/equity investment income				198,553	218,926		417,479
Interest income				1,665,758	883,652		2,549,410
Miscellaneous				156,651	-		156,651
Transfers:							
Transfers - net				(692,985)	692,985		-
Total general revenue and transfers				21,859,486	2,081,147		23,940,633
Change in net position				6,327,213	2,728,580		9,055,793
Net position - beginning				102,941,913	39,819,607		142,761,520
Net position - ending				\$ 109,269,126	\$ 42,548,187		\$ 151,817,313

The accompanying notes are an integral part of this financial statement.

GOVERNMENTAL FUND FINANCIAL STATEMENTS



BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2025

	Special Revenue						Other Governmental Funds	Total Governmental Funds	
	General	Public Safety	Redevelopment Agency	Capital Projects					
ASSETS									
Cash, cash equivalents, and investments									
Unrestricted	\$ 5,422,466	\$ -	\$ 9,886,018	\$ 6,145,188	\$ 121,134	\$ 21,574,806			
Restricted	2,074,250	-	1,294,144	-	622,886	3,991,280			
Receivables, net:							-	-	
Accounts and other	-	-	-	-	3,006	3,006			
Taxes	5,865,265	940,561	1,233,614	192,143	-	8,231,583			
Court fines	277,412	-	-	-	-	277,412			
Intergovernmental	2,361,408	-	-	-	-	2,361,408			
Notes	-	-	1,838,002	-	1,353,577	3,191,579			
Deposits	10,647	-	-	-	-	10,647			
Prepaid assets	93,560	-	3,235	-	-	96,795			
Land held for resale	-	-	150,130	-	-	150,130			
Total assets	16,105,008	940,561	14,405,143	6,337,331	2,100,603	39,888,646			
LIABILITIES									
Accounts payable	482,862	-	310,036	317,412	2,351	1,112,661			
Deposits held	339,651	-	2,950	2,875	-	345,476			
Accrued liabilities	299,674	-	25,728	-	-	325,402			
Unearned revenue - grants	619,350	-	-	-	-	619,350			
Total liabilities	1,741,537	-	338,714	320,287	2,351	2,402,889			
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue - property taxes	3,468,094	940,561	1,233,614	-	-	5,642,269			
Unavailable revenue - fines, fees, and other	276,494	-	52,724	-	-	329,218			
Total deferred inflows of resources	3,744,588	940,561	1,286,338	-	-	5,971,487			
FUND BALANCES									
Nonspendable:									
Prepays	93,560	-	3,235	-	-	96,795			
Restricted for:									
B&C road funds	488,458	-	-	-	-	488,458			
Development-related funds	1,585,792	-	-	-	-	1,585,792			
Debt service	-	-	1,294,144	-	1,976,463	3,270,607			
Total restricted	2,074,250	-	1,294,144	-	1,976,463	5,344,857			
Assigned to:									
Redevelopment	-	-	11,482,712	-	-	11,482,712			
Capital projects	-	-	-	6,017,044	-	6,017,044			
Debt service	-	-	-	-	121,789	121,789			
Total assigned	-	-	11,482,712	6,017,044	121,789	17,621,545			
Unassigned	8,451,073	-	-	-	-	8,451,073			
Total fund balances	10,618,883	-	12,780,091	6,017,044	2,098,252	31,514,270			
Total liabilities, deferred inflows of resources, and fund balances	\$ 16,105,008	\$ 940,561	\$ 14,405,143	\$ 6,337,331	\$ 2,100,603	\$ 39,888,646			

The accompanying notes are an integral part of this financial statement.



RECONCILIATION OF THE GOVERNMENTAL FUNDS

BALANCE SHEET TO THE STATEMENT OF NET POSITION

JUNE 30, 2025

Total fund balance - governmental funds \$ 31,514,270

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

Governmental capital assets	\$ 168,393,552
Less: accumulated depreciation	<u>(53,277,720)</u>
	115,115,832

Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.

Revenue bonds payable	\$ (37,115,539)
Notes payable	(5,882,006)
Interest payable	(289,970)
Compensated absences	(726,784)
Net pension liability	<u>(1,029,841)</u>
	(45,044,140)

Unavailable revenue is recorded as a deferred inflow in the governmental funds but not in the governmental activities because it qualifies for recognition under the economic resources 329,218

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

Deferred outflows related to pensions	\$ 1,401,665
Deferred inflows related to pensions	<u>(11,200)</u>
	1,390,465

Internal service funds are used by management to charge the cost of fleet maintenance and computer equipment to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities of the statement of net position. 5,963,481

Net position - governmental activities \$ 109,269,126

The accompanying notes are an integral part of this financial statement.



STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

JUNE 30, 2025

	Special Revenue					Other Governmental Funds	Total Governmental Funds
	General	Public Safety	Redevelopment Agency	Capital Projects			
REVENUES							
Taxes	\$ 18,492,174	\$ -	\$ 993,955	\$ 1,045,380	\$ -	\$ 20,531,509	
Licenses and permits	1,406,639	-	-	-	-	-	1,406,639
Intergovernmental	8,753,614	-	10,359,701	507,434	-	-	19,620,749
Charges for service	781,081	-	8,407	-	36,712	826,200	
Fines and forfeitures	812,858	-	-	-	-	-	812,858
Interest income	232,152	-	670,282	419,136	32,942	1,354,512	
Lease Revenue	-	-	-	-	373,316	373,316	
Miscellaneous	62,343	-	120,055	-	-	-	182,398
Total revenues	30,540,861	-	12,152,400	1,971,950	442,970	45,108,181	
EXPENDITURES							
Current:							
ADMIN FEE SPLIT OUT	(2,091,011)	-	-	-	-	(2,091,011)	
General government	4,669,716	-	-	-	279,008	4,948,724	
Public safety	14,131,616	-	-	-	-	14,131,616	
Highways and public improvements	1,581,366	-	636,218	-	-	2,217,584	
RDA Administration	-	-	861,607	-	-	861,607	
Parks, recreation, and public property	1,338,267	-	-	-	-	1,338,267	
Redevelopment	-	-	8,450,593	-	-	8,450,593	
Community development	1,356,201	-	-	-	-	1,356,201	
Total current expenditures	23,077,166	-	9,948,418	-	279,008	33,304,592	
Capital outlay:							
Capital outlay	-	-	3,855,246	8,106,792	-	11,962,038	
Debt service:							
Principal	-	-	2,307,000	-	1,343,913	3,650,913	
Interest	-	-	1,176,173	-	520,484	1,696,657	
Bond issuance costs	-	-	-	-	2,600	2,600	
Total debt service	-	-	3,483,173	-	1,866,997	5,350,170	
Total expenditures	23,077,166	-	17,286,837	8,106,792	2,146,005	50,616,800	
Excess (deficiency) of revenues over (under) expenditures	7,463,695	-	(5,134,437)	(6,134,842)	(1,703,035)	(5,508,619)	
OTHER FINANCING SOURCES (USES)							
Proceeds from sale of assets	-	-	-	-	-	-	-
Issuance of debt	-	-	-	-	-	-	-
Transfers in	-	-	-	3,700,000	1,512,341	5,212,341	
Transfers out	(5,506,195)	-	(449,131)	-	-	(5,955,326)	
Total other financing sources (uses)	(5,506,195)	-	(449,131)	3,700,000	1,512,341	(742,985)	
Net change in fund balance	1,957,500	-	(5,583,568)	(2,434,842)	(190,694)	(6,251,604)	
Fund balances at beginning of year	8,661,383	-	18,363,659	8,451,886	2,288,946	37,765,874	
Fund balances at end of year	\$ 10,618,883	\$ -	\$ 12,780,091	\$ 6,017,044	\$ 2,098,252	\$ 31,514,270	

The accompanying notes are an integral part of this financial statement.



RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

JUNE 30, 2025

Net change in fund balances - total governmental funds	\$ (6,251,604)
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Amounts reported for governmental activities in the statement of activities are different

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital Outlay	\$ 10,964,272
Depreciation Expense	<u>(2,430,646)</u>
	8,533,626

Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	3,650,913
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Some expenses reported in the statement of activities do not require the use of current resources and, therefore, are not reported as expenditures in governmental funds:

Accrued interest expense	\$ 25,892
Amortization of discounts and premiums	279,124
Net pension liability adjustments	(228,892)
Change in compensated absences	<u>(266,905)</u>
	(190,781)

Governmental funds recognize revenues when they are both measurable and available; however, in the statement of activities, revenue is recognized when earned.	52,348
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An internal service fund is used by management to charge the cost of fleet maintenance and computer equipment to individual funds. The net expense of the internal service is reported	<u>532,711</u>
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Change in net position - governmental activities	<u>\$ 6,327,213</u>
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The accompanying notes are an integral part of this financial statement.

PROPRIETARY FUND FINANCIAL STATEMENTS



STATEMENT OF NET POSITION - PROPRIETARY FUNDS

JUNE 30, 2025

	Business-type Activities - Enterprise Funds					Governmental Activities Internal Service Funds	
	Water	Sewer	Storm Water	Other Proprietary Funds	Total		
ASSETS							
Current assets:							
Cash, cash equivalents, and investments							
Unrestricted	\$ 730,820	\$ 1,952,769	\$ 1,422,399	\$ 920,173	\$ 5,026,161	\$ 4,621,699	
Receivables:							
Accounts, net	980,887	426,348	222,976	214,987	1,845,198	-	
Contracts	-	-	-	10,740	10,740	-	
Inventory	246,264	-	-	-	246,264	-	
Prepaid assets	17,134	12,979	14,039	418	44,570	2,372	
Total current assets	1,975,105	2,392,096	1,659,414	1,146,318	7,172,933	4,624,071	
Noncurrent assets:							
Restricted Cash	7,946,026	2,142,850	54	-	10,088,930	-	
Contracts receivable	-	-	-	60,030	60,030	-	
Investment in Joint Venture -							
South Valley Water Reclamation	-	4,910,761	-	-	4,910,761	-	
Investment in Joint Venture -							
Jordan Cities Landfill	-	-	-	2,524,178	2,524,178	-	
Capital assets:							
Land	115,062	-	-	-	115,062	-	
Water stock	3,081,299	-	-	-	3,081,299	-	
Construction in progress	3,756,807	-	-	-	3,756,807	-	
Buildings, net	1,443,905	-	1,518,716	-	2,962,621	-	
Improvements, net	25,719,243	3,672,484	4,160,638	-	33,552,365	-	
Automobiles, net	-	-	-	-	-	1,780,960	
Machinery and equipment, net	34,848	134,393	-	-	169,241	550,998	
Total noncurrent assets	42,097,190	10,860,488	5,679,408	2,584,208	61,221,294	2,331,958	
Total assets	44,072,295	13,252,584	7,338,822	3,730,526	68,394,227	6,956,029	
DEFERRED OUTFLOWS OF RESOURCES							
Deferred outflows related to pensions	205,523	119,496	188,531	10,900	\$ 524,450	31,182	
Deferred charge on refunding	40,994	7,810	-	-	48,804	-	
Total deferred outflows of resources	246,517	127,306	188,531	10,900	573,254	31,182	

The accompanying notes are an integral part of this financial statement.



STATEMENT OF NET POSITION - PROPRIETARY FUNDS

(CONTINUED)

JUNE 30, 2025

	Business-type Activities - Enterprise Funds					Governmental Activities Internal Service Funds	
	Water	Sewer	Storm Water	Other Proprietary Funds	Total		
LIABILITIES							
Current liabilities:							
Accounts payable	565,768	139,708	17,745	144,294	\$ 867,515	150,689	
Accrued liabilities	49,374	34,051	42,478	13,747	139,650	12,349	
Compensated absences	55,740	47,042	64,645	1,586	169,013	18,847	
Accrued interest payable	181,764	46,930	8,634	-	237,328	-	
Notes Payable	-	-	-	10,203	10,203	-	
Bonds payable	1,294,450	279,550	390,000	-	1,964,000	-	
Total current liabilities	2,147,096	547,281	523,502	169,830	3,387,709	181,885	
Noncurrent liabilities:							
Due to other funds	-	-	-	-	-	-	
Compensated absences	31,551	20,053	45,641	1,811	99,056	17,459	
Deposits held	55,566	-	-	-	55,566	-	
Notes payable	-	-	-	57,029	57,029	-	
Bonds payable	17,322,495	4,480,695	1,421,000	-	23,224,190	-	
Net pension liability	151,745	101,452	129,055	5,058	387,310	28,037	
Total noncurrent liabilities	17,561,357	4,602,200	1,595,696	63,898	23,823,151	45,496	
Total liabilities	19,708,453	5,149,481	2,119,198	233,728	27,210,860	227,381	
DEFERRED INFLOWS OF RESOURCES							
Deferred inflows related to pensions	1,679	1,177	1,413	61	4,330	255	
Total deferred inflows of resources	1,679	1,177	1,413	61	4,330	255	
NET POSITION							
Net investment in capital assets	21,612,439	1,101,844	3,868,354	-	26,582,637	2,331,958	
Restricted:							
Debt Service	322,459	95,243	-	-	417,702	-	
Capital Improvements	1,583,852	-	-	-	1,583,852	-	
Unrestricted	1,089,928	7,032,145	1,538,388	3,507,637	13,168,098	4,427,617	
Total net position	\$ 24,608,678	\$ 8,229,232	\$ 5,406,742	\$ 3,507,637	\$ 41,752,289	\$ 6,759,575	
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise fund over time					795,898		
Total net position - business-type activities					\$ 42,548,187		

The accompanying notes are an integral part of this financial statement.



STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - PROPRIETARY FUNDS

JUNE 30, 2025

Business-type Activities - Enterprise Funds

	Business-type Activities - Enterprise Funds					Governmental Activities	
	Other Proprietary Funds				Total	Internal Service Funds	
	Water	Sewer	Storm Water	Funds			
OPERATING REVENUES							
Charges for services	\$ 7,466,823	\$ 4,135,848	\$ 2,188,439	\$ 1,997,843	\$ 15,788,953	\$ 1,542,928	
Connection fees	208,405	84,900	-	-	293,305	-	
Other	185,693	28,243	94,900	-	308,836	4,781	
Total operating revenues	7,860,921	4,248,991	2,283,339	1,997,843	16,391,094	1,547,709	
OPERATING EXPENSES							
Salaries and wages	835,502	564,805	702,947	25,545	2,128,799	196,440	
Employee benefits	456,089	318,019	378,990	12,210	1,165,308	85,545	
Administration	955,551	728,872	702,339	179,052	2,565,814	272,701	
Supplies	2,796	-	680	-	3,476	215,685	
Repairs and maintenance	1,256,180	157,281	115,670	-	1,529,131	128,552	
Waste disposal	-	-	-	1,348,830	1,348,830	-	
Purchase/treatment:							
Water	2,177,387	-	-	-	2,177,387	-	
Sewer	-	1,574,831	-	-	1,574,831	-	
Street lighting	-	-	-	138,305	138,305	-	
Telecommunications	-	-	-	999,657	999,657	-	
Depreciation	1,000,040	137,436	212,539	-	1,350,015	510,070	
Total operating expenses	6,683,545	3,481,244	2,113,165	2,703,599	14,981,553	1,408,993	
Operating income (loss)	1,177,376	767,747	170,174	(705,756)	1,409,541	138,716	
NONOPERATING REVENUES (EXPENSES)							
Interest income	632,546	155,954	61,952	33,200	883,652	223,561	
Interest expense	(631,073)	(182,992)	(25,960)	-	(840,025)	-	
Intergovernmental	-	-	-	285,584	285,584	-	
Gain on equity investment	-	-	-	218,926	218,926	-	
Gain on disposal of equipment	-	-	-	-	-	198,553	
Total nonoperating revenues (expenses)	1,473	(27,038)	35,992	537,710	548,137	422,114	
Income before transfers	1,178,849	740,709	206,166	(168,046)	1,957,678	560,830	
Transfers in	-	-	-	692,985	692,985	50,000	
Change in net position	1,178,849	740,709	206,166	524,939	2,650,663	610,830	
Total net position - beginning	23,429,827	7,488,523	5,200,576	2,982,698	39,819,607	6,148,745	
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds					77,915		
Change in net position - business-type activities					\$ 2,728,580		
Total net position - ending	\$ 24,608,678	\$ 8,229,232	\$ 5,406,742	\$ 3,507,637	\$ 42,548,187	\$ 6,759,575	

The accompanying notes are an integral part of this financial statement.



STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

JUNE 30, 2025

	Business-type Activities - Enterprise Funds					Governmental Activities	
	Water	Sewer	Storm Water	Other Enterprise Funds	Total	Internal Service Funds	
Cash flows from operating activities							
Receipts from customers	\$ 7,737,958	\$ 4,291,780	\$ 2,189,769	\$ 2,000,793	\$ 16,220,299	\$ -	
Receipts from interfund services	82,290	-	98,211	2,969	183,471	1,547,709	
Payments to suppliers	(3,190,243)	(1,745,965)	(224,601)	(2,499,318)	(7,660,127)	(353,703)	
Payments for interfund services	(823,479)	(589,765)	(582,012)	(141,358)	(2,136,614)	(128,707)	
Payments to employees	(1,254,866)	(837,957)	(1,025,215)	(35,614)	(3,153,652)	(265,083)	
Net cash provided (used) by operating activities	2,551,660	1,118,093	456,152	(672,528)	3,453,377	800,216	
Cash flows from noncapital financing activities							
Unearned revenue moved to other fund	(4,038,597)	-	-	-	(4,038,597)	-	
Payments for ingovernmental agreement	-	-	-	285,584	285,584	-	
Transfers from other funds	-	-	-	692,985	692,985	50,000	
Net cash provided by noncapital financing activities	(4,038,597)	-	-	978,569	(3,060,028)	50,000	
Cash flows from capital and related financing activities							
Purchase of capital assets	(1,389,158)	-	-	-	(1,389,158)	(371,096)	
Proceeds from sale of capital assets	-	-	-	-	-	198,553	
Proceeds from the issuance of capital debt	-	-	-	-	-	-	
Principal paid on capital debt	(1,084,200)	(229,800)	(386,000)	-	(1,700,000)	-	
Interest and fees paid on capital debt	(713,148)	(174,802)	(27,253)	-	(915,203)	-	
Net cash provided (used) by capital and related financing activities	(3,186,506)	(404,602)	(413,253)	-	(4,004,361)	(172,543)	
Cash flows from investing activities							
Interest received	632,546	155,954	61,952	33,192	883,644	223,560	
Net cash provided by investing activities	632,546	155,954	61,952	33,192	883,644	223,560	
Net increase (decrease) in cash and cash equivalents	(4,040,897)	869,445	104,851	339,233	(2,727,368)	901,233	
Cash and cash equivalents, beginning of year	12,717,743	3,226,174	1,317,602	580,939	17,842,458	3,720,466	
Cash and cash equivalents, end of year	\$ 8,676,846	\$ 4,095,619	\$ 1,422,453	\$ 920,172	\$ 15,115,090	\$ 4,621,699	
Unrestricted cash	\$ 730,820	\$ 1,952,769	\$ 1,422,399	\$ 920,172	\$ 5,026,115	\$ 4,621,699	
Restricted cash	7,946,026	2,142,850	54	-	10,088,975	-	
	\$ 8,676,846	\$ 4,095,619	\$ 1,422,453	\$ 920,172	\$ 15,115,090	\$ 4,621,699	
Reconciliation of operating income (loss) to net cash provided (used) by operating activities							
Operating income (loss)	\$ 1,177,378	\$ 767,746	\$ 170,173	\$ (705,754)	\$ 1,409,543	\$ 138,722	
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:							
Depreciation	1,000,040	137,436	212,539	-	1,350,015	510,071	
Pension expense adjustment	33,726	22,549	28,684	1,126	86,085	6,233	
Changes in operating assets and liabilities:							
(Increase) decrease in receivables	(40,673)	42,789	4,641	(5,261)	1,496	-	
(Increase) decrease in contracts receivable	-	-	-	11,180	11,180	-	
(Increase) decrease in notes receivable	-	-	-	-	-	-	
(Increase) decrease in inventory	114,515	-	-	-	114,515	-	
(Increase) decrease in prepaid assets	(2,056)	(1,639)	(1,820)	(40)	(5,555)	(681)	
Increase (decrease) in accounts payable	265,731	126,894	13,897	35,826	442,348	135,202	
Increase (decrease) in accrued liabilities	9,234	8,484	8,170	217	26,105	4,359	
Increase (decrease) in customer deposits	-	-	-	-	-	-	
Increase (decrease) in compensated absences	(6,235)	13,834	19,868	797	28,264	6,310	
Increase (decrease) in notes payable	-	-	-	(10,619)	(10,619)	-	
Net cash provided (used) by operating activities	\$ 2,551,660	\$ 1,118,093	\$ 456,152	\$ (672,528)	\$ 3,453,377	\$ 800,216	

NOTES TO THE FINANCIAL STATEMENTS



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

The basic financial statements of Midvale City Corporation (“the City”) have been prepared in conformity with accounting principles (GAAP) generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles.

Midvale City Corporation was incorporated in 1909. The City operates under a Mayor/Council form of government. As required by GAAP, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The City is considered to be financially accountable for an organization if the City appoints a voting majority of that organization or there is a potential for that organization to provide specific financial benefits to or impose specific financial burdens on the City. The City is also considered to be financially accountable for an organization if that organization is fiscally dependent (i.e., it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval from the City). The component units discussed below are included as part of the City’s reporting entity as blended component units.

COMPONENT UNITS

The Midvale City Redevelopment Agency (RDA) was established to prepare and carry out plans to improve, rehabilitate, and redevelop blighted areas within the City. The RDA is governed by a board of trustees composed of the City Mayor and members of the City Council. Although it is a legally separate entity from the City, the RDA is reported as if it were part of the primary government because of the City’s ability to impose its will upon the operations of the RDA. The RDA is included in these financial statements as the Redevelopment Agency Special Revenue Fund. Separate financial statements are not issued for the RDA.

The Midvale City Municipal Building Authority (MBA) was established to finance and construct municipal buildings that are then leased to the City. The MBA is governed by a five-member board of trustees composed of the City Council. Although it is a legally separate entity from the City, the MBA is reported as if it were part of the primary government because of the City’s ability to impose its will upon the operations of the MBA. The MBA is included in these financial statements as the Municipal Building Authority Special Revenue Fund. Separate financial statements are not issued for the MBA.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all non-fiduciary activities of the City and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those which are clearly identifiable with a specific function or segment. Program revenues include 1) Charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) Grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

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

The use of financial resources to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as an other financing source. Amounts paid to reduce long-term debt of the City are reported as a reduction of the related liability, rather than an expenditure in the government-wide financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Governmental funds do not report donated capital assets received unless the sale of those assets is imminent. The assets are reported in the government-wide financial statements.

Sales taxes, use taxes, franchise taxes, and earned but unreimbursed state and federal grants associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Property taxes are measurable as of the date levied (assessed) and are recognized as revenues when they become available. Available means when due, or past due, and received within the current period or collected soon enough thereafter (within 60 days) to be used to pay liabilities of the current period. Justice Court fines assessed prior to year-end and collected within 60 days are recognized as revenues in the current period. All other revenues are considered to be measurable and available only when cash is received by the City.



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

The City reports the following major governmental funds:

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

The *Public Safety Fund* accounts for the financial resources to be used for providing public safety services for the government.

The *Capital Projects Fund* accounts for the financial resources to be used for the acquisition or construction of the major capital facilities of the government (other than those financed by enterprise or internal service funds).

The *Redevelopment Agency Special Revenue Fund* is used to account for financial resources legally restricted to be used for the revitalization of blighted areas within the City. The primary revenue source for the Redevelopment Agency is tax increment revenues from Midvale City and other participating taxing entities. Tax increment financing is a tool used to promote economic development by earmarking property tax revenue from increases in assessed values within a designated project area. The Redevelopment Agency is a legally separate entity and is being included in the financial statements as a blended component unit.

The City reports the following nonmajor governmental funds:

The *Debt Service Fund* accounts for the financial resources to be used for long-term debt and interest for Midvale City (not including debt issued by the RDA, MBA, or enterprise funds).

The *Municipal Building Authority Special Revenue Fund* is used to account for financial resources legally restricted to be used for the design and construction of capital assets for the benefit of the City. The primary revenue source for the Municipal Building Authority is lease revenue from the users of those assets. Midvale City is the major tenant as the lessee of City Hall and the Justice Court. The Municipal Building Authority is a legally separate entity being included in the financial statements as a blended component unit. The Municipal Building Authority Fund is the only fund of this blended component unit.

The City reports the following major proprietary funds:

The *Water Fund and Sewer Funds* accounts for the activities of the City's water distribution system and sewer operations. The activities of the water and sewer operations are reported separately in this financial report.

The *Storm Water Utility Fund* accounts for the activities of the City's storm water operations.

Additionally, the City reports the following fund types:

Internal Service Funds account for services provided to other departments or agencies of the government on a cost reimbursement basis. Midvale City operates two Internal Service Funds; Fleet Management and Information Technology Services.

The *Street Lighting Fund* (proprietary fund) accounts for the activities of the City's street lighting services. The *Telecommunications Fund* (proprietary fund) accounts for the activities of the City's UTOPIA operations. The *Sanitation Fund* (proprietary fund) accounts for the activities of the City's sanitation collection operations.



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions are charges for the City's water, sewer, and storm water services to the various other departments of the City. Elimination of these charges would distort the direct costs and program revenues reported for various functions concerned. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of all enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds includes the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS, AND EQUITY

Cash, Cash Equivalents, and Investments

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

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

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to or due from other funds".

Other receivables at June 30, 2025 consist of property tax, franchise tax, sales tax, grants, fines, and accounts (billings for user charged services, including unbilled utility services). Taxes, grants and fines are deemed collectible in full. The allowance for doubtful proprietary account receivables at June 30, 2025 is \$30,936.

Inventory

Inventory represents mainly supplies and parts used for various water fund projects. Inventories of governmental funds are recorded as expenditures when consumed rather than purchased (consumption method). Inventory is valued using the first-in/first-out (FIFO) method at cost in governmental funds, and otherwise at the lower of cost or market.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Midvale uses the consumption method for treatment of prepaid items.



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

Capital Assets

Capital assets, which include land, buildings, infrastructure and equipment, are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at estimated acquisition value as of the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

Buildings	25 to 50 years
Infrastructure	10 to 40 years
Improvements other than buildings	10 to 30 years
Machinery and equipment	5 to 30 years

Compensated Absences

For governmental funds amounts of vested or accumulated vacation leave and comp time that are not expected to be liquidated with expendable available financial resources are reported as liabilities in the government-wide statement of net position and as expenses in the government-wide statement of activities. No expenditures are reported for these amounts in the fund financial statements. Vested or accumulated vacation leave and comp time of proprietary funds is recorded as an expense and a liability of those funds as the benefits accrue to the employees and are thus recorded in both the government-wide financial statements and the individual fund financial statements. GASB 101 has been implemented to account for sick pay liability by averaging the past three years of actual sick leave used for each employee and are reported as liabilities or expenses in the appropriate funds. At the end of the first full pay period in January, 50% of accrued sick leave in excess of 480 hours will be contributed to the employee's retirement health savings plan. After this contribution, employees may convert 25 percent of remaining accrued sick leave in excess of 240 hours to vacation leave. Employees may carry a maximum of 240 hours of vacation leave forward to the next calendar year; the balance of unused vacation leave is forfeited. Unused vacation leave and comp time is paid to the employee upon termination. For governmental funds, any compensated absence liability has typically been liquidated by the General Fund.

Deferred Inflows and Outflows of Resources

Deferred inflows of resources represent an acquisition of net assets that applies to a future period and is therefore deferred until that time.

Governmental funds report revenue that is unavailable as deferred inflows of resources. Governmental funds report unavailable revenue from property taxes, federal grants, court fines, and code enforcement liens. These amounts are deferred and recognized as revenue in the period that the amounts become available.

Deferred outflows of resources represent a consumption of net assets that applies to a future periods and is therefore deferred until that time. As of June 30, 2025 the recorded deferred outflows and inflows of resources were related to pensions, with additional deferred inflows originating from RDA activities and property taxes.



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums, and discounts are deferred and amortized over the life of the applicable debt. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued and bond premiums are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Balance

Governmental fund balance is reported in five separate categories: Nonspendable, restricted, committed, assigned, and unassigned. When both restricted and unrestricted fund balance is available for use, it is the City's policy to use restricted fund balance first. When expenditures qualify for more than one unrestricted fund balance classification, it is the City's policy to use resources in the following order: committed, assigned, and then unassigned.

Nonspendable fund balance cannot be spent because it is not in spendable form, for example, inventory. Restricted fund balance has restrictions imposed by parties outside of the primary government. Committed fund balance represents funds restricted for a specific use by resolution of the Midvale City Council. Assigned fund balance is earmarked for certain purposes without formal resolution of the City Council and remaining positive fund balances for other governmental funds. There is currently no body or official authorized by the City to assign fund balance. This category also includes fund balance appropriated in the subsequent year's budget through City Council resolution. Finally, any remaining fund balance is unassigned and available for unrestricted use.

The general fund is the only fund that reports a positive unassigned fund balance amount and it is inappropriate to do so in other governmental funds. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

Restricted Assets

Restricted assets are comprised of cash restricted for future payments of principal and interest on debt service as well as unexpended portions of bonds issued for capital construction purposes. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

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.

The general fund is typically used to liquidate pension/OPEB liabilities.

Investments are reported at fair value.

Taxes

In Utah, county governments assess, levy, collect, and disburse two principal types of tax: 1) Personal property tax, which is assessed on business assets other than real estate, and 2) tax on real estate and improvements. Business personal property and real estate taxes attach as an enforceable lien on property as of January 1st. Taxes are levied on all business personal property on January 1st, and real estate and improvement taxes are levied on January 1st and are payable by November 30th. The real property taxes that are due in November are reported as a receivable from property taxes on the financial statements. Because these taxes are not considered available to liquidate liabilities of the current period, they are offset by a deferred inflow.

The City Council is authorized by state statute to levy a tax against all real and personal property located within its boundaries. The Council must set a tax rate by June 22nd each year. The County Treasurer, acting as a tax collector, must settle and disburse all tax collections to all taxing entities on a regular basis.

CHANGE IN ACCOUNTING PRINCIPLE

During the year, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 101, Compensated Absences. GASB Statement No. 101 updates the recognition and measurement guidance for compensated absences. This Statement creates a unified model for reporting, as well as amends certain previously required disclosures. As a result of implementing this standard, the City recalculated its compensated absences balance for June 30, 2024 and noted no significant change necessary, therefore, the City has not restated its net position.

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental fund balance sheet includes a reconciliation between total governmental fund balances and net position of governmental activities as reported in the government-wide statement of net position. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheets. The details of these differences are reported in the reconciliation on page 31.



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. These differences are the result of converting from the current resources measurement focus and modified accrual basis for governmental fund statements to the economic resources measurement focus and full accrual basis used for government-wide statements. The details of these differences are reported in the reconciliation on page 33.

3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

On or before the first regularly scheduled Council meeting in May, the City Manager (as the Budget Officer) 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 proposed sources of revenues.

Between May 1 and June 30, the City Council reviews and adjusts the proposed budget. On or before June 30, a public hearing is held and the budget is legally adopted through passage of a resolution. If a property tax increase is anticipated, adoption of the budget is delayed until August or September in order to comply with the state's truth-in-taxation requirements.

After the budget is adopted, the City Manager may transfer any unencumbered or unexpended appropriation amount from one expenditure account to another within a department. The City Council may, by resolution, transfer any unencumbered or unexpended appropriation amount from one department in a fund to another department within the same fund.

When the City Council determines that an emergency exists, such as widespread damage from fire, flood, or earthquake, the Mayor's declaration of an emergency allows for necessary spending for immediate needs.

Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, and Capital Projects Funds. In the General Fund, budgets are adopted at the functional level and budgetary control is exercised at the departmental level.

In special Revenue Funds, budgets are adopted, and control is exercised at the level of total expenditures for each individual fund. For Capital Projects Funds, budgets are adopted and control is exercised at the project level.

Annual budgets for the General Fund, all Special Revenue Funds, and all Capital Projects Funds are legally adopted by the City and are prepared on the modified accrual basis of accounting.

Encumbrances (commitments related to unperformed purchase orders or contracts for goods or services) are used only as an internal management control device during the year. The City does not have any encumbrances outstanding at year end since appropriations lapse at year end. However, encumbered amounts are generally re-appropriated and honored as part of the following year's budget.

Although Utah State law requires the initial preparation of budgets for all City funds (both governmental and proprietary), it only requires the reporting of actual versus such budgets for governmental funds.



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

4. DETAILED NOTES FOR ALL FUNDS

DEPOSITS

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be recovered. The City does not have a formal deposit policy for bank deposit custodial credit risk. The City's policy for managing custodial credit risk is to adhere to the Utah Money Management Act. The Act requires all deposits of the City to be in a qualified depository, defined as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Council. At times during the year, the City's bank balances may have exceeded the insured levels under FDIC guidelines. As of June 30, 2025, \$1,447,295 of the City's bank balances of \$1,697,295 were 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 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, certified investment advisors, 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 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.



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

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 City measures and records its investments using fair value measurement guidelines established by Generally Accepted Accounting Principles. These guidelines recognize a three-tiered fair value hierarchy as follows:

Level 1: Valuations based on quoted prices in active markets for identical assets or liabilities that the City can access. Since valuations are based on quoted prices that are readily and regularly available in an active market, the valuation of these securities does not entail any significant degree of judgement. Securities classified as Level 1 inputs include U.S. Government securities and other U.S. Agency and sovereign government obligations.

Level 2: Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly. Securities classified as Level 2 include corporate and municipal bonds, and "brokered" or securitized certificates of deposit.

Level 3: Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

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

Security Type	Fair Value	Level 1	Level 2	Level 3
PTIF	\$ 37,878,632	\$ -	\$ 37,878,632	\$ -
CD	3,083,300	-	3,083,300	-
Corporate Notes	1,362,846	-	1,362,846	-
Agency	502,118	-	502,118	-
US Treasury	73,599	73,599	-	-
Money Market Funds	22,435	22,435	-	-
	<u>\$ 42,922,930</u>	<u>\$ 96,033</u>	<u>\$ 42,826,896</u>	<u>\$ -</u>

Debt and equity securities classified as Level 1 are valued using prices quoted in active markets for those securities.



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

For securities that generally have market prices from multiple sources, it can be challenging to select the best individual price, and the best source one day may not be the best source on the following day. The solution is to report a “consensus price” or a weighted average price for each security. The City receives market prices for these securities from a variety of industry-standard data providers (e.g., Bloomberg), security master files from large financial institutions, and other third-party sources. Through the help of an investment advisor, the City uses these multiple prices as inputs into a distribution-curve based algorithm to determine the daily fair value. For U.S. Treasuries, Money Markets, and U.S. Agencies, the City uses quoted prices for identical securities in markets that are active.

Debt securities classified in Level 2 are valued using the following approaches:

- Corporate and Municipal Bonds and Commercial Paper: Quoted prices for similar securities in active markets.
- Repurchase Agreements, Negotiable Certificates of Deposit, and Collateralized Debt Obligations: Matrix pricing based on the securities’ relationship to benchmark quoted prices.
- Bond Mutual Funds: Published fair value per share (unit) for each fund.
- Utah Public Treasurers’ Investment Fund: Application of the June 30, 2024, fair value factor, as calculated by the Utah State Treasurer, to the City’s average daily balance in the fund.
- Donated Real Estate: recent appraisals of the real estate’s value.

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 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 certificates of 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 corporate note securities may not have a remaining term to final maturity exceeding three years.

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NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

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 Money Management Act, as previously discussed.

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

Investment Type	Fair Value	Investment Maturities (in years)		S&P Rating
		Less than 1	1 to 5	
PTIF	\$ 37,878,632	\$ 37,878,632	\$ -	Unrated
CD	3,083,300	1,001,985	2,081,316	AA+ to BBB -
Corporate Notes	1,362,846		1,362,846	AA+ to A-
Agency	502,118		502,118	AA+ to AA-
US Treasury	73,599	-	73,599	AA+ to AA-
Money Market Funds	22,435	22,435	-	AAA
	<u>\$ 42,922,930</u>	<u>\$ 38,903,052</u>	<u>\$ 4,019,878</u>	

Concentration of Credit Risk

The 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 percent, depending upon the total dollar amount held in the portfolio.

On June 30, 2025, the City does not hold more than 5 percent of total investments in any single security concentration.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Midvale City does have a formal policy for custodial credit risk. All investments, other than bank deposits or funds invested in the Public Treasurer's Investment Fund, are to be held by a third party with securities delivered on delivery versus purchase basis. As of June 30, 2025, Midvale City safe-kept all investments with custodian counterparty Moreton Asset Management, LLC, and all investments which was/were held by the counterparty's trust department or agent are registered in the City's name.



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

Receivables

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

Governmental Activities

				Special Revenue		Other Governmental Funds	Total Governmental Funds
	General	Public Safety	Capital Projects	Redevelopment Agency			
Receivables:							
Taxes	\$ 5,865,265	\$ 940,561	\$ 192,143	\$ 1,233,614	\$ -	\$ 8,231,583	
Accounts and other	-	-	-		3,006	3,006	
Court fines	277,412	-	-	-	-	277,412	
Intergovernmental	2,361,408	-	-	-	-	2,361,408	
Notes	-	-	-	1,838,002	1,353,577	3,191,579	
Gross receivables	8,504,085	940,561	192,143	3,071,616	1,356,583	14,064,988	
Less: allowance for uncollectibles	-	-	-	-	-	-	
Net total receivables	\$ 8,504,085	\$ 940,561	\$ 192,143	\$ 3,071,616	\$ 1,356,583	\$ 14,064,988	

Business-type Activities

				Other Enterprise		Total Enterprise	
	Water	Sewer	Storm Water	Funds		Funds	
Receivables:							
Accounts Contracts	\$ 989,982	\$ 436,726	\$ 227,319	\$ 222,107	\$ 1,876,134		
	-	-	-	70,770	70,770		
Gross receivables	989,982	436,726	227,319	292,877	1,946,904		
Less: allowance for uncollectibles	(9,095)	(10,378)	(4,344)	(7,120)	(30,936)		
Net total receivables	\$ 980,887	\$ 426,348	\$ 222,976	\$ 285,757	\$ 1,915,968		

Land Held for Resale

Land acquired by the Redevelopment Agency (a special revenue fund) and held for resale is accounted for as land held for resale. The land held for resale is reported at cost (which is the lesser of cost or fair value). The cost of land held for resale is held as inventory until the land is sold. Land transferred from infrastructure assets of the City is recorded at a nominal amount for accountability purposes. When the Redevelopment Agency sells land, the proceeds are recorded as revenue at an amount greater than or less than the carrying amount, the resulting gain/loss is accounted for as another financing source/use. Revenue on sale of land held for resale is recognized when measurable and available.



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, there was no unearned revenue and the various components of deferred revenue reported in the government funds were as follows:

	Unavailable
Property taxes receivable (General)	\$ 3,468,094
Property taxes receivable (Public Safety Fund)	940,561
Property Taxes receivable (RDA Fund)	1,233,614
Loans receivable (RDA Fund)	51,000
Court fines receivable (General Fund)	275,577
Interest receivable (RDA Fund)	1,724
Code enforcement liens receivable (General Fund)	917
Total deferred revenue for governmental funds	\$ 5,971,487

Capital Assets

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

	07/01/24	Increases	Decreases	06/30/25
Governmental activities				
Capital assets, not depreciated:				
Land	\$ 65,065,740	\$ 6,744,680	\$ -	\$ 71,810,421
Construction in progress	670,303	98,643	(587,456)	181,490
Total capital assets, not depreciated	65,736,044	6,843,323	(587,456)	71,991,911
Capital assets, depreciated:				
Buildings	27,066,336	3,047,140	-	30,113,477
Improvements other than buildings	4,496,724	1,361,857	-	5,858,580
Roads and Bridges	58,031,842	299,407	-	58,331,248
Machinery and equipment	7,585,850	495,144	(505,150)	7,575,843
Total capital assets, depreciated	97,180,752	5,203,547	(505,150)	101,879,149
Accumulated depreciation:				
Buildings	(6,911,001)	(553,003)	-	(7,464,004)
Improvements other than buildings	(1,347,371)	(160,971)	-	(1,508,342)
Infrastructure	(40,873,684)	(1,637,558)	-	(42,511,242)
Machinery and equipment	(4,731,596)	(589,185)	381,097	(4,939,684)
Total accumulated depreciation	(53,863,652)	(2,940,716)	381,097	(56,423,272)
Total capital assets being depreciated, net	43,317,100	2,262,831	(124,054)	45,455,877
Net governmental activities capital assets	\$ 109,053,144	\$ 9,106,154	\$ (711,510)	\$ 117,447,788



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

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

	07/01/24	Increases	Decreases	06/30/25
Business-type activities				
Capital assets, not depreciated:				
Water stock and rights	\$ 3,081,299	\$ -	\$ -	\$ 3,081,299
Land	115,062	-	-	115,062
Construction in progress	2,367,649	1,389,158	-	3,756,807
Total capital assets, not depreciated	5,564,009	1,389,158	-	6,953,167
Capital assets, depreciated:				
Buildings	4,174,626	-	-	4,174,626
Improvements other than buildings				
Water	41,346,082	-	-	41,346,082
Sewer	5,218,985	-	-	5,218,985
Infrastructure	7,010,064	-	-	7,010,064
Machinery and equipment	509,560	-	-	509,560
Total capital assets, depreciated	58,259,317	-	-	58,259,317
Accumulated depreciation:				
Buildings	(1,119,924)	(92,080)	-	(1,212,005)
Improvements other than buildings				
Water	(14,688,803)	(938,036)	-	(15,626,839)
Sewer	(1,438,535)	(107,967)	-	(1,546,502)
Infrastructure	(2,675,550)	(173,876)	-	(2,849,426)
Machinery and equipment	(302,265)	(38,054)	-	(340,320)
Total accumulated depreciation	(20,225,077)	(1,350,014)	-	(21,575,091)
Total capital assets being depreciated, net	38,034,241	(1,350,014)	-	36,684,227
Net business-type capital assets	\$ 43,598,250	\$ 39,144	\$ -	\$ 43,637,394

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NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

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

Governmental activities:

General Government	\$	257,226
Public Safety		70,445
Highways and Public Improvements		1,651,305
Parks, Recreation, and Public Property		451,669
Capital assets held by the government's Internal Service Funds are charged to various functions based on their usage of assets		<u>510,070</u>
Total depreciation expense - governmental activities	\$	2,940,716

Business-type activities:

Water	\$	1,000,040
Storm water		212,539
Sewer		<u>137,436</u>
Total depreciation expense - business-type activities	\$	1,350,014

As of June 30, 2025, the City had construction commitments of \$1,712,672 for unfinished projects.

Investments in and Advances to Joint Ventures and Intangible Assets

South Valley Water Reclamation Facility

The Sewer fund has an investment in the South Valley Water Reclamation Facility (SVWRF). SVWRF was created by an Interlocal Cooperative Agreement dated June 23, 1978, for the purpose of developing, acquiring, constructing, financing, maintaining, repairing, and operating a regional sewage and water treatment plant and related facilities located in the south part of Salt Lake County. On May 20, 2004, the Interlocal Agreement was amended for the purpose of converting SVWRF to a separate legal entity (a special district under State law rather than a joint administrative entity) and to clarify ownership status, facilitate transfers of ownership, and clarify capacity rights. The City uses the cost method rather than the equity method for reporting purposes.

During fiscal year 2012, SVWRF completed an expansion project increasing the operation from 38 million gallons per day to 50 million gallons per day. The right to the capacity has been adjusted in accordance with the proportion of the expansion paid by the participating entity. Participation in plant expansion is not required.

The following entities have capacity rights, listed in millions of gallons per day, as of December 31, 2024:

Entity	Percent	Capacity
South Valley Sewer District	38.72%	19.36
West Jordan City	36.44%	18.22
Sandy Suburban Improvement District	11.00%	5.50
Midvalley Improvement District	7.68%	3.84
Midvale City Corporation	6.16%	3.08
	100.00%	50.00



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

Each entity appoints one member to the Board. Voting power is not related to ownership, therefore, each entity is equal to another for voting privileges. Each entity is billed its share of operating costs based on the entity's metered usage. The City paid operating costs of \$1,530,569 and made no capital contributions to SVWRF in fiscal year ended June 30, 2025. Future capital contributions are anticipated.

The complete financial statements for South Valley Water Reclamation Facility for the year ended December 31, 2024 can be obtained from South Valley Water Reclamation Facility, 7495 South 1300 West, West Jordan, UT 84084-3417.

Trans-Jordan Cities Landfill

The Trans-Jordan Association was organized May 22, 1968 as a joint enterprise fund of the Cities of Sandy, Midvale, West Jordan, and Murray, Utah. The City of South Jordan, Utah joined the Association during fiscal year 1997. The cities of Draper and Riverton, Utah joined the Association during fiscal year 1998. The primary purpose of the Association is the operation, maintenance, and control of a refuse dumping site east of Bingham Canyon in Salt Lake County. The City has no firm commitments to make additional equity investments in Trans-Jordan Cities. The City's ownership in the Association is calculated from the tipping fees for the preceding ten fiscal years. The Association is governed by its Board of Directors. Under the organization agreement, the Board of Directors is composed of the Mayors, or their appointed representatives, of the participating cities. The Board of Directors appoints the management and staff of the Association and approves all financial matters such as the operating budget and usage fees.

As of June 30, 2025, the City has a 5.2 percent ownership share in the Trans-Jordan Cities (the Association) joint enterprise. The City's equity in the net resources of the Association at June 30, 2025 is reported in the government-wide statement of net position.

Tipping fees paid from the Sanitation Fund to Trans-Jordan Cities were \$296,449 for fiscal year 2025.

The complete financial statements for Trans-Jordan Cities may be obtained from Trans-Jordan Cities, 10473 South Bacchus Highway, South Jordan, UT 84009-6002.

Valley Emergency Communications Center

The City is a member of Valley Emergency Communications Center (VECC). VECC was organized June 30, 1988, as a joint enterprise between several cities and Salt Lake County. The primary purpose is to fund and operate a communications center which handles communications and other services for the members, including police, fire, 911 service, dispatch and records services.

VECC is governed by a Board of Trustees consisting of one representative from each member appointed by the governing body thereof. The activities are funded by a surcharge tax on telephones within each member's city and member assessments. The Board of Trustees sets assessments for all member agencies in amounts sufficient to provide the funds required by the annual budget. VECC determines the 911 assessments for the telephone users within the member's jurisdictions. Any payments to VECC are covered by the Unified Police Department Fee.

Separate audited financial statements for Valley Emergency Communications Center may be obtained from the Finance Director at 5360 South Ridge Village Drive, West Valley City, UT 84118.



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

Utah Telecommunications Open Infrastructure Network

The City is one of 11 founding members of the Utah Telecommunications Open Infrastructure Network (UTOPIA), formed by an interlocal cooperative agreement organized under the laws of the State of Utah. UTOPIA was created to design, finance, build, operate and maintain an open, wholesale, public Telecommunication infrastructure that delivers high-speed connections to every home and business in the member communities. UTOPIA is jointly owned by the members. No equity investment has been recorded by the City since UTOPIA continues to report a net position deficit. As of June 30, 2024, the net position deficit was \$356,205,916, at the time of this report the 2025 numbers are not available.

The City is a pledging member and has pledged sales and use tax revenues to partially guarantee payment of UTOPIA's bonds. In return for the pledge, the City was among the first cities to receive UTOPIA's services. In July 2008, UTOPIA issued \$185,000,000 in revenue bonds. The first two years of bond payments were made from a debt reserve fund. These bonds were refinance in 2011 and in 2022, but neither refinance changed the member city's financial obligations. Until the bonds are due in 2040, net revenues from UTOPIA will reimburse the debt service reserve fund for payments on the bond debt. To the extent that there are insufficient net revenues to pay the debt service, the 11 pledged members are required to reimburse the UTOPIA debt service fund of any shortfall by their respective percentages up to a specific dollar amount. Any amount paid by Pledging Members to UTOPIA to reimburse the debt service reserve fund will be a loan to be repaid by UTOPIA.

The City's annual commitment increases by 2% each year, and ranges from \$969,226 in Fiscal Year 2025 to \$1,331,367 in Fiscal Year 2040. Cumulative pledge payments made by the City to UTOPIA total \$14,283,590. If or when the UTOPIA network is substantially built out and running successfully, repayment from UTOPIA of all or part of these pledge payments is possible. The City currently expenses its annual pledge payment.

Utah Infrastructure Agency

The City is one of nine member cities of the Utah Infrastructure Agency (UIA), formed by an interlocal cooperative agreement organized under the laws of the State of Utah. The UIA was established on July 6, 2010, for the purpose of financing, constructing, equipping, and operating an open, wholesale, advanced communications infrastructure utility system throughout the City and interconnection with other members of the UIA. The UIA has issued debt of approximately \$355 million, as of June 30, 2025. The City pledged energy sales and use tax revenue toward its share of any debt service fund shortfall. The anticipated pledge amount is 6.6 percent of the annual debt service fund shortfall. Any bonds or debt issued or incurred by UIA will not constitute debt of the City. As of June 30, 2024, the net position was a \$771,385 deficit, at the time of this report the 2025 numbers are not available.

Unified Police Department (UPD)

The UPD is a Police Department that serves the following Salt Lake County entities: Town of Brighton, Copperton, City of Holladay, Emigration Canyon, City of Kearns, Magna City, Midvale City, Millcreek, and White City. The UPD allows communities to have comprehensive police services at a lower cost. By combining a variety of police services such as SWAT, forensics, records, canine, and media services under one organization, communities can share the costs with other communities, saving local governments and reducing the tax burden of citizens.



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

The UPD is run by a Board of Directors consisting of elected officials from the communities served. The UPD chief of police manages shared services and oversees local precincts, each with its own Chief who is chosen by each respective community. Chiefs run each local precinct and have authority over local operations such as Community Oriented Policing, traffic, patrol, and crossing guards. This flexible structure allows participating communities to take advantage of the cost savings and efficiencies of pooled services while retaining local control over precinct-level operations.

The annual budget for the UPD is formally adopted by the UPD Board of Directors, of which the Midvale City Mayor is a full member with full voting rights. The City paid \$13,676,984 in member assessment fees in fiscal year 2025.

Interfund Receivable, Payables and Transfers

During fiscal year 2025, a number of transfers were made which will not be repaid. Such amounts for the fiscal year ended June 30, 2025 were as follows:

Fund Transferring Out	Fund Receiving Transfer	Purpose	Amount
General Fund	Capital Projects Fund	Budgeted capital projects	\$ 3,700,000
General Fund	Debt Service Fund	Debt payment	1,063,210
General Fund	Telecommunications	UTOPIA pledge payment	692,985
General Fund	IT Fund	Purchase assets	50,000
RDA	Debt Service Fund	Debt payment	449,131
			<u>\$ 5,955,326</u>

Fund	Transfer Out	Transfer In
General	\$ 5,506,195	\$ -
RDA	449,131	-
Telecommunications	-	692,985
Capital Projects	-	3,700,000
IT	-	50,000
Debt Service	-	1,512,341
	<u>\$ 5,955,326</u>	<u>\$ 5,955,326</u>

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. The City currently has no general obligation bonds.



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

Revenue Bonds

The City has issued bonds where the revenues and assets of the issuing fund are pledged as security for the bonds.

Revenue bonds outstanding at June 30, 2025 by issue are as follows:

Bond Description	Original Issue	Annual Principal	Interest Rate	Final due date	Balance 6/30/2025
<u>Governmental Activities</u>					
Revenue Bonds:					
MBA Series 2012	\$ 8,990,000	\$235,000 to \$520,000	2.00% to 3.50%	10/15/2038	\$ 4,390,000
Sales Tax Revenue Series 2017	8,340,000	\$155,000 to \$745,000	2.00% to 4.00%	5/1/2032	4,660,000
RDA Tax Increment and Sales Tax Revenue Refunding, Series 2017	17,670,000	\$925,000 to \$1,675,000	4.00% to 5.00%	5/1/2034	12,625,000
RDA Tax Increment and Sales Tax Revenue, Series 2018	7,570,000	\$385,000 to \$730,000	5.00%	5/1/2034	5,440,000
Revenue Bonds from Direct Placement:					
RDA Revenue Series 2015	12,961,000	\$606,000 to \$940,000	2.06% to 2.62%	5/1/2034	7,645,000
<u>Business-Type Activities</u>					
Revenue Bonds:					
Water, Sewer, Storm Water Revenue Refunding, Series 2016	4,490,000	\$230,000 to \$395,000	2.00% to 4.00%	10/1/2032	2,720,000
Water, Sewer, Storm Water Revenue, Series 2018	6,225,000	\$155,000 to \$380,000	3.00% to 5.00%	10/1/2043	5,150,000
Water, Sewer, Storm Water Revenue, Series 2023	9,910,000	\$220,000 to \$670,000	4.25% to 5.00%	10/1/2048	9,910,000
Revenue Bonds from Direct Placement:					
Water and Sewer Revenue, Series 2007C	5,050,000	\$208,000 to \$303,000	2.00%	10/1/2029	1,456,000
Water and Sewer Revenue Refunding, Series 2012	1,537,000	\$86,000 to \$124,000	2.90%	4/1/2027	245,000
Water, Sewer, and Storm Water Revenue Refunding, Series 2020	8,175,000	\$514,000 to \$906,000	1.36%	10/1/2030	4,793,000
	<u>\$ 90,918,000</u>				<u>\$ 59,034,000</u>



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

Revenue bond debt service requirements to maturity are as follows:

Revenue Bonds						
	Governmental Activities			Business-Type Activities		
	Principal	Interest		Principal	Interest	
2026	\$ 2,490,000	\$ 1,193,453		\$ 690,000	\$ 775,175	
2027	2,590,000	1,080,844		725,000	7,443,600	
2028	2,730,000	963,369		760,000	712,500	
2029	2,850,000	838,856		790,000	677,975	
2030	2,970,000	708,456		820,000	541,075	
2031 to 2035	12,025,000	1,511,061		3,945,000	2,627,600	
2036 to 2039	1,460,000	104,261		2,765,000	1,518,475	
2040 to 2049	-	-		7,285,000	1,495,831	
	<u>\$ 27,115,000</u>	<u>\$ 6,400,300</u>		<u>\$ 17,780,000</u>	<u>\$ 15,792,231</u>	

Revenue Bonds from Direct Placements						
	Governmental Activities			Business-Type Activities		
	Principal	Interest		Principal	Interest	
2026	\$ 764,000	\$ 200,299		\$ 1,274,000	\$ 95,473	
2027	784,000	180,282		1,296,000	74,396	
2028	805,000	159,741		1,185,000	52,990	
2029	826,000	138,650		1,203,000	34,930	
2030	848,000	117,009		1,022,000	17,940	
2031 to 2034	<u>3,618,000</u>	<u>240,044</u>		<u>514,000</u>	<u>3,495</u>	
	<u>\$ 7,645,000</u>	<u>\$ 1,036,027</u>		<u>\$ 6,494,000</u>	<u>\$ 279,224</u>	

The City has pledged sales tax revenue for the Redevelopment Agency (RDA) 2017 Crossover Tax Increment and Sales Tax Refunding Bonds, RDA 2018 Tax Increment and Sales Tax Revenue Bonds, 2017 Midvale City Sales Tax Revenue Bonds, and to partially guarantee Series 2011 Revenue Bonds issued by Utah Telecommunications Open Infrastructure Network (UTOPIA). See notes regarding Interlocal Agreements for more information on UTOPIA. The remaining principal payments total \$40,123,772 (\$18,065,000 RDA, \$4,660,000 Midvale City, and \$17,398,772 UTOPIA). The RDA bonds mature in 2034, Midvale City bonds in 2032, and the UTOPIA bonds in 2040. For the current year, principal and interest paid totaled \$4,287,326 (\$2,518,900 RDA, \$779,200 Midvale City, and \$989,226 UTOPIA), and total sales tax revenues were \$11,627,600. The RDA Revenue Bonds are primarily secured with Tax Increment from the RDA, which is sufficient to cover the debt service on the bonds, and the City does not anticipate using sales tax revenue to make these payments. We estimate that annual principal and interest payments on the UTOPIA bonds will require 9 percent of pledged revenues, and the annual principal and interest payments on the Midvale City sales tax bonds will require 7 percent of pledge revenues. If the City is called upon to pay debt service on the RDA bonds, the total required for all bond series would be 37 percent of pledged revenues.



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

The City has pledged energy sales and use tax revenue to guarantee that Utah Infrastructure Agency (UIA) fulfills its revenue requirement from the bond agreements. UIA is required by the Series 2017 A&B bond covenants to have revenue equal to the operations expenses and capital costs in a fiscal year. In the event there is a shortfall, the eight pledging cities have agreed to lend energy sales and use tax revenues, limited to a yearly maximum of \$5,151,152. Midvale's share of that pledge is 6.6 percent, or \$339,988. This pledge is in place until the bonds mature in October of 2036. The total amount of the City's pledge through maturity is \$5.8 million. FY2025 revenues from energy sales and use tax were \$3,309,144. If the City is called upon to make a pledge payment, the payment amount would require 10 percent of pledged revenues. UIA has had sufficient revenue to service the debt, and it is unlikely the City's pledge will be required.

The City has pledged water and sewer revenue for the following revenue bonds: Series 2007C and 2012 revenue bonds. The remaining principal and interest payments total \$1,800,221. The 2007C bonds mature in 2030 and the 2012 bonds mature in 2027. For the current year, principal and interest paid totaled \$436,098 water and sewer operating revenues totaled \$12,109,912. We estimate that annual principal and interest payments on the bonds will require 0.04 percent of pledged revenues.

The City has pledged storm water utility revenue, along with water and sewer revenue, for the Series 2016, 2018, 2020, and 2023 revenue bonds. The remaining principal and interest payments total \$31,386,234. The final bonds (series 2023) mature in fiscal year 2049. For the current year, principal and interest paid totaled \$2,179,101 and revenue from water, sewer, and storm water utilities was \$14,393,251. We estimate that annual principal and interest payments on the bonds will require 15 percent of pledged revenues.

The Redevelopment Agency (RDA) has pledged tax increment revenues to guarantee the 2015, 2017, and 2018 RDA Revenue Bonds. The remaining principal and interest payments total \$31,269,477. The bonds mature in 2034. For the current year, principal and interest paid totaled \$3,483,173. Tax increment revenues were \$11,353,656. We estimate that annual principal and interest payments will require a maximum of 31 percent of pledged revenues.

The Municipal Building Authority (MBA) has pledged lease revenue to guarantee 2012 MBA Revenue bonds. The remaining principal and interest payments total \$5,492,650. The bonds mature in fiscal year 2039. For the current year, principal and interest paid totaled \$388,216. Lease revenues were \$373,316. We estimate that annual principal and interest payments on the bonds will require 100 percent of pledged revenues.

Direct Borrowings—Governmental Activities

The City has borrowed monies from the Utah State Department of Transportation's State Infrastructure Loan Bank. For the construction of a parking structure. It is essential to clarify these direct borrowings are not intended for future capital purposes.



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

Direct borrowings outstanding at June 30, 2025 by loan are as follows:

Bond Description	Original Issue	Annual Principal	Interest Rate	Final due date	Balance 6/30/2025
UDOT Parking Structure Loan	2,163,893	\$198,717 to \$234,595	2.35%	3/22/2031	1,353,769
2022 SIB Zions Loan	5,500,000	\$312,022 to \$427,064	2.65%	3/1/2037	4,541,633
	<u>\$ 7,663,893</u>				<u>\$ 5,895,402</u>

Direct borrowings debt service requirements to maturity are as follows:

	Governmental Activities	
	Principal	Interest
2026	\$ 542,300	\$ 152,162
2027	556,031	138,432
2028	570,111	124,353
2029	584,547	109,916
2030	599,351	95,112
2031 to 2037	<u>3,043,062</u>	<u>228,530</u>
	<u>\$ 5,895,402</u>	<u>\$ 848,505</u>

The City has pledged pass-through revenue towards the payment of these direct borrowings as both loans also include agreements with private developers for the full amounts of the loans. These direct borrowings are not for capital purposes and will never represent a capital asset to the City.

Notes Payable—Business Type Activities

The City entered into a service contract note payable with UIA, wherein the City will bill and collect connection service fees from end users of UTOPIA located in the City on behalf of UIA. The City is entitled to 5 percent of the fee for administrative costs and the remaining 95 percent is due to UIA. The City becomes a signatory party to the end user agreement, along with UIA and the end user. The City is responsible for collection of the user fees stipulated in the agreement should the end user default. At June 30, 2025, the note payable balance for services fees collected was \$67,422. During 2012, the City created a telecommunications enterprise fund to account for the activity of this service contract. These notes payable are not for capital purposes and will never represent a capital asset to the City.

Significant Default Event

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



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2025 are as follows:

	06/30/24	Increases	Decreases	06/30/25	Due in One Year
Governmental activities					
Revenue Bonds:					
Lease revenue	\$ 4,635,000	\$ -	\$ (245,000)	\$ 4,390,000	\$ 255,000
Tax revenue	24,865,000	-	(2,140,000)	\$ 22,725,000	2,235,000
Add: unamortized premiums and discounts	2,621,462	-	(279,124)	2,342,338	-
Revenue bonds from direct placements:					
Tax revenue	8,382,000		(737,000)	\$ 7,645,000	764,000
Total revenue bonds payable	40,503,462	-	(3,401,124)	37,102,338	3,254,000
Notes payable from direct borrowings	6,424,312	-	(528,911)	5,895,402	542,300
Compensated absences	489,076	274,015	-	763,091	478,687
Governmental activities, long-term liabilities	\$ 47,416,851	\$ 274,015	\$ (3,930,035)	\$ 43,760,831	\$ 4,274,987
Business-type activities					
Revenue bonds:					
Water, Sewer and Storm Drain	\$ 18,230,000	\$ -	\$ (450,000)	\$ 17,780,000	\$ 690,000
Add: unamortized premium	982,549	-	(68,358)	914,191	
Revenue bonds from direct placements:					
Water and Sewer	2,092,000		(391,000)	1,701,000	401,000
Water, Sewer and Storm Drain	5,652,000		(859,000)	4,793,000	873,000
Total bonds payable	26,956,549	-	(1,768,358)	25,188,191	1,964,000
Direct borrowings	77,853	-	(10,621)	57,029	10,740
Compensated absences	239,805	35,513	(7,249)	268,069	169,013
Business-type activities, long-term liabilities	\$ 27,274,207	\$ 35,513	\$ (1,786,228)	\$ 25,513,288	\$ 2,143,753

Compensated absences for governmental activities are generally liquidated by the General Fund.

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City participates in the Utah Local Government Insurance Trust (Trust), a public entity risk pool to manage its risk of loss. The City pays an annual premium to the trust for its general insurance coverage. The Trust was created to be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of one million dollars for each insured event. As of June 30, 2025, there are two outstanding unpaid claim that the Trust is working on. The City had one claim settlement that was not covered by insurance in the year ending June 30, 2025, however it was covered using one-time appropriated funds.



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

Redevelopment Agency

In connection with the activities of the Redevelopment Agency (RDA), intergovernmental revenues from property tax increments of other governmental entities totaling \$10,359,701 were generated. The RDA was not required to pay any portion of this revenue to other taxing agencies.

During the year ended June 30, 2025, funds expended by the RDA were limited to the categories of redevelopment, administration, highways and public improvements, capital outlay, and debt service. Redevelopment costs totaled \$8,450,593, administration costs totaled \$861,607, highways and public improvements costs totaled \$636,218, capital outlay costs totaled \$3,855,246, and debt service costs totaled \$3,483,173.

Employee Retirement Systems and Pension Plans

General Information about the Pension Plan

Eligible plan participants are provided with pensions through the Utah Retirement Systems. 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 employee retirement system.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System) is a multiple employer, cost sharing, public employee retirement system.

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

URS issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 East 200 South, Salt Lake City, Utah 84102-2021 or visiting the website: www.urs.org.



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

Summary of Benefits by System

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%
Tier 2 Public Employee 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%

*Actuarial reductions are applied.

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

Contributions

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

	<u>Employee Paid</u>	<u>Employer Contributions Rates</u>	<u>Employer 401(k)</u>
Contributory System			
111 Local Government Div - Tier 2	0.7	15.19%	0.00%
Noncontributory System			
15 Local Government Div - Tier 1	0	16.97%	0.00%
Tier 2 DC Only			
211 Local Government	0	5.19%	10.00%

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



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

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	\$ 454,643	\$ -
Tier 2 Public Employees System	566,195	26,094
Tier 2 DC Only System	43,242	-
Total Contributions	\$ 1,064,080	\$ 26,094

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

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

At June 30, 2025, the City reported a net pension asset of \$0 and a net pension liability of \$1,445,188.

	(Measurement Date): December 31, 2024				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2023	Change (Decrease)
Noncontributory System	\$ -	\$ 1,070,891	0.3377017%	0.3317189%	0.0059828%
Tier 2 Public Employees System	-	374,297	0.1255024%	0.1371533%	-0.0116509%
Total net pension asset/liability	\$ -	\$ 1,445,188			

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, the City recognized pension expense of \$1,384,522.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 799,909	\$ 2,579
Changes in assumptions	213,593	39
Net difference between projected and actual earnings on pension plan investments	346,493	-
Changes in proportion and differences between contributions and proportionate share of contributions	59,212	13,168
Contributions subsequent to the measurement date	538,094	-
Total	\$ 1,957,301	\$ 15,786



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

The \$538,094 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to our fiscal year end, but subsequent to the measurement date of December 31, 2024.

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

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2025	\$ 651,875
2026	654,471
2027	(102,065)
2028	11,501
2029	83,701
Thereafter	103,939

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

For the year ended June 30, 2025, we recognized pension expense of \$975,632.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 638,097	\$ -
Changes in assumptions	88,582	-
Net difference between projected and actual earnings on pension plan investments	322,570	-
Changes in proportion and differences between contributions and proportionate share of contributions	329	7,997
Contributions subsequent to the measurement date	234,131	-
Total	\$ 1,283,709	\$ 7,997

The \$234,131 reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2024.



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

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

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2025	608,637
2026	587,734
2027	(130,888)
2028	(23,901)
2029	-
Thereafter	-

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 \$408,890.

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	\$ 161,812	\$ 2,579
Changes in assumptions	125,010	39
Net difference between projected and actual earnings on pension plan investments	23,923	-
Changes in proportion and differences between contributions and proportionate share of contributions	58,883	5,171
Contributions subsequent to the measurement date	303,963	-
Total	\$ 673,591	\$ 7,789

The \$303,963 reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2024.

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

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2025	43,238
2026	66,737
2027	28,823
2028	35,402
2029	83,701
Thereafter	103,939



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

Actuarial Assumptions

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

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

Mortality rates were adopted from an actuarial experience study dated January 1, 2023. The retired mortality tables are developed using URS retiree experience and are based upon gender, occupation, and age as appropriate with projected improvement using 80% of the ultimate rates from the MP-2019 improvement assumption using a base year of 2020. The mortality assumption for active members is the PUB-2010 Employees Mortality Table for public employees, teachers, and public safety members, respectively.

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

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

Asset class:	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	expected portfolio real
Equity securities	35.00%	7.01%	2.45%
Debt securities	20.00%	2.54%	0.51%
Real assets	18.00%	5.45%	0.98%
Private equity	12.00%	10.05%	1.21%
Absolute return	15.00%	4.36%	0.65%
Cash and cash equivalents	0.00%	0.49%	0.00%
Totals	100.00%		5.80%
			2.50%
		Expected arithmetic nominal return	8.30%

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



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

Discount Rate

The discount rate used to measure the total pension liability was 6.85 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate.

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

The following presents the proportionate 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 (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.85 percent) or 1-percentage-point higher (7.85 percent) than the current rate:

System	1% Decrease or 5.85%	Discount Rate or 6.85%	1% Increase or 7.85%
Noncontributory System	\$ 4,528,991	\$ 1,070,891	\$ (1,829,335)
Tier 2 Public Employees System	1,117,935	374,297	(204,179)
Total	\$ 5,646,926	\$ 1,445,188	\$ (2,033,514)

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.



NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

The City participates in the URS 401(k), Roth IRA, and Traditional IRA plans. Employee and employer contributions to the URS Defined Contribution Savings Plans for fiscal year ended June 30, were as follows:

	2025	2024	2023
401(k) Plan			
Employer Contributions	\$ 94,566	\$ 79,672	\$ 81,278
Employee Contributions	\$ 128,895	\$ 121,093	\$ 93,838
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$ 30,541	\$ 33,116	\$ 25,251
Traditional IRA			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$ 2,554	\$ 2,130	\$ 250

Change to or within the Financial Reporting Entity

For fiscal year 2026, the City created the Public Safety Fund to account for all funds related to providing public safety services. For the year end June 30, 2025, the City included the Public Safety Fund as a major fund in anticipation of fiscal year 2026 activities. This change did not require any balance changes or prior period adjustments.

Subsequent Events

Subsequent to June 30, 2025, the City issued a water, sewer, and storm water bond issuance in September 2025 for \$17,575,000 to fund the expansion of the public works facility.

On August 19, 2025, the Midvale City Council adopted an ordinance establishing a new Public Safety Property Tax. Under Utah Code Ann. § 10-6-333.4, a city may lawfully levy a separate tax dedicated to a specific purpose and is required to account for those revenues independently. In accordance with this statute, revenues from the Midvale City Public Safety Property Tax will be budgeted and recorded in a separate special revenue fund referenced in the "Change to or within the Financial Reporting Entity" section above moving forward.

REQUIRED SUPPLEMENTARY INFORMATION





SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY LAST 10 FISCAL YEARS

	Year Ended 12/31	Noncontributory Retirement System	Tier 2 Public Employees Retirement System
Proportion of the net pension liability (asset)	2024	0.3377017%	0.1255024%
	2023	0.3317189%	0.1371533%
	2022	0.3484096%	0.1332020%
	2021	0.3537296%	0.1241807%
	2020	0.3493276%	0.1320274%
	2019	0.3447311%	0.1212015%
	2018	0.3657120%	0.1350680%
	2017	0.3590503%	0.1249071%
	2016	0.3573643%	0.1127146%
	2015	0.3707456%	0.1077038%
Proportionate share of the net pension liability (asset)	2024	\$ 1,070,891	\$ 374,297
	2023	769,443	266,953
	2022	596,738	145,043
	2021	(2,025,847)	(52,558)
	2020	179,185	18,989
	2019	1,299,246	27,259
	2018	2,693,048	57,847
	2017	1,573,107	11,013
	2016	2,294,716	12,573
	2015	207,880	(258)
Contributions as a percentage of covered payroll	2024	\$ 2,563,695	\$ 3,718,961
	2023	2,430,432	2,898,981
	2022	2,543,140	2,304,959
	2021	2,496,511	2,110,596
	2020	2,470,587	1,684,674
	2019	2,554,355	1,578,224
	2018	2,758,223	1,222,311
	2017	2,824,864	924,344
	2016	2,977,824	695,834
	2015	3,082,556	568,393
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	2024	41.77%	10.06%
	2023	31.66%	7.53%
	2022	23.46%	5.00%
	2021	-81.15%	-2.28%
	2020	7.25%	0.90%
	2019	50.86%	1.62%
	2018	97.64%	3.67%
	2017	55.69%	0.90%
	2016	77.06%	1.36%
	2015	68.06%	-0.03%
Plan fiduciary netposition as a percentage of the total pension liability (asset)	2024	96.02%	87.44%
	2023	96.90%	89.58%
	2022	97.50%	92.30%
	2021	108.70%	103.80%
	2020	99.20%	98.30%
	2019	93.70%	96.50%
	2018	87.00%	90.80%
	2017	91.90%	97.40%
	2016	87.30%	95.10%
	2015	87.80%	103.50%



SCHEDULE OF PENSION CONTRIBUTIONS LAST 10 FISCAL YEARS

		Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Contributions as a percentage of covered payroll	Contributions as a percentage of covered employee payroll	
	As of fiscal year ended June 30,	Actuarial determined contributions				
Noncontributory System	2016	558,513	558,513	-	3,129,703	17.85%
	2017	528,980	528,980	-	2,888,062	18.32%
	2018	510,283	510,283	-	2,765,409	18.45%
	2019	497,592	497,592	-	2,694,057	18.47%
	2020	460,129	460,129	-	2,491,222	18.47%
	2021	446,429	446,429	-	2,417,053	18.47%
	2022	464,306	646,306	-	2,513,842	18.47%
	2023	454,046	454,046	-	2,526,691	17.97%
	2024	449,345	449,345	-	2,500,530	17.97%
	2025	454,643	454,643	-	2,679,097	16.97%
Tier 2 Public Employees System*	2016	119,182	119,182	-	800,495	14.89%
	2017	166,245	166,245	-	1,079,233	15.40%
	2018	228,677	228,677	-	1,436,624	15.92%
	2019	255,919	255,919	-	1,639,201	15.61%
	2020	292,879	292,879	-	1,834,048	15.97%
	2021	346,260	346,260	-	2,193,157	15.79%
	2022	391,397	391,397	-	2,435,576	16.07%
	2023	545,420	545,420	-	3,406,746	16.01%
	2024	584,945	584,945	-	3,653,623	16.01%
	2025	566,195	566,195	-	3,727,418	15.19%
Tier 2 Public Employees DC Only System*	2016	2,484	2,484	-	37,128	6.69%
	2017	6,819	6,819	-	101,929	6.69%
	2018	15,341	15,341	-	230,754	6.65%
	2019	29,990	29,990	-	437,904	6.85%
	2020	37,021	37,021	-	500,921	7.39%
	2021	50,439	50,439	-	598,944	8.42%
	2022	45,473	45,838	-	508,273	8.82%
	2023	37,777	37,777	-	532,412	7.10%
	2024	36,796	36,796	-	594,440	6.19%
	2025	43,242	43,242	-	833,186	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.



NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

JUNE 30, 2025

1. CHANGES IN ASSUMPTIONS

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



STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 18,218,031	\$ 18,218,031	\$ 18,492,174	\$ 274,143
Licenses and permits	710,000	710,000	1,406,639	696,639
Intergovernmental	5,373,653	5,373,653	8,753,614	3,379,961
Charges for services	216,020	216,020	781,081	565,061
Fines and forfeitures	885,000	885,000	812,858	(72,142)
Interest income	200,000	200,000	232,152	32,152
Miscellaneous	13,935	13,935	62,343	48,408
Total revenues	25,616,639	25,616,639	30,540,861	4,924,222
EXPENDITURES				
ADMIN FEE SPLIT OUT	(2,091,008)	(2,091,008)	(2,091,011)	3
General government:				
City council	272,327	272,327	230,102	42,226
Court	1,144,100	1,146,400	1,059,465	86,935
General administration	1,110,769	1,139,769	1,085,160	54,609
Information technology	554,216	614,716	513,915	100,800
Finance	293,363	297,263	279,128	18,135
Recorder	245,987	258,987	219,778	39,209
City attorney	769,605	910,068	686,754	223,315
Non-departmental	113,618	113,618	66,350	47,268
Community and intergovernmental services	515,021	552,521	514,457	38,065
Employee services	38,106	50,106	14,609	35,497
Public safety:				
Police	14,126,130	14,132,130	14,131,616	514
Highways and public improvements	1,716,593	1,768,449	1,581,366	187,084
Parks, recreation and public property	1,513,161	1,528,494	1,338,267	190,226
Community development	1,398,322	1,452,508	1,356,201	96,307
Debt service:				-
Principal				-
Total expenditures	23,811,319	24,237,357	23,077,166	1,160,190
Excess (deficiency) of revenues over (under) expenditures	1,805,320	1,379,282	7,463,695	6,084,412
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of assets			-	-
Proceeds from bond issuance			-	-
Transfers out	(5,062,734)	(5,062,734)	(5,506,195)	(443,461)
Net change in fund balance	\$ -	\$ -	1,957,500	\$ 1,957,500
Fund balance at beginning of year			8,661,383	
Fund balance at end of year			\$ 10,618,883	



STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL - REDEVELOPMENT AGENCY SPECIAL REVENUE FUND

FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 911,656	\$ 997,119	\$ 993,955	\$ (3,164)
Intergovernmental	11,326,292	11,426,292	10,359,701	(1,066,591)
Charges for service	96,900	166,900	128,462	(38,438)
Interest income	220,000	220,000	670,282	450,282
Total revenues	<u>12,554,848</u>	<u>12,810,311</u>	<u>12,152,400</u>	<u>(657,911)</u>
EXPENDITURES				
Redevelopment	8,327,707	11,409,470	8,450,593	2,958,877
Administration	895,337	967,262	861,607	105,655
Highways and public improvements	1,110,000	1,280,000	636,218	643,782
Capital Outlay	2,290,406	4,104,931	3,855,246	249,685
Debt service				
Principal	2,307,000	2,307,000	2,307,000	-
Interest	1,176,173	1,176,173	1,176,173	-
Total expenditures	<u>16,106,623</u>	<u>21,244,836</u>	<u>17,286,837</u>	<u>3,957,999</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,551,775)</u>	<u>(8,434,525)</u>	<u>(5,134,437)</u>	<u>3,300,088</u>
OTHER FINANCING SOURCES				
Proceeds from sale of assets	-	-	-	-
Transfers in	6,058,321	10,020,670	-	(10,020,670)
Transfers out	(4,773,993)	(6,180,919)	(449,131)	5,731,788
Total other financing sources (uses)	<u>1,284,328</u>	<u>3,839,751</u>	<u>(449,131)</u>	<u>(4,288,882)</u>
Net change in fund balance	<u>\$ (2,267,447)</u>	<u>\$ (4,594,774)</u>	<u>(5,583,568)</u>	<u>\$ (988,794)</u>
Fund balance at beginning of year			<u>18,363,659</u>	
Fund balance at end of year			<u>\$ 12,780,091</u>	

SUPPLEMENTARY INFORMATION



NONMAJOR GOVERNMENTAL FUNDS



COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2025

	Special Revenue		
	Debt Service	Municipal Building Authority	Other
		Governmental Funds	
ASSETS			
Cash, cash equivalents, and investments			
Unrestricted	\$ 18,317	\$ 102,817	\$ 121,134
Restricted	1,418	621,468	622,886
Receivables, net:			-
Accounts and other	-	3,006	3,006
Notes	1,353,577	-	1,353,577
Total assets	<u>1,373,312</u>	<u>727,291</u>	<u>2,100,603</u>
LIABILITIES			
Accounts payable	<u>2,101</u>	<u>250</u>	<u>2,351</u>
Total liabilities	<u>2,101</u>	<u>250</u>	<u>2,351</u>
FUND BALANCES			
Restricted for:			
Debt service	<u>1,354,995</u>	<u>621,468</u>	<u>1,976,463</u>
Total restricted	<u>1,354,995</u>	<u>621,468</u>	<u>1,976,463</u>
Assigned to:			
Debt service	<u>16,216</u>	<u>105,573</u>	<u>121,789</u>
Total assigned	<u>16,216</u>	<u>105,573</u>	<u>121,789</u>
Total fund balances	<u>\$ 1,371,211</u>	<u>\$ 727,041</u>	<u>\$ 2,098,252</u>



COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2025

REVENUES

Charges for service

<u>Special Revenue</u>		
	<u>Debt Service</u>	<u>Municipal Building Authority</u>
		<u>Other Governmental Funds</u>
Charges for service	\$ 36,712	\$ -

Interest income

Lease Revenue

Total revenues

Charges for service	\$ 36,712	\$ -	\$ 36,712
Interest income	1,832	31,110	32,942
Lease Revenue	-	373,316	373,316
Total revenues	<u>38,544</u>	<u>404,426</u>	<u>442,970</u>

EXPENDITURES

Current:

General government	279,008	-	279,008
Total current expenditures	<u>279,008</u>	<u>-</u>	<u>279,008</u>

Debt service:

Principal	1,098,913	245,000	1,343,913
Interest	374,750	145,734	520,484
Bond issuance costs	2,600	-	2,600
Total debt service	<u>1,476,263</u>	<u>390,734</u>	<u>1,866,997</u>
Total expenditures	<u>1,755,271</u>	<u>390,734</u>	<u>2,146,005</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,716,727)</u>	<u>13,692</u>	<u>(1,703,035)</u>

OTHER FINANCING SOURCES (USES)

Transfers in	1,512,341	-	1,512,341
Total other financing sources (uses)	<u>1,512,341</u>	<u>-</u>	<u>1,512,341</u>
Net change in fund balance	<u>(204,386)</u>	<u>13,692</u>	<u>(190,694)</u>
Fund balances at beginning of year	<u>1,575,597</u>	<u>713,349</u>	<u>2,288,946</u>
Fund balances at end of year	<u>\$ 1,371,211</u>	<u>\$ 727,041</u>	<u>\$ 2,098,252</u>



STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE & ACTUAL - DEBT SERVICE FUND FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Interest income	245,331	245,331	38,544	(206,787)
Total revenues	245,331	245,331	38,544	(206,787)
EXPENDITURES				
General Government	279,008	279,008	279,008	-
Debt service:				
Principal	1,098,906	1,098,906	1,098,913	(7)
Interest	379,758	379,758	377,350	2,408
Total expenditures	1,757,672	1,757,672	1,755,271	2,401
Excess (deficiency) of revenues over (under) expenditures	(1,512,341)	(1,512,341)	(1,716,727)	(204,386)
OTHER FINANCING SOURCES				
Transfers in	1,512,341	1,512,341	1,512,341	-
Total other financing sources (uses)	1,512,341	1,512,341	1,512,341	-
Net change in fund balance	\$ -	\$ -	(204,386)	\$ (204,386)
Fund balance at beginning of year			1,575,597	
Fund balance at end of year			\$ 1,371,211	



STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE & ACTUAL - MUNICIPAL BUILDING AUTHORITY FUND FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Lease and other revenue	\$ 373,316	\$ 373,316	\$ 373,316	\$ -
Interest income	18,000	18,000	31,110	13,110
Total revenues	<u>391,316</u>	<u>391,316</u>	<u>404,426</u>	<u>13,110</u>
EXPENDITURES				
Debt service				
Principal	245,000	245,000	245,000	-
Interest	146,316	146,316	145,734	582
Total expenditures	<u>391,316</u>	<u>391,316</u>	<u>390,734</u>	<u>582</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	<u>13,692</u>	<u>13,692</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>13,692</u>	<u>\$ 13,692</u>
Fund balance at beginning of year			<u>713,349</u>	
Fund balance at end of year			<u>\$ 727,041</u>	



STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE & ACTUAL - CAPITAL PROJECTS FUND (MAJOR FUND) FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	2,525,000	2,525,000	507,434	\$ (2,017,566)
Taxes	1,030,000	1,030,000	1,045,380	15,380
Interest income	100,000	100,000	419,136	319,136
Total revenues	3,655,000	3,655,000	1,971,950	(1,683,050)
EXPENDITURES				
Capital outlay	28,510,225	31,311,537	8,106,792	23,204,745
Total expenditures	28,510,225	31,311,537	8,106,792	23,204,745
Excess (deficiency) of revenues over (under) expenditures	(24,855,225)	(27,656,537)	(6,134,842)	21,521,695
OTHER FINANCING SOURCES				
Proceeds from long term debt	-	-	-	-
Transfers in(out)	6,355,225	9,156,537	3,700,000	(5,456,537)
Total other financing sources	6,355,225	9,156,537	3,700,000	(5,456,537)
Net change in fund balance	\$ (18,500,000)	\$ (18,500,000)	(2,434,842)	\$ 16,065,158
Fund balance at beginning of year			8,451,886	
Fund balance at end of year			\$ 6,017,044	

NONMAJOR PROPRIETARY FUNDS



COMBINING STATEMENT OF NET POSITION NONMAJOR PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2025

	Street Lighting	Sanitation	Telecom	Total
ASSETS				
Current assets:				
Cash and cash equivalents				
Unrestricted	\$ 483,248	\$ 391,537	\$ 45,387	\$ 920,172
Receivables:				
Accounts	42,673	169,765	2,550	214,988
Contracts receivable	-	-	10,740	10,740
Deposits	193	225	-	418
Total current assets	526,114	561,527	58,677	1,146,318
Noncurrent assets:				
Contracts receivable	-	-	60,030	60,030
Investment in Trans-Jordan Cities Landfill	-	2,524,178	-	2,524,178
Total noncurrent assets	-	2,524,178	60,030	2,584,208
Total assets	526,114	3,085,705	118,707	3,730,526
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	2,851	8,049	-	10,900
Total deferred outflows of resources	2,851	8,049	-	10,900
LIABILITIES				
Current liabilities:				
Accounts payable	51,170	105,579	-	156,749
Accrued liabilities	552	739	-	1,291
Compensated absences	757	829	-	1,586
Notes Payable	-	-	10,203	10,203
Total current liabilities	52,479	107,147	10,203	169,829
Noncurrent liabilities:				
Notes payable	-	-	57,029	57,029
Compensated absences	884	927	-	1,811
Net pension liability	2,168	2,890	-	5,058
Total noncurrent liabilities	3,052	3,817	57,029	63,898
Total liabilities	55,531	110,964	67,232	233,727
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	27	35	-	62
Total deferred inflows of resources	27	35	-	62
NET POSITION				
Unrestricted	473,407	2,982,755	51,475	3,507,637
Total net position	\$ 473,407	\$ 2,982,755	\$ 51,475	\$ 3,507,637



COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION - NONMAJOR PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2025

	Street Lighting	Sanitation	Telecom	Total
<u>OPERATING REVENUES</u>				
Charges for services	411,389	1,576,042	10,411	\$ 1,997,842
Other	-	-	-	-
Total operating revenues	411,389	1,576,042	10,411	1,997,842
<u>OPERATING EXPENSES</u>				
Salaries and wages	10,944	14,601	-	25,545
Employee benefits	5,355	6,854	-	12,209
Administration	49,584	129,468	-	179,052
Street lighting	138,305	-	-	138,305
Waste disposal	-	1,348,830	-	1,348,830
Telecommunications	-	-	999,657	999,657
Depreciation	-	-	-	-
Total operating expenses	204,188	1,499,753	999,657	2,703,598
Operating income (loss)	207,201	76,289	(989,246)	(705,756)
<u>NONOPERATING REVENUES (EXPENSES)</u>				
Interest income	17,296	10,439	5,465	33,200
Gain/(Loss) on equity investment	-	218,926	-	218,926
Intergovernmental	-	-	285,584	285,584
Total nonoperating revenues (expenses)	17,296	229,365	291,049	537,710
Income before transfers	224,497	305,654	(698,197)	(168,046)
Transfers in	-	-	692,985	692,985
Change in net position	224,497	305,654	(5,212)	524,939
Total net position - beginning	248,910	2,677,101	56,687	2,982,698
Total net position - ending	\$ 473,407	\$ 2,982,755	\$ 51,475	\$ 3,507,637



COMBINING STATEMENT OF CASH FLOWS

NONMAJOR PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2025

	Street Lighting	Sanitation	Telecom	Total
Cash flows from operating activities				
Receipts from customers	\$ 413,104	\$ 1,569,296	\$ 10,540	\$ 1,992,940
Payments to suppliers	(153,124)	(1,476,774)	(999,657)	(2,629,555)
Payments for interfund services				-
Payments to employees	(15,820)	(20,301)	-	(36,121)
Net cash provided (used) by operating activities	244,160	72,221	(989,117)	(672,736)
Cash flows from noncapital financing activities				
Transfers (to) from other funds	-	-	692,985	692,985
Intergovernmental	-	-	285,584	285,584
Decrease in contracts receivable	-	-	10,820	10,820
Decrease in notes receivable	-	-	-	-
Net cash provided by noncapital financing activities	-	-	989,389	989,389
Cash flows from capital and related financing activities				
Decrease in notes payable	-	-	(10,621)	(10,621)
Net cash provided by capital and related financing activities	-	-	(10,621)	(10,621)
Cash flows from investing activities				
Interest received	17,296	10,439	5,465	33,200
Net cash provided by investing activities	17,296	10,439	5,465	33,200
Net increase (decrease) in cash and cash equivalents	261,456	82,660	(4,884)	339,232
Cash and cash equivalents, beginning of year	221,792	308,877	50,271	580,940
Cash and cash equivalents, end of year	483,248	391,537	45,387	920,172
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	207,201	76,289	(989,246)	(705,756)
Depreciation				-
Changes in assets and liabilities:				
Accounts receivable	1,715	(6,746)	(231)	(5,262)
Deposits	(18)	(22)	-	(40)
Contracts receivable	-	-	360	360
Accounts payable	34,923	1,524	-	36,447
Accrued liabilities	339	1,176	-	1,515
Net cash provided (used) by operating activities	\$ 244,160	\$ 72,221	\$ (989,117)	\$ (672,736)

INTERNAL SERVICE FUNDS



COMBINING STATEMENT OF NET POSITION INTERNAL SERVICE FUNDS FOR THE YEAR ENDED JUNE 30, 2025

	Fleet	IT	Total
ASSETS			
Current assets:			
Cash and cash equivalents			
Unrestricted	\$ 4,029,723	\$ 591,976	\$ 4,621,699
Accounts receivable	-	-	-
Inventory	-	-	-
Deposits	2,069	302	2,371
Total current assets	4,031,792	592,278	4,624,070
Noncurrent assets:			
Net pension asset	-	-	-
Capital assets:			
Automobiles, net	1,780,960	-	1,780,960
Machinery and equipment, net	353,300	197,698	550,998
Total noncurrent assets	2,134,260	197,698	2,331,958
Total assets	6,166,052	789,976	6,956,028
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	31,182	-	31,182
Total deferred outflows of resources	31,182	-	31,182
LIABILITIES			
Current liabilities:			
Accounts payable	102,437	48,078	150,515
Accrued liabilities	10,240	2,281	12,521
Compensated absences	16,880	1,968	18,848
Total current liabilities	129,557	52,327	181,884
Noncurrent liabilities:			
Compensated absences	13,722	3,737	17,459
Net pension liability	28,037	-	28,037
Total noncurrent liabilities	41,759	3,737	45,496
Total liabilities	171,316	56,064	227,380
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	255	-	255
Total deferred inflows of resources	255	-	255
NET POSITION			
Net investment in capital assets	2,134,260	197,698	2,331,958
Unrestricted	3,891,403	536,214	4,427,617
Total net position	\$ 6,025,663	\$ 733,912	\$ 6,759,575



COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION - INTERNAL SERVICE FUNDS FOR THE YEAR ENDED JUNE 30, 2025

	Fleet	IT	Total
<u>OPERATING REVENUES</u>			
Charges for services	1,316,192	226,736	1,542,928
Other	4,781	-	4,781
Total operating revenues	1,320,973	226,736	1,547,709
<u>OPERATING EXPENSES</u>			
Salaries and wages	163,371	33,069	196,440
Employee benefits	74,005	11,540	85,545
Administration	272,540	161	272,701
Supplies and equipment	2,000	213,685	215,685
Repairs and maintenance	128,552	-	128,552
Depreciation expense	467,010	43,061	510,071
Total operating expenses	1,107,478	301,516	1,408,994
Operating income	213,495	(74,780)	138,715
<u>NONOPERATING REVENUES (EXPENSES)</u>			
Interest earned	195,696	27,864	223,560
Gain on disposal of equipment	196,297	2,256	198,553
Total nonoperating revenues (expenses)	391,993	30,120	422,113
Income before transfers	605,488	(44,660)	560,828
Transfers in	-	50,000	50,000
Transfers out	-	-	-
Change in net position	605,490	5,340	610,828
Total net position - beginning	5,420,173	728,572	6,148,745
Total net position - ending	\$ 6,025,663	\$ 733,912	\$ 6,759,575



COMBINING STATEMENT OF CASH FLOWS

INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED JUNE 30, 2025

	Fleet	IT	Total
Cash flows from operating activities			
Receipts from customers	\$ 1,320,973	\$ 226,708	\$ 1,547,681
Receipts from interfund services			-
Payments to suppliers	(34,418)	(174,613)	(209,031)
Payments for interfund services	(269,909)	(161)	(270,070)
Payments to employees	(226,413)	(41,957)	(268,370)
Net cash provided by operating activities	790,233	9,977	800,210
Cash flows from noncapital financing activities			
Transfers from other funds	-	50,000	50,000
Transfers to other funds	-	-	-
Net cash provided by noncapital financing activities	-	50,000	50,000
Cash flows from capital and related financing activities			
Purchase of capital assets	(297,791)	(73,300)	(371,090)
Proceeds from sale of capital assets	196,297	2,256	198,553
Net cash provided (used) by capital and related financing activities	(101,494)	(71,044)	(172,537)
Cash flows from investing activities			
Interest received	195,696	27,864	223,560
Net cash provided by investing activities	195,696	27,864	223,560
Net increase (decrease) in cash and cash equivalents	884,435	16,797	901,233
Cash and cash equivalents, beginning of year	3,145,288	575,179	3,720,467
Cash and cash equivalents, end of year	\$ 4,029,723	\$ 591,976	\$ 4,621,700
Reconciliation of operating income to net cash provided by operating activities			
Operating income	\$ 213,495	\$ (74,780)	\$ 138,715
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	467,010	43,061	510,071
Changes in assets and liabilities:			
Accounts receivable	-	-	-
Deposit	(653)	(28)	(681)
Accounts payable	96,134	39,072	135,206
Accrued liabilities	14,247	2,652	16,899
Net cash provided by operating activities	\$ 790,233	\$ 9,977	\$ 800,210

STATISTICAL SECTION





STATISTICAL SECTION - UNAUDITED

This part of Midvale City Corporations' Annual Comprehensive Financial Report presents detailed information as a context for better understanding the information in the financial statements, note disclosures, and required supplementary information.

The statistical section consists of five main categories:

FINANCIAL TRENDS (PAGES 95-99)

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

REVENUE CAPACITY (PAGES 100-108)

These schedules contain information to help the reader assess the City's most significant local revenue sources.

DEBT CAPACITY (PAGES 109-114)

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

DEMOGRAPHIC AND ECONOMIC INFORMATION (PAGES 115-116)

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

OPERATING INFORMATION (PAGES 117-119)

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



NET POSITION BY COMPONENT (ACCRAUL BASIS OF ACCONTING) LAST TEN FISCAL YEARS

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities:										
Net investment in capital assets	\$ 84,160,627	\$ 76,771,618	\$ 82,296,971	\$ 77,499,367	\$ 60,168,243	\$ 61,799,330	\$ 63,161,804	\$ 65,982,979	\$ 68,549,681	\$ 70,335,644
Restricted	1,521,186	9,125,162	6,034,643	2,562,715	7,266,811	12,982,895	17,806,804	19,077,481	20,859,872	22,969,636
Unrestricted	(15,706,221)	(13,978,646)	(10,180,513)	(7,253,505)	7,507,968	6,966,687	3,990,475	10,760,283	13,532,360	15,963,846
Total governmental activities net position	69,975,592	71,918,134	78,151,101	72,808,577	74,943,022	81,748,912	84,959,083	95,820,743	102,941,913	109,269,126
Business-type activities:										
Net investment in capital assets	21,102,883	21,964,255	23,058,240	23,156,632	24,192,075	23,996,754	24,906,854	24,215,298	27,171,629	26,582,637
Restricted	-	-	-	-	-	-	-	1,295,464	1,435,019	2,001,554
Unrestricted	8,448,241	8,347,659	8,487,705	9,607,592	9,315,925	10,860,251	13,011,055	12,526,285	11,212,959	13,963,996
Total business-type activities net position	29,551,124	30,311,914	31,545,945	32,764,224	33,508,000	34,857,005	37,917,909	38,037,048	39,819,607	42,548,187
Primary government:										
Net investment in capital assets	105,263,510	98,735,873	105,355,211	100,655,999	84,360,318	85,796,084	88,068,658	90,198,277	95,721,310	96,918,281
Restricted	1,521,186	9,125,162	6,034,643	2,562,715	7,266,811	12,982,895	17,806,804	20,372,945	22,294,891	24,971,190
Unrestricted	(7,257,980)	(5,630,987)	(1,692,808)	2,354,087	16,823,893	17,826,938	17,001,530	23,286,568	24,745,319	29,927,842
Total primary government net position	\$ 99,526,716	\$ 102,230,048	\$ 109,697,046	\$ 105,572,801	\$ 108,451,022	\$ 116,605,917	\$ 122,876,992	\$ 133,857,790	\$ 142,761,520	\$ 151,817,313



CHANGES IN NET POSITION (ACCRAUL BASIS OF ACCONTING) LAST TEN FISCAL YEARS

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities:										
General government	\$ 5,539,259	\$ 5,786,432	\$ 6,671,596	\$ 13,602,223	\$ 10,545,403	\$ 8,723,238	\$ 11,825,697	\$ 6,018,102	\$ 4,443,602	\$ 6,693,782
Public safety (1)	6,610,764	7,013,851	7,290,047	8,519,079	9,002,087	9,401,425	10,285,577	11,795,690	12,419,796	14,201,892
Highways and public improvements	1,890,231	2,297,368	2,485,064	3,196,231	2,598,581	2,981,820	2,415,708	3,824,707	5,611,441	4,548,698
Parks, recreation and public property	931,303	992,330	1,384,148	1,421,361	1,579,727	1,634,530	1,594,145	1,493,263	1,727,818	1,933,801
Redevelopment	1,649,138	3,671,182	3,296,665	8,742,123	3,336,865	2,378,196	2,840,234	2,180,096	4,597,095	9,510,942
Interest on long-term debt	2,137,089	2,008,336	2,704,350	2,930,481	2,716,943	1,745,297	1,666,770	1,527,618	1,588,700	1,394,241
Total government activities expense	18,757,784	21,769,499	23,831,870	38,411,498	29,779,606	26,864,506	30,628,131	26,839,475	30,388,452	38,283,356
Business-type activities:										
Water	3,960,091	4,354,475	4,361,331	4,072,868	5,262,930	5,193,597	5,472,697	5,710,183	6,319,506	7,282,493
Sewer	1,910,718	1,927,068	1,883,291	2,265,343	2,397,629	2,523,972	2,735,782	3,147,616	3,412,784	3,642,305
Storm water	1,315,614	1,429,125	1,514,929	1,692,430	1,770,290	1,761,979	1,806,723	1,864,144	2,075,930	2,115,264
Sanitation	932,441	969,261	1,031,396	1,155,070	1,187,193	1,173,185	1,209,024	1,312,855	1,428,315	1,499,753
Telecommunications	901,913	864,343	889,011	898,565	917,325	935,730	948,418	965,249	980,195	999,657
Street lighting	624,863	341,979	381,608	392,701	364,789	398,298	321,170	366,150	399,773	204,188
Total business-type activities	9,645,640	9,886,251	10,061,566	10,476,977	11,900,156	11,986,761	12,493,814	13,366,197	14,616,503	15,743,660
Total primary government expenses	28,403,424	31,655,750	33,893,436	48,888,475	41,679,762	38,851,267	43,121,945	40,205,672	45,004,955	54,027,016
Program revenues										
Governmental activities:										
Charges for services										
General government	2,743,920	2,247,640	2,236,403	2,698,055	2,967,511	3,180,865	3,066,996	1,336,045	918,761	2,272,340
Public safety	1,030,311	748,505	922,257	958,288	843,406	701,178	844,694	844,493	988,609	824,983
Parks, recreation and public property	61,950	42,450	24,600	27,150	22,040	20,340	34,790	26,850	30,705	33,010
Operating grants and contributions	5,965,959	5,840,869	6,200,034	6,527,830	7,773,608	9,275,664	7,136,801	7,101,721	10,080,824	13,809,273
Capital grants and contributions	1,848,430	1,158,697	1,793,150	7,567,205	4,184,622	2,688,476	3,300,243	3,889,127	4,955,275	5,811,477
Total governmental activities program revenues	11,650,570	10,038,161	11,176,444	17,778,528	15,791,187	15,866,523	14,383,524	13,198,236	16,974,174	22,751,083
Business-type activities:										
Charges for services										
Water	4,284,361	4,550,934	4,738,786	4,667,077	5,208,509	5,700,724	7,588,642	6,034,039	6,775,219	7,860,921
Sewer	1,737,379	1,961,362	2,228,967	2,449,758	2,635,025	2,810,880	3,071,693	3,373,084	3,727,364	4,248,991
Storm water	1,648,039	1,812,768	1,824,476	1,828,209	2,077,019	2,134,157	2,162,486	2,183,691	2,192,849	2,283,339
Sanitation	924,037	954,956	956,399	1,050,989	1,151,382	1,283,140	1,309,536	1,354,000	1,503,017	1,576,042
Telecommunications	17,230	21,390	27,264	20,256	20,786	21,259	16,607	555,971	10,989	10,411
Street lighting	372,896	381,529	381,507	384,828	390,487	402,078	407,830	408,126	409,139	411,389
Operating grants and contributions	117,886	115,885	111,221	106,321	100,847	49,170	-	-	-	-
Total business-type activities program revenues	9,101,828	9,798,824	10,268,620	10,507,438	11,584,055	12,401,408	14,556,794	13,908,911	14,618,577	16,391,093
Total primary government program revenues	\$ 20,752,398	\$ 19,836,985	\$ 21,445,064	\$ 28,285,966	\$ 27,375,242	\$ 28,267,931	\$ 28,940,318	\$ 27,107,147	\$ 31,592,751	\$ 39,142,176



CHANGES IN NET POSITION (CONTINUED)

(ACCRAUL BASIS OF ACCOUNTING)

LAST TEN FISCAL YEARS

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net (Expense)/Revenue										
Governmental activities	\$ (7,107,214)	\$ (11,731,338)	\$ (12,655,426)	\$ (20,632,970)	\$ (13,988,419)	\$ (10,997,983)	\$ (16,244,607)	\$ (13,641,239)	\$ (13,414,278)	\$ (15,532,273)
Business-type activities	(543,812)	(87,427)	207,054	30,461	(316,101)	414,647	2,062,980	542,714	2,074	647,433
Total primary government net (expense)/revenue	(7,651,026)	(11,818,765)	(12,448,372)	(20,602,509)	(14,304,520)	(10,583,336)	(14,181,627)	(13,098,525)	(13,412,204)	(14,884,840)
General revenues										
and other changes in net position										
Governmental activities:										
Taxes										
Property taxes	1,145,102	1,178,525	3,202,775	3,183,212	3,129,874	3,449,391	4,110,411	4,645,942	3,768,493	4,549,385
Sales taxes	6,221,500	6,463,225	7,128,932	7,382,052	7,695,281	8,967,771	10,434,898	12,037,076	12,519,490	12,672,980
Telecomm and franchise taxes	2,764,227	2,883,419	3,196,182	3,081,826	2,938,060	2,757,554	2,723,703	2,799,999	3,349,211	3,309,144
Interest income	46,144	131,625	153,422	416,810	731,832	825,390	178,236	422	1,957,023	1,665,758
Gain on sale and disposal of assets	2,598	391,405	134,298	524,778	918,270	239,893	253,291	72,399	448,016	198,553
Miscellaneous	370,476	1,018,859	683,171	607,715	727,129	697,865	808,920	719,309	331,613	156,651
Developer contributions	-	-	-	4,542,000	-	-	-	-	-	-
Transfers - net	(917,100)	(920,600)	(824,900)	(850,000)	(850,000)	(815,000)	(705,586)	(820,369)	(695,612)	(692,985)
Total governmental activities	9,632,947	11,146,458	13,673,880	18,888,393	15,290,446	16,122,864	17,803,873	19,454,778	21,678,234	21,859,486
Business-type activities:										
Intergovernmental	-	-	-	-	-	-	-	-	-	285,584
Interest income	47,647	40,667	43,866	77,838	215,118	127,932	67,539	(4,231)	805,094	883,652
Equity investment (loss)	-	57,210	(20,549)	99,139	122,700	116,945	161,233	181,786	279,779	218,926
Transfers - net	917,100	920,600	824,900	850,000	850,000	815,000	705,586	820,369	695,612	692,985
Total business-type activities	964,747	1,018,477	848,217	1,026,977	1,187,818	1,059,877	934,358	997,924	1,780,485	2,081,147
Total primary government	10,597,694	12,164,935	14,522,097	19,915,370	16,478,264	17,182,741	18,738,231	20,452,702	23,458,719	23,940,633
Changes in Net Position										
Governmental activities	2,525,733	(584,880)	1,018,454	(1,744,577)	1,302,027	5,124,881	1,559,266	5,813,539	8,263,956	6,327,213
Business-type activities	420,935	931,050	1,055,271	1,057,438	871,717	1,474,524	2,997,338	1,540,638	1,782,559	2,728,580
Total primary government	\$ 2,946,668	\$ 346,170	\$ 2,073,725	\$ (687,139)	\$ 2,173,744	\$ 6,599,405	\$ 4,556,604	\$ 7,354,177	\$ 10,046,515	\$ 9,055,793



FUND BALANCE OF GOVERNMENTAL FUNDS

(ACCRUAL BASIS OF ACCOUNTING)

LAST TEN FISCAL YEARS

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,253	\$ 93,560
Restricted for B&C Road Funds	-	-	-	-	-	-	293,871	323,328	-	488,458
Restricted for Development	-	-	-	-	-	-	-	264,991	306,194	1,585,792
Assigned for sub. year approp.	-	-	-	-	326,577	-	-	-	-	-
Unassigned	2,407,701	3,784,485	3,858,326	3,797,448	4,096,174	7,319,448	7,869,041	8,040,274	8,269,936	8,451,073
Total General Fund	\$ 2,407,701	\$ 3,784,485	\$ 3,858,326	\$ 3,797,448	\$ 4,422,751	\$ 7,319,448	\$ 8,162,912	\$ 8,628,593	\$ 8,661,383	\$ 10,618,883
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,235
Restricted for capital projects	-	8,267,104	6,264,782	2,775,343	-	-	-	-	-	-
Restricted for redevelopment	5,348,949	140,597	23,442	-	5,050,212	9,247,340	1,212,912	1,264,140	1,295,983	1,294,144
Restricted for debt service	1,824,555	1,832,709	21,656,049	22,341,727	1,842,613	1,818,995	607,286	2,394,831	2,190,019	1,976,463
Assigned for special revenue funds	2,705,141	2,160,877	2,638,920	4,366,777	48,361	56,312	11,622,862	14,906,632	17,067,676	11,482,712
Assigned for capital projects	1,710,787	1,579,634	2,753,808	3,620,104	214,099	1,860,248	4,363,744	6,517,945	8,451,886	6,017,044
Assigned for sub. year approp.	-	-	-	-	3,698,153	-	-	-	-	-
Assigned for debt service	-	-	-	-	-	-	-	-	98,927	121,789
Total Other Governmental Funds	\$ 11,589,432	\$ 13,980,921	\$ 33,337,001	\$ 33,103,951	\$ 10,853,438	\$ 12,982,895	\$ 17,806,804	\$ 25,083,548	\$ 29,104,491	\$ 20,895,387
Total Governmental Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,253	\$ 96,795
Restricted	7,173,504	10,240,410	27,944,273	25,117,070	6,892,825	11,066,335	2,114,069	4,247,290	3,792,196	5,344,857
Assigned	4,415,928	3,740,511	5,392,728	7,986,881	3,960,613	1,916,560	15,986,606	21,424,577	25,618,489	17,621,545
Unassigned	2,407,701	3,784,485	3,858,326	3,797,448	4,096,174	7,319,448	7,869,041	8,040,274	8,269,936	8,451,073
Total Governmental Funds	\$ 13,997,133	\$ 17,765,406	\$ 37,195,327	\$ 36,901,399	\$ 14,949,612	\$ 20,302,343	\$ 25,969,716	\$ 33,712,141	\$ 37,765,874	\$ 31,514,270



CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

(ACCRUAL BASIS OF ACCOUNTING)

LAST TEN FISCAL YEARS

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues:										
Taxes	\$ 10,525,169	\$ 13,527,890	\$ 13,647,089	\$ 13,763,215	\$ 15,174,717	\$ 17,269,013	\$ 19,483,018	\$ 19,787,577	\$ 19,910,622	\$ 20,531,509
Licenses and permits	974,711	583,437	600,158	893,520	890,117	986,962	711,320	892,307	696,558	1,406,639
Intergovernmental	7,814,389	6,999,567	7,993,184	14,095,036	11,958,229	11,964,140	10,437,044	12,992,390	14,762,671	19,620,749
Charges for services	1,924,706	1,717,633	1,674,434	1,831,684	2,111,583	2,214,242	2,404,748	485,746	266,453	826,200
Fines and forfeitures	1,236,006	974,651	992,776	958,066	820,736	701,178	830,411	829,335	925,760	812,858
Interest income	131,625	153,422	416,810	731,832	825,390	178,236	422	933,229	1,750,118	1,354,512
Miscellaneous	1,018,859	683,172	607,719	727,129	697,866	808,920	719,309	808,065	684,337	555,714
Total Revenues	23,625,465	24,639,772	25,932,170	33,000,482	32,478,638	34,122,691	34,586,272	36,728,649	38,996,519	45,108,181
Expenditures:										
General government	4,095,809	3,966,525	4,130,071	4,472,441	5,001,096	5,405,077	5,233,244	4,371,305	4,704,259	4,948,723
Public safety	6,581,069	6,904,536	7,168,010	8,381,646	8,968,003	9,306,093	10,322,679	11,698,303	12,348,134	14,131,616
Highways and public improvements	784,451	759,449	881,927	1,453,828	1,208,398	1,781,838	1,562,778	2,258,794	2,837,843	2,217,583
Parks, recreation, and public property	841,194	892,240	978,895	1,007,424	1,142,879	1,175,194	1,131,749	1,046,241	1,206,764	1,338,267
Redevelopment	1,654,141	2,208,413	3,311,665	8,757,123	3,351,865	2,378,196	2,840,234	2,180,731	4,607,041	9,312,200
Community and economic development	1,324,787	1,230,080	1,458,891	1,589,996	1,291,148	1,424,506	1,312,434	1,292,623	1,164,865	1,356,201
Capital outlay - noncapitalized	12,420	1,690,088	1,296,156	7,141,163	3,612,289	1,769,117	5,454,922	102,790	567,513	2,140,396
Capital outlay - capitalized	10,419,056	7,468,225	1,322,370	2,422,258	3,556,068	1,919,894	423,503	1,481,062	1,453,789	9,821,642
Debt service principal	1,745,000	1,995,000	2,831,000	3,159,000	21,963,000	2,940,000	3,242,717	3,657,432	3,787,951	3,650,913
Debt service interest	1,874,301	1,993,689	2,520,085	3,098,685	3,215,623	1,987,391	1,969,927	1,969,192	1,844,075	1,699,257
Total Expenditures	29,332,228	29,108,245	25,899,070	41,483,564	53,310,369	30,087,306	33,494,187	30,058,473	34,522,234	50,616,798
Excess of revenue over (under) expenditures	(5,706,763)	(4,468,473)	33,100	(8,483,082)	(20,831,731)	4,035,385	1,092,085	6,670,176	4,474,285	(5,508,617)
Other financing sources (uses):										
Proceeds from sale of assets	12,976	8,435	219,891	513,156	56,297	700	207	17,970	275,060	-
Proceeds from leases/note payable	-	-	-	-	-	-	-	-	-	-
Proceeds from bond issuance	12,961,000	9,146,632	20,255,623	8,657,528	-	2,163,893	5,500,000	-	-	-
Discount on bond issuance	-	-	-	-	-	-	-	-	-	-
Special item - public safety transfer (2)	-	-	-	-	-	-	-	-	-	-
Contribution from other government	-	-	-	-	-	-	-	-	-	-
Transfers in	2,346,242	11,344,438	1,887,831	6,836,195	2,082,217	202,887	2,405,624	3,594,693	3,880,664	4,512,341
Transfers out	(3,274,742)	(12,117,438)	(2,737,831)	(7,686,195)	(2,932,217)	(1,376,487)	(3,325,993)	(4,505,277)	(4,576,276)	(5,255,326)
Total other financing sources (uses)	12,045,476	8,382,067	19,625,514	8,320,684	(793,703)	990,993	4,579,838	(892,614)	(420,552)	(742,985)
Net change in Fund Balance	\$ 6,338,713	\$ 3,913,594	\$ 19,658,614	\$ (162,398)	\$ (21,625,434)	\$ 5,026,378	\$ 5,671,923	\$ 5,777,562	\$ 4,053,733	\$ (6,251,602)
Debt service as a percentage of non-capital expenditures:	19.1%	18.4%	21.8%	16.0%	50.6%	17.5%	15.8%	19.7%	17.0%	13.1%



GOVERNMENTAL ACTIVITIES TAX REVENUE BY SOURCE (MODIFIED ACCRUAL BASIS OF ACCOUNTING) LAST TEN FISCAL YEARS

Fiscal Year	Property Tax	Uniform Vehicle Tax	Sales Tax	Franchise and Energy Tax	Telecommunications Tax	Transient Room Tax	Total Tax Revenues
2016	1,178,525	126,648	6,463,225	2,192,132	425,164	139,475	10,525,169
2017 (1)	3,202,775	417,806	7,128,932	2,205,528	407,915	164,934	13,527,890
2018	3,183,212	333,097	7,382,052	2,212,291	356,013	180,425	13,647,090
2019 (2)	3,129,874	354,332	7,695,281	2,115,894	300,028	167,806	13,763,215
2020	3,449,390	294,748	8,967,771	2,083,511	234,626	144,669	15,174,716
2021	3,273,367	289,817	10,434,898	2,118,393	183,177	132,316	16,431,968
2022	3,303,528	329,351	12,037,076	2,062,780	190,229	217,639	18,140,605
2023 (1)	3,636,704	345,594	12,306,587	2,774,920	312,092	236,504	19,612,400
2024 (1)	3,768,493	394,837	12,519,490	2,514,968	191,713	247,693	19,637,194
2025 (1)	4,185,844	433,731	12,672,980	2,433,763	192,024	228,090	20,146,432

Notes:

(1) In Fiscal Years 2017, 2023, 2024, 2025 Midvale increased it's property tax rate.

(2) In June 2019, Midvale started receiving additional sales tax revenue for transportation.



ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN CALENDAR YEARS

Year	Primary Residential		Secondary or non-residential		Personal and Centrally assessed		Total		Assessed value as a percentage of market value	Direct Tax Rate
	Assessed Value	Estimated Market Value	Assessed Value	Estimated Market Value	Assessed Value	Estimated Market Value	Assessed Value	Estimated Market Value		
2015	1,116,706,717	2,030,375,849	673,315,410	673,315,410	151,815,849	151,815,849	1,941,837,976	2,855,507,108	68.00%	0.000609
2016	1,245,409,487	2,264,380,886	784,756,880	784,756,880	154,083,626	154,083,626	2,184,249,993	3,203,221,392	68.19%	0.001398
2017	1,333,498,303	2,424,542,369	924,171,610	924,171,610	189,086,848	189,086,848	2,446,756,761	3,537,800,827	69.16%	0.001309
2018	1,476,462,885	2,684,477,973	1,016,133,620	1,016,133,620	201,564,340	201,564,340	2,694,160,845	3,902,175,933	69.04%	0.001166
2019	1,554,387,765	2,826,159,573	1,101,096,800	1,101,096,800	221,158,247	221,158,247	2,876,642,812	4,148,414,620	69.34%	0.001107
2020	1,758,545,454	3,197,355,372	1,165,790,630	1,165,790,630	231,978,525	231,978,525	3,156,314,609	4,595,124,527	68.69%	0.001043
2021	1,991,196,649	3,620,357,544	1,218,485,770	1,218,485,770	239,114,356	239,114,356	3,448,796,775	5,077,957,670	67.92%	0.000987
2022	2,666,706,343	4,848,556,988	1,413,171,870	1,413,171,870	243,380,270	243,380,270	4,323,258,483	6,505,109,128	66.46%	0.000870
2023	2,690,766,057	4,907,204,922	1,585,264,880	1,585,264,880	276,293,448	276,293,448	4,552,324,385	6,768,763,250	67.25%	0.000892
2024	2,853,864,439	5,188,844,435	1,641,143,410	1,641,143,410	279,682,448	279,682,448	4,774,690,297	7,109,670,293	67.16%	0.000970

Note: Taxable value is 55% of market value for primary residential property and 100% for all other property

Note: Midvale City operates on a fiscal year beginning July 1 and ending June 30. Property taxes are generally paid in November. Property tax revenue for FY 2025 is based upon the calendar year 2024 rate. The same is true for all fiscal years.

Sources: Utah State Tax Commission (233b List of Final Values) and taxrates.utah.gov/rateDetail



PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN CALENDAR YEARS

Calendar Year	City Direct Rate					Overlapping Rates - all Midvale taxing areas							Total Rate Direct and Overlapping Rates	Overlapping Rates - some Midvale taxing areas		
	General Operations	Public Safety	G.O. Bond	Total Direct Rate	Unified School District (1)		Fire Service Area (2)	Salt Lake County (3)	S.S.L. Valley Mosquito Abatement	Central Utah Water Cons	Jordan Valley Water Cons	Total Overlapping Rates		Mid Valley Improvement District (5)	Sandy Suburban Improvement District (6)	Cottonwood Improvement District (7)
					District	Abatement	District	District	District	District	District					
2016	0.001168	-	0.000230	0.001398	0.007227	0.001888	0.003278	0.000018	0.000400	0.000372	0.013183	0.014581	0.000816	0.000800	0.000199	
2017	0.001095	-	0.000214	0.001309	0.007227	0.001888	0.003278	0.000017	0.000400	0.000372	0.013182	0.014491	0.000773	0.000758	0.000189	
2018	0.000979	-	0.000187	0.001166	0.007117	0.001812	0.003104	0.000015	0.000400	0.000400	0.012848	0.014014	0.000699	0.000696	0.000176	
2019	0.000932	-	0.000175	0.001107	-	-	-	0.000014	-	-	0.000014	0.001121	0.000663	0.000640	0.000169	
2020	0.000883	-	-	0.000883	0.007297	0.001715	0.002547	0.000013	0.000400	0.000366	0.012338	0.013221	0.000619	0.000603	0.000161	
2021	0.000987	-	-	0.000987	0.006990	0.001594	0.002459	0.000012	0.000400	0.000369	0.011824	0.012811	0.000570	0.000547	0.000147	
2022	0.000870	-	-	0.000870	0.006053	0.001322	0.002020	0.000009	0.000400	0.000319	0.010123	0.010993	0.000448	0.000448	0.000119	
2023	0.000892	-	-	0.000892	0.005705	0.001346	0.002041	0.000009	0.000400	0.000341	0.009842	0.010734	0.000442	0.000432	0.000176	
2024	0.000948	-	-	0.000948	0.005677	0.001403	0.001902	0.000009	0.000400	0.000321	0.009712	0.010660	0.000414	0.000402	0.000166	
2025	0.000918	0.000249	-	0.001167	0.005656	0.001650	0.001828	0.000008	0.000400	0.000340	0.009882	0.011049	0.000401	0.000392	0.000278	

Note: Midvale City operates on a fiscal year beginning July 1 and ending June 30. Property taxes are generally paid in November. Property tax revenue for FY 2025 is based upon the calendar year 2024 rate. The same is true for all fiscal years.

(1) - School District includes Canyons School District and Jordan/Canyons School District debt service area.

(2) - Midvale City merged with the Unified Fire Service Area in 2012. Prior to that time, Midvale City provided fire service.

(3) - Salt Lake County tax rate listed includes Salt Lake County Library, county assessing & collecting levy, and multicounty assessing & collecting levy.

(4) - Jordan Valley Water Conservancy District is a taxing entity in 8 of 9 taxing areas within Midvale City

(5) - Mid Valley is a taxing entity in 1 of 9 taxing areas within Midvale City

(6) - Sandy Suburban is a taxing entity in 2 of 9 taxing areas within Midvale City

(7) - Cottonwood is a taxing entity in 1 of 9 taxing areas within Midvale City

Source: Utah State Tax Commission



PRINCIPAL PROPERTY TAX PAYERS

CURRENT AND TEN YEARS AGO

Taxpayer	Calendar Year 2024				Calendar Year 2014			
			Percentage of Total City				Percentage of Total City	
	Taxable Assessed Value	Rank	Taxable Assessed Value		Taxable Assessed Value	Rank	Taxable Assessed Value	
ZIONS BANCORPORATION, NA	89,041,600	1	1.86%					
JB1 HOLDINGS, LLC	67,071,730	2	1.40%					
ARBOR GARDNER BINGHAM JUNCTION OFFICE	56,957,700	3	1.19%					
SAN MORITZ APARTMENTS LLC	55,936,980	4	1.17%					
PCCP JSP SPRINGS LLC	50,650,462	5	1.06%					
PGM JORDAN BLUFFS, LLC	47,458,300	6	0.99%					
JSP RIDGE I, LLC	45,789,700	7	0.96%					
FORT UNION SHOPPING CENTER LLC	45,675,700	8	0.96%					
TALAVERA AT THE JUNCTION, LLC	45,657,755	9	0.96%					
RIVER MEADOWS LLC	43,959,575	10	0.92%					
DDR FORT UNION I & II LLC				38,971,700	1	2.15%		
JAMES CAMPBELL COMPANY LLC				37,956,200	2	2.09%		
DDR MIDVALLEY LLC				32,664,810	3	1.80%		
PCCP JSP SPRINGS LLC				28,044,995	4	1.55%		
RADDON UNION HEIGHTS OFFICE				25,230,100	5	1.39%		
FLDSMIDTH SALT LAKE CITY, INC				24,333,600	6	1.34%		
SAN MORITZ APARTMENTS LLC				24,021,800	7	1.33%		
THE FOUREL INVESTMENT CO				18,925,700	8	1.04%		
US BANK NATIONAL				18,133,100	9	1.00%		
JSP RIDGE I, LLC				17,285,675	10	0.95%		
	<u>\$ 548,199,502</u>		<u>15.90%</u>	<u>\$ 265,567,680</u>		<u>14.65%</u>		

Source: Salt Lake County



PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN CALENDAR YEARS

Calendar Year	Taxes Levied	Collected within the Year of the Levy		Collections in Subsequent Years (1)	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2015	1,175,963	1,124,808	95.65%	22,342	1,147,150	97.55%
2016	2,487,950	2,475,394	99.50%	41,137	2,516,531	101.15%
2017	2,673,585	2,591,313	96.92%	49,305	2,640,618	98.77%
2018	2,640,631	2,582,050	97.78%	51,455	2,633,505	99.73%
2019	2,676,171	2,608,154	97.46%	39,243	2,647,397	98.92%
2020	3,262,762	3,177,810	97.40%	40,218	3,218,028	98.63%
2021	3,395,649	3,282,048	96.65%	49,731	3,331,779	98.12%
2022	3,760,124	3,659,990	97.34%	42,550	3,702,540	98.47%
2023	4,032,782	3,931,855	97.50%	39,110	3,970,965	98.47%
2024	4,501,344	4,358,110	96.82%	34,407	4,392,517	97.58%

Note: Property tax collections may be higher than the amount levied and budgeted due to new growth and the collection of personal property tax.

(1) - Reflects collections through September 2025

Source: Salt Lake County Treasurer



SALES TAX REVENUE (POINT OF SALE) BY INDUSTRY

LAST TEN FISCAL YEARS

Category	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Retail sales										
Apparel/accessories	\$ 144,672	\$ 174,423	\$ 162,381	\$ 155,475	\$ 165,718	\$ 141,226	\$ 157,549	\$ 134,188	\$ 123,305	\$ 120,205
Auto sales and services	647,366	942,626	1,000,134	1,011,055	1,068,879	1,008,921	1,245,291	1,198,085	1,178,113	1,165,191
Bldg materials, hardware	360,367	441,842	434,463	439,993	573,948	888,130	778,896	378,816	311,844	330,869
Eating & drinking establishments	910,302	1,015,571	1,061,026	1,110,965	1,131,165	1,277,063	1,406,047	1,595,648	1,738,373	1,752,935
Groceries	854,755	905,885	849,487	845,742	881,657	891,626	926,342	1,107,549	1,094,149	1,204,620
General merchandise	497,656	504,178	526,831	528,494	541,790	565,920	634,984	622,710	607,519	599,429
Home furnishings/equipment	383,493	385,372	324,795	215,003	191,349	160,646	217,795	144,146	105,626	109,514
Miscellaneous retail	1,009,948	1,012,853	1,005,730	953,684	910,693	1,126,587	1,171,024	1,043,858	1,010,304	1,022,756
Total retail	4,808,559	5,382,750	5,364,847	5,260,411	5,465,198	6,060,118	6,537,928	6,225,000	6,169,233	6,305,519
Other										
Wholesale trade	722,490	799,404	759,449	1,038,996	1,096,832	1,207,647	1,537,373	1,377,936	1,335,670	1,321,966
Services	684,684	903,143	894,916	991,967	1,014,423	944,726	1,283,438	1,149,239	1,186,492	1,160,801
Utility/communication	558,343	584,132	583,360	547,936	512,938	511,468	564,631	628,043	620,020	598,869
Manufacturing	201,273	210,250	233,724	247,118	288,754	339,305	368,153	370,280	380,862	356,090
Miscellaneous other	253,139	238,452	333,220	421,501	773,858	1,429,447	1,530,962	2,416,701	2,715,334	2,798,317
Total other	2,419,929	2,735,380	2,804,669	3,247,518	3,686,805	4,432,593	5,284,557	5,942,199	6,238,378	6,236,043
Grand Total	\$ 7,228,488	\$ 8,118,130	\$ 8,169,516	\$ 8,507,929	\$ 9,152,003	\$ 10,492,711	\$ 11,822,485	\$ 12,167,199	\$ 12,407,611	\$ 12,541,562
Note: Utah state law requires pooling and redistributing (based upon population) fifty percent of each municipality's "point of sale" sales tax revenue. Midvale City loses approximately nine percent of its "point of sale" sales tax revenue to other municipalities. See "Total Sales Tax Revenue" table										
Source: Utah State Tax Commission Midvale City - Sales Tax by category - June 2025										



TOTAL SALES TAX REVENUE LAST TEN FISCAL YEARS

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Midvale City Point of Sale revenue	\$ 7,228,488	\$ 8,118,130	\$ 8,169,516	\$ 8,507,928	\$ 9,950,944	\$ 10,492,711	11,822,473.57	12,167,196.86	12,568,757.56	12,591,436.43
Less 50% of Point of sale	(3,614,247)	(4,059,114)	(4,084,775)	(4,253,961)	(4,975,472)	(5,246,356)	(5,850,657.28)	(6,083,607.23)	(6,284,966.19)	(6,295,718.25)
plus portion of statewide pool	2,957,289	3,170,136	3,380,453	3,508,542	4,078,562	4,417,115	5,302,325.65	5,393,967.66	5,397,650.28	5,550,572.95
Total distribution	6,571,530	7,229,152	7,465,194	7,762,509	9,054,034	9,663,470	11,274,142	11,477,557	11,681,442	11,846,291
Admin fee and other deductions	(108,304)	(100,318)	(83,176)	(73,852)	(86,263)	(79,427)	(93,144)	(100,456)	(101,999.65)	(105,632.44)
Net distribution	\$ 6,463,226	\$ 7,128,834	\$ 7,382,018	\$ 7,688,657	\$ 8,967,771	\$ 9,584,044	\$ 11,180,998	\$ 11,377,101	\$ 11,579,442	\$ 11,740,659
Point of sale revenue lost to statewide pool	\$ 656,958	\$ 888,978	\$ 704,322	\$ 745,419	\$ 896,910	\$ 829,241	\$ 548,332	\$ 689,640	887,315.91	\$ 745,145

Source: Utah State Tax Commission

Midvale City - Sales Tax by category - June 2025



DIRECT AND OVERLAPPING SALES TAX RATES LAST TEN FISCAL YEARS

Year	Midvale City			County Option	Mass	County Public	Transportation	Botanical, Cultural	Total Sales
	Direct Rate	State of Utah	Salt Lake County	Transportation	Transit	Transit	Infrastructure	Zoo (ZAP)	Tax Rate
2016	1.00%	4.70%	0.25%	0.25%	0.55%			0.10%	6.85%
2017	1.00%	4.70%	0.25%	0.25%	0.55%			0.10%	6.85%
2018	1.00%	4.70%	0.25%	0.25%	0.55%			0.10%	6.85%
2019	1.00%	4.85%	0.25%	0.25%	0.55%		0.25%	0.10%	7.25%
2020	1.00%	4.85%	0.25%	0.25%	0.55%		0.25%	0.10%	7.25%
2021	1.00%	4.85%	0.25%	0.25%	0.55%		0.25%	0.10%	7.25%
2022	1.00%	4.85%	0.25%	0.25%	0.55%		0.25%	0.10%	7.25%
2023	1.00%	4.85%	0.25%	0.25%	0.55%		0.25%	0.10%	7.25%
2024	1.00%	4.85%	0.25%	0.25%	0.55%		0.25%	0.10%	7.25%
2025	1.00%	4.85%	0.25%	0.25%	0.55%	0.20%	0.25%	0.10%	7.45%

Source: Utah State Tax Commission - www.tax.utah.gov/sales/rates.html



RATEPAYER FEES - BUSINESS-TYPE ACTIVITIES

LAST TEN FISCAL YEARS

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Culinary water	\$ 4,087,429	\$ 4,390,444	\$ 4,540,074	\$ 4,425,842	\$ 5,055,765	\$ 5,535,192	\$ 5,452,789	\$ 5,942,291	\$ 6,591,497	\$ 7,466,823
Sewer	1,632,358	1,917,097	2,158,794	2,261,354	2,568,389	2,792,422	3,051,297	3,355,393	3,684,456	4,137,198
Storm water	1,561,721	1,719,035	1,732,746	1,735,881	1,987,306	2,041,234	2,066,455	2,089,771	2,097,190	2,188,439
Street Lighting	371,086	379,598	379,360	382,474	389,100	399,760	404,891	405,821	406,361	408,443
Sanitation	906,863	932,126	931,339	1,025,598	1,132,844	1,252,012	1,275,598	1,327,682	1,476,079	1,549,060
Telecommunications	17,121	21,288	27,193	20,186	20,732	21,060	16,194	13,305	10,914	10,346
Total	\$ 8,576,578	\$ 9,359,588	\$ 9,769,506	\$ 9,851,335	\$ 11,154,135	\$ 12,041,681	\$ 12,267,225	\$ 13,134,264	\$ 14,266,498	\$ 15,760,310



RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

Fiscal Year	Government Activities								Business-type Activities			Total Primary Government	Percentage of personal income	Per Capita
	General Obligation Bonds	Excise Tax Revenue Bonds	Sales Tax Revenue Bonds	RDA* Revenue Bonds	MBA** Lease Revenue Bonds	Direct Borrowings	Notes Payable	Leases	Revenue Bonds	Notes Payable	Leases			
2015	1,826,829	1,185,501	-	23,954,615	8,673,433	-	75,000	-	22,980,954	287,867	-	58,984,199	8.95%	1,859
2016	1,495,049	898,631	-	36,004,751	8,436,929	-	60,000	-	21,812,732	284,547	-	68,992,639	9.78%	2,115
2017	1,143,949	611,761	9,137,669	35,068,887	7,985,425	-	45,000	-	20,718,676	275,209	-	74,986,576	10.69%	2,270
2018	777,509	309,891	8,928,894	53,673,494	7,523,921	-	30,000	-	26,005,919	230,540	-	97,480,168	13.22%	2,935
2019	396,069	-	8,460,119	60,516,705	7,062,417	-	15,000	-	24,539,935	197,628	-	101,187,873	12.93%	3,020
2020	-	-	7,931,344	39,658,996	6,590,913	-	-	-	23,053,951	153,430	-	77,388,634	9.41%	2,268
2021	-	-	7,387,569	37,459,287	6,104,409	2,163,892	-	-	22,393,968	125,737	-	75,634,862	8.47%	2,099
2022	-	-	6,828,794	35,180,578	5,607,905	7,465,175	-	-	19,991,984	111,601	-	75,186,037	7.17%	2,092
2023	-	-	6,250,019	32,703,166	5,101,401	6,962,743	-	-	18,275,058	98,211	-	69,390,598	6.35%	1,949
2024	-	-	5,651,244	28,381,565	5,584,897	6,424,312	-	-	26,186,059	77,851	-	72,305,928	6.62%	2,007
2025	-	-	4,974,019	27,442,495	4,685,825	5,895,402	-	-	25,188,191	67,232	-	68,253,162	6.25%	1,884

*Redevelopment Agency

**Municipal Building Authority

Notes:

Outstanding bond amounts include related unamortized premiums/discounts.

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

See "Demographic and Economic Statistics" for personal income and per capita data.



RATIOS OF GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Estimated Actual Value of Property	Percentage of Estimated Actual Value of Property		
			Estimated Value of Property	Actual Value of Property	Per Capita
2016	1,495,049	2,855,507,108	0.05%	32,613	46
2017	1,143,949	3,203,221,392	0.04%	33,035	35
2018	777,509	3,537,800,827	0.02%	33,208	23
2019	396,069	3,902,175,933	0.01%	33,506	12
2020	-	4,148,414,620	0.00%	34,124	-
2021	-	4,595,124,527	0.00%	36,028	-
2022	-	5,077,957,670	0.00%	35,938	-
2023	-	6,505,109,128	0.00%	35,609	-
2024	-	6,768,763,250	0.00%	36,028	-
2025	-	7,109,670,293	0.00%	36,219	-

Note:

Outstanding bond amounts include related unamortized premiums/discounts.



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

Governmental Unit (Jurisdiction)	Outstanding debt	Estimated Percentage Applicable to Midvale City	Amount Applicable to Midvale City
Direct:			
Midvale City Corporation	\$ 10,380,375	100.0%	\$ 10,380,375.2
Redevelopment Agency of Midvale City	27,731,476	100.0%	27,731,476
Midvale City Municipal Building Authority	4,436,607	100.0%	4,436,607
Total Direct Debt			42,548,458
Overlapping:			
Canyons School District	334,040,000	11.70%	39,082,680
Central Utah Water Conservancy District	579,819,489	1.60%	9,277,112
Salt Lake County*	305,358,905	2.40%	7,328,614
Sandy Suburban Improvement District*	1,015,000	1.80%	18,270
Total Overlapping Debt			55,706,676
Total Direct and Overlapping Debt			\$ 98,255,134
Notes:			
Direct debt amounts include related unamortized premiums/discounts.			
*Only 2024 data was available at the time of this report			
Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Midvale City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and therefore responsible for repaying the debt of each overlapping government.			



GENERAL OBLIGATIONS ON LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt limit										
General - 4%	\$ 114,220,284	\$ 128,128,856	\$ 141,512,033	\$ 156,087,037	\$ 165,936,585	\$ 183,804,981	\$ 203,118,307	\$ 260,204,365	\$ 270,154,410	\$ 284,386,812
Water and Sewer - 8%	228,440,569	256,257,711	283,024,066	312,174,075	331,873,170	367,609,962	406,236,614	520,408,730	540,308,820	568,773,623
Net debt applicable to limit	<u>(1,470,000)</u>	<u>(1,130,000)</u>	<u>(770,000)</u>	<u>(395,000)</u>	-	-	-	-	-	-
Additional Debt Incurring Capacity	\$ 341,190,853	\$ 383,256,567	\$ 423,766,099	\$ 467,866,112	\$ 497,809,754	\$ 551,414,943	\$ 609,354,920	\$ 780,613,095	\$ 810,463,230	\$ 853,160,435
Total net debt applicable to the limit as a percentage of debt limit	0.43%	0.29%	0.18%	0.08%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Legal Debt Margin Calculation for Fiscal Year 2024										
Estimated fair market value as of 12/31/2024	\$ 7,109,670,293									
Legal debt margin										
Debt limitation available for general purposes - 4%	284,386,812									
Water and Sewer - 8%	568,773,623									
Total General Obligation debt outstanding	-									
Additional Debt Incurring Capacity	<u>\$ 853,160,435</u>									
Source: Utah State Tax Commission										



PLEDGED REVENUE COVERAGE LAST TEN FISCAL YEARS

Redevelopment Agency (RDA) Property Tax/Sales Tax Revenue Bonds						Water, Sewer, Storm Water Revenue Bonds						Excise Tax Revenue Bonds		
Fiscal Year	RDA						Water/Sewer Net Revenue	Storm Water Net Revenue	Total		B&C Road Fund Revenue	Debt Service	Coverage	
	Sales Tax Revenue	Increment Revenue	Total	Debt Service	Coverage				Net Revenue	Service				
2015	6,221,500	3,185,596	9,407,096	2,255,861	4.17		1,954,426	667,351	2,621,777	1,841,478	1.42	837,135	311,500	2.69
2016	6,463,225	3,816,394	10,279,619	2,417,716	4.25		1,904,113	619,483	2,523,596	2,006,953	1.26	844,929	326,500	2.59
2017	7,128,932	4,658,617	11,787,549	2,594,694	4.54		2,157,726	688,930	2,846,656	1,971,009	1.44	1,158,697	315,500	3.67
2018	7,382,052	6,168,040	13,550,092	3,948,090	3.43		2,631,971	620,775	3,252,746	1,962,916	1.66	1,018,459	319,500	3.19
2019	7,695,281	6,501,445	14,196,726	4,871,864	2.91		2,663,858	448,780	3,112,638	2,342,068	1.33	1,084,543	315,000	3.44
2020	8,967,771	7,431,373	16,399,144	4,363,722	3.76		2,038,373	612,967	2,651,340	2,333,774	1.14	1,066,753	-	N/A
2021	10,434,898	7,793,504	18,228,402	3,474,685	5.25		2,737,706	803,023	3,540,729	2,187,415	1.62	1,178,276	-	N/A
2022	12,037,076	8,333,574	20,370,650	3,478,715	5.86		2,823,798	797,911	3,621,709	2,159,827	1.68	1,326,959	-	N/A
2023	12,306,587	8,799,240	21,105,827	3,479,992	6.06		2,605,907	749,455	3,355,362	2,136,252	1.57	1,388,823	-	N/A
2024	12,519,490	9,598,529	22,118,019	3,482,772	6.35		3,967,887	618,389	4,586,276	2,615,140	1.75	1,389,754	-	N/A
2025	12,672,980	11,627,600	24,300,580	3,483,173	6.98		4,953,825	559,776	5,513,601	2,834,650	1.95	1,570,759	-	N/A
Required coverage							1.25				1.25		2.00	



DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

Fiscal Year	Population	Personal Income	Income Per Capita	Unemployment Rate (Percentage)
2015	31,725	658,848,428	20,767	4.0
2016	32,613	705,267,157	21,625	3.4
2017	33,035	701,442,593	21,233	3.6
2018	33,208	737,492,670	22,208	3.5
2019	33,506	782,772,888	23,362	3.0
2020	34,124	822,461,002	24,102	7.4
2021	36,028	892,752,252	24,779	3.2
2022	35,938	1,048,573,122	29,177	2.4
2023	35,609	1,092,897,038	30,692	2.7
2024*	36,028	1,092,897,038	30,335	3.4
2025*	36,219	1,092,897,038	30,175	3.7

Sources:

Personal Income: <https://tax.utah.gov/econstats/federal-returns>

Population - <https://www.census.gov>

Unemployment rate -https://data.bls.gov/timeseries/LAUCN49035000000003?amp%253bdata_tool=XGtable&output_view=data&include_graphs=true

**Note:*

Personal income for the year 2024 & 2025 relies on data from 2023, given that information beyond that timeframe is not accessible as of the publication date.



PRINCIPAL EMPLOYERS

CURRENT YEAR AND TEN YEARS AGO

2025			2015		
Employer	Employees	Percentage of total City Labor Force	Employer	Employees	Percentage of total City Labor Force
ZIONS BANCORPORATION N A	1000-1999	8.5%	FLSMIDTH INC.	500-999	5.2%
CHG COMPANIES, INC.	500-999	4.3%	INTERMOUNTAIN HEALTH CARE, INC.	250-499	5.2%
GIV. CARE, INC.	500-999	4.3%	INCONTACT, INC	250-499	2.6%
INTERMOUNTAIN HEALTH CARE, INC.	500-999	4.3%	AMERICAN EXPRESS BANK FSP	100-249	2.6%
CUPERTINO ELECTRIC INC	250-499	2.1%	AMERICAN EXPRESS CENTURION BANK	100-249	2.6%
FLSMIDTH INC.	250-499	2.1%	CARDWELL DISTRIBUTION, INC.	100-249	1.3%
QES, INC	250-499	2.1%	CST GLOBAL, LLC	100-249	1.3%
AEROSCAPE, INC.	100-249	2.1%	ENTERPRISE RENT-A-CAR	100-249	1.3%
ARTHUR J GALLAGHER SERVICE COMPANY	100-249	2.1%	EREPLACEMENTPARTS.COM	100-249	1.3%
CHG MEDICAL STAFFING, INC.	100-249	2.1%	GLOBAL PAYMENT, INC.	100-249	1.3%
GREENWOOD MEDICAL CTR	100-249	1.1%	HARMONS	100-249	1.3%
HARMONS	100-249	1.1%	HILLCREST HIGH SCHOOL	100-249	1.3%
HILLCREST HIGH	100-249	1.1%	JST COMMUNITY SERVICES, LLC	100-249	1.3%
JORDAN VALLEY SPECIAL SCHOOL	100-249	1.1%	MOLINA HEALTHCARE OF UTAH, INC.	100-249	1.3%
MIDVALE ELEMENTARY	100-249	1.1%	NATIONAL PAYROLL SERVICES	100-249	1.3%
MIDVALE MIDDLE	100-249	1.1%	PHC OF UTAH INC.	100-249	1.3%
MOLINA HEALTHCARE, INC.	100-249	1.1%	PREMIER GROUP STAFFING, LLC.	100-249	1.3%
PENDRY PARK CITY, LLC	100-249	1.1%	SECURITY NATIONAL MORTGAGE	100-249	1.3%
PREMIER GROUP STAFFING LLC	100-249	1.1%	SPORTS WAREHOUSE	100-249	1.3%
SAVAGE SERVICES	100-249	1.1%	STAKER & PARSON COMPANIES	100-249	1.3%
SMITH'S	100-249	1.1%	THE VIDEO JOURNAL OF EDUCATION	100-249	1.3%
TERRACON CONSULTANTS, INC.	100-249	1.1%	UTAH MEDICAL PRODUCTS, INC.	100-249	1.3%
TOPGOLF PAYROLL SERVICES, LLC	100-249	1.1%	UTAH TRANSIT AUTHORITY	100-249	1.3%
UTAH MEDICAL PRODUCTS INC	100-249	1.1%	WAL-MART ASSOCATION INC	100-249	1.3%
WAL-MART ASSOCIATES INC	100-249	1.1%	WASATCH FRONT WASTE & RECYCLING	100-249	1.3%
WASATCH FRONT WASTE & RECYCLING DIS	100-249	1.1%	WINCO FOODS	100-249	1.3%
WINCO FOODS	100-249	1.1%	ZIONS BANK MANAGEMENT SERVICES	100-249	1.3%
ZAGG INC	100-249	1.1%			
Midvale City total labor force		23,447			19,238

Sources:

<https://jobs.utah.gov/jsp/firmfind/#/download>



FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government										
Legislative	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Executive	0.5	0.5	0.5	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Administrative	1.0	2.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0	6.0
Emergency Management	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Attorney	3.0	3.0	4.0	4.0	4.0	3.0	3.0	4.0	5.0	5.0
Finance	4.0	4.0	4.0	4.0	4.0	4.0	4.0	5.0	3.5	3.5
Utility Billing	2.5	2.0	2.0	2.0	2.0	4.0	4.0	3.0	3.0	3.0
Recorder	1.5	1.5	2.0	1.5	1.5	2.5	2.5	2.5	2.5	2.5
Human Resources	1.5	1.5	2.0	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Justice Court	9.0	7.5	8.5	9.0	8.5	8.5	8.5	8.5	8.5	8.5
Information Technology	3.0	3.0	3.0	3.0	3.0	4.0	6.0	6.5	6.0	5.0
Total General Government	29.5	27.5	31.5	31.5	31.0	35.0	37.0	38.5	37.5	38.5
Community Development										
Administrative	2.0	2.0	2.0	2.0	3.0	1.5	3.0	1.5	1.5	1.5
Business Licensing	1.0	1.0	1.0	1.0	1.0	1.0	1.5	2.5	2.5	2.5
Economic Development	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.0	0.0	0.0
Planning and Zoning	2.0	2.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Building	4.0	3.0	4.0	4.0	4.0	1.0	0.0	0.0	0.0	2.0
Code Enforcement	2.0	2.0	2.0	2.0	2.0	0.0	0.0	0.0	0.0	0.0
Engineering	4.0	4.0	6.0	6.0	6.0	8.0	6.0	6.0	6.0	6.0
Redevelopment Agency	2.0	3.0	4.0	4.0	4.0	3.5	3.5	3.0	3.0	3.0
Total Community Development	18.0	18.0	23.0	23.0	24.0	19.0	18.0	17.0	16.0	18.0
Public Works										
Administrative	2.0	2.0	3.0	3.0	3.5	3.0	4.0	3.5	3.5	3.5
Facilities Maintenance	2.0	1.0	2.0	4.0	4.0	3.0	3.0	2.5	4.0	4.0
Parks/cemetery	1.0	2.0	2.0	2.0	2.0	4.0	3.0	4.5	4.5	4.5
Fleet	1.5	2.0	2.0	2.0	2.0	2.0	2.0	2.5	2.5	2.5
Street/Storm Drain Maintenance	8.0	8.0	8.0	10.0	10.0	10.0	10.0	9.0	10.0	10.0
Water/Sewer	10.0	11.0	11.0	11.0	11.0	13.0	12.0	13.0	13.0	13.0
Total Public Works	24.5	26.0	28.0	32.0	32.5	35.0	34.0	34.5	37.5	37.5
Public Safety										
Total Public Safety	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total full-time equivalent employees	72.0	71.5	82.5	86.5	87.5	89.0	89.0	90.0	91.0	94.0
Note: Midvale City began contracting with the Unified Police Department in 2011 for provision of police services. The Salt Lake Valley Fire Service Area (SLVFS), a separate taxing entity, annexed Midvale City in 2011. Fire service is now provided by SLVFS.										



OPERATING INDICATORS LAST TEN FISCAL YEARS

Function	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government										
Residential Building permits issued	89	48	94	137	12	39	56	72	29	281
Number of units (1)	229	115	115	657	450	181	283	203	203	413
Construction cost (1)	\$40,547,273	\$19,908,000	\$19,296,600	\$75,240,016	\$75,509,858	\$28,547,220	\$47,839,689	\$46,716,934	\$35,669,025	\$149,837,000
Water										
Residential water connections	6,056	6,075	6,100	6,100	6,540	6,574	6,552	6,560	6,569	6,625
Non-residential water connections	1,225	1,300	1,304	1,297	1,358	1,405	1,429	1,500	1502	1520
Billed consumption (thousand gallons)	1,681,979	1,635,284	1,651,219	1,532,342	1,862,537	2,000,917	1,672,653	1,728,372	\$1,780,156	\$1,991,923
Billed consumption per capita (thousand gallons)	52	50	50	46	55	56	47	49	49	55
Purchased from JVWCD (thousand gallons)	49,347	27,854	74,543	341,638	1,144,506	1,060,037	899,594	1,108,282	986,430	1,115,306
Purchased from Sandy City (thousand gallons)	642,691	620,474	626,296	315,372	0	0	0	0	0	0
Water from city wells (thousand gallons)	989,941	986,956	950,380	875,332	718,031	940,880	773,059	620,090	793,726	876,617
Percent purchased	41%	40%	42%	43%	61%	53%	54%	64%	55%	56%
Sewer										
Residential sewer connections	2,348	2,362	2,385	2,381	2,371	2,373	2,373	2,370	2,442	2,466
Non-residential sewer connections	591	604	601	603	616	627	644	640	581	591
Sanitation										
Number of residential users	6,243	6,274	6,292	6,268	6,294	6,316	6,338	6,331	6,338	6,340
Number of residential cans in service	7,548	7,629	7,694	7,676	7,762	7,871	7,953	8,018	8,073	8,118

Source: Midvale City Corporation



CAPITAL ASSET STATISTICS BY FUNCTION

LAST TEN FISCAL YEARS

Function	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Public works										
Streets (miles)	70	70	70	70	70	92	95	92	92	92
Streetlight poles	1,372	1,381	1,384	1,384	1,384	1,568	1,112	1,568	1,568	1,581
Parks and recreation										
Developed park acreage	78	78	78	78	78	82	82	82	84	94
Undeveloped park acreage	2.78	2.78	2.78	2.78	2.78	0.0	0.0	0.0	0.0	0.0
Cemeteries	1	1	1	1	1	1	1	1	1	1
Cultural arts centers	1	1	1	1	1	1	1	1	1	1
Museums	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	97.4	97.7	98.1	98.1	112.0	131.2	139.2	136.0	138.0	138.0
Maximum daily capacity (million gallons)	9.6	9.7	9.8	9.8	9.8	10.0	10	14	14	14
Storage capacity (million gallons)	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5
Wells	5	5	5	5	5	5	4	3	3	3
Sewer										
Sewer lines (miles)	45	45	46	46	46	43	48	45	45	45

Source: Midvale City Corporation

INTERNAL CONTROLS AND COMPLIANCE REPORTS





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

**CERTIFIED PUBLIC
ACCOUNTANTS**

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Midvale City, Utah (the City) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 15, 2026.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

KYC, CPA

Woods Cross, Utah
January 15, 2026



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

**CERTIFIED PUBLIC
ACCOUNTANTS**

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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists.

The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

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

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

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

Report on Internal Control over Compliance

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

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We have issued our report thereon dated January 15, 2026, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

KYC, CPA

Woods Cross, Utah

January 15, 2026

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

Federal Grantor/Pass-through Grantor Program Title	Assistance	Federal Award	Pass-through	Passed	Total
	Listing Number	Identification Number	Entity Number	Through to Subrecipients	Federal Expenditures
<u>Department of the Treasury</u>					
Direct Program:					
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.019		N/A	\$ -	\$ 3,419,247
Total Department of the Treasury				\$ -	\$ 3,419,247
<u>Environmental Protection Agency</u>					
Direct Program:					
Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements	66.802	96863001	N/A	\$ -	\$ 158,202
Total Environmental Protection Agency				\$ -	\$ 158,202
Total Expenditures of Federal Awards				\$ -	\$ 3,577,449

See notes to the Schedule of Expenditures of Federal Awards

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

NOTE 1 GENERAL

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

NOTE 2 BASIS OF ACCOUNTING

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

NOTE 3 INDIRECT COST RATE

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

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

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

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

Federal Awards

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

II. FINANCIAL STATEMENT FINDINGS

None

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None



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

**CERTIFIED PUBLIC
ACCOUNTANTS**

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

Honorable Mayor and
Members of City Council
Midvale City, Utah

Report on Compliance

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

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

Budgetary Compliance	Governmental Fees
Fund Balance	Enterprise Fund Transfers, Reimbursements
Justice Court	Loans and Services
Restricted Taxes and Related	Tax Levy Revenue Recognition
Restricted Revenue	Open and Public Meetings Act
Fraud Risk Assessment	

Opinion on Compliance

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

Basis for Opinion

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and

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the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the government program as a whole.

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

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

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

Other Matters

The results of our auditing procedures disclosed and instance of noncompliance, which is required to be reported in accordance with the Guide and which is described in the accompanying schedule of findings and recommendations as item 2025-001. Our opinion on compliance is not modified with respect to these matters.

Government Auditing Standards require the auditor to perform limited procedures on the City's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and recommendations. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

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

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement will not be prevented or detected and corrected, on a timely basis.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement that is less severe than a material weakness in internal control over compliance yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and recommendations as item 2025-001 to be a significant deficiency.

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 City's Response to Findings

Government Auditing Standards require the auditor to perform limited procedures on the City's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and recommendations. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Purpose of this Report

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

KYC, CPA

Woods Cross, Utah

January 15, 2026

MIDVALE CITY
Schedule of Findings and Recommendations
For the Year Ended June 30, 2025

STATE COMPLIANCE

2025-001 Reconciliation of Trust Account

Condition: During our compliance testing over Midvale City's Justice Court we noted that the City had not adequately reconciled the court activity to the general ledger on a monthly basis.

Criteria: Per Chapter 1 Section D(2) of the State Compliance Audit Guide issued by the Office of the State Auditor, the auditor is to "Review trust account reconciliations to ensure that they are reconciled monthly."

Cause: An oversight by management.

Effect: Governance was not provided with accurate information on the trust account liability.

Recommendation: We recommend that the City properly reconcile the court transactions on a monthly basis to the general ledger.

Management's Response: While the City prints Justice Court Trust Account checks monthly from a manual process due to CORIS not being connected to the City's bank accounts as an internal control, a full reconciliation has historically been conducted annually. We will ensure the process is done monthly moving forward.



Midvale City Corporation

Finance Department

7505 South Holden Street

Midvale, UT 84047-7180

Phone: (801) 567-7200

WWW.MIDVALE.UTAH.GOV



MIDVALE CITY COUNCIL SUMMARY REPORT

Meeting Date: January 20, 2025

SUBJECT: Consideration of Resolution 2026-R-06 Adopting the Midvale Wildland-Urban Interface Area Map

SUBMITTED BY: Matt Dahl, City Manager

SUMMARY

In 2025, the Utah State Legislature enacted H.B. 48 – Wildland Urban Interface Modifications, which requires municipalities to adopt the edition of the Utah Wildland-Urban Interface (WUI) Code adopted by the State under Utah Code §15A-2-103. Midvale City has already incorporated the State-adopted WUI Code by reference in Midvale Municipal Code §15.12.010.

Under Section 301 of the Utah Wildland-Urban Interface Code, each legislative body is required to formally declare the wildland-urban interface areas within its jurisdiction. To meet this obligation, Midvale City worked in coordination with the Unified Fire Authority (UFA) to analyze local wildfire risk using the Utah Wildfire Risk Explorer, a statewide assessment tool provided by the Utah Department of Natural Resources.

The risk assessment conducted through the Utah Wildfire Risk Explorer indicates that Midvale City has low, little, or no exposure to wildfire risk. After reviewing the available data and consulting with UFA, staff determined that no geographical area within Midvale City meets the definition of a wildland-urban interface area as defined in the WUI Code.

Nevertheless, state law requires each jurisdiction to adopt a WUI Area Map. Because Midvale does not contain any areas that qualify as WUI, the proposed Midvale Wildland-Urban Interface Area Map—attached as Exhibit A to the resolution—formally documents this determination by showing no designated WUI zones within the city limits.

FISCAL IMPACT

The adoption of the WUI Area Map carries no direct fiscal impact. Compliance with state law ensures continued alignment with State Fire Marshal and UFA operational requirements.

RECOMMENDATION

Staff recommends that the City Council adopt Resolution No. 2026-R-06 adopting the Midvale Wildland-Urban Interface Area Map

ATTACHMENTS:

Resolution 2026-R-06

Midvale Wildland-Urban Interface Area Map

**MIDVALE CITY, UTAH
RESOLUTION NO. 2026-R-06**

**A RESOLUTION ADOPTING THE MIDVALE WILDLAND-URBAN INTERFACE AREA
MAP**

WHEREAS, the Utah State Legislature passed H.B. 48 *Wildland Urban Interface Modifications* in 2025 which required municipalities to adopt the edition of the Utah Wildland-Urban Interface Code adopted by the State under Utah Code Section 15A-2-103; and

WHEREAS, Midvale has adopted the Utah Wildland-Urban Interface Code by reference under Midvale Municipal Code Section 15.12.010; and

WHEREAS, Section 301 of the Utah Wildland-Urban Interface Code requires each legislative body to declare the wildland-urban interface areas within their jurisdiction; and

WHEREAS, Midvale, in coordination with Unified Fire Authority, has reviewed the wildland fire risk to Midvale City using the Utah Wildfire Risk Explorer tool provided by the Utah Department of Natural Resources; and

WHEREAS, the Utah Wildfire Risk Explorer tool has identified Midvale as having low, little, or no exposure to wildfire risk; and

WHEREAS, Midvale, in coordination with Unified Fire Authority, has determined that no geographical area within its jurisdiction meets the definition of a wildland-urban interface area.

**NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF MIDVALE,
UTAH:**

1. In accordance with Section 301 of the Utah Wildland-Urban Interface Code, the Midvale City Council adopts the Midvale Wildland-Urban Interface Area Map, attached as Exhibit A.

2. The Midvale Wildland-Urban Interface Area Map shall take immediate effect and will remain in effect until replaced by the Midvale City Council or as otherwise required by state law.

3. A copy of the Midvale Wildland-Urban Interface Area Map will be on file with the Midvale City Recorder and the Midvale Building Official.

APPROVED AND ADOPTED this 20th day of January, 2026.

Dustin Gettel, Mayor

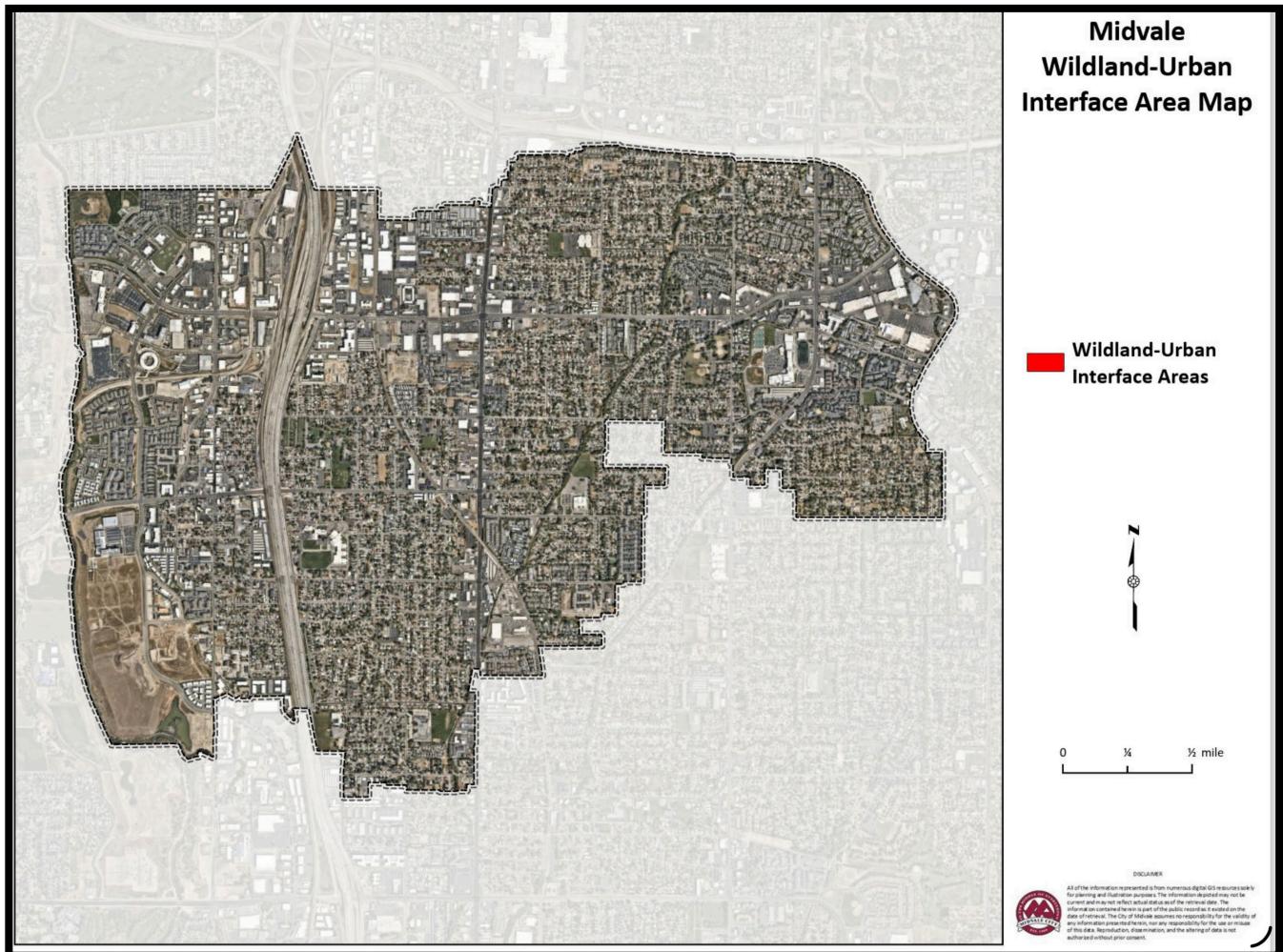
ATTEST:

Rori L. Andreason,
City Recorder

Voting by the City Council “Aye” “Nay”

Bonnie Billings	_____	_____
Paul Glover	_____	_____
Heidi Robinson	_____	_____
Bryant Brown	_____	_____
Denece Mikolash	_____	_____

EXHIBIT A





7505 S Holden Street
Midvale, UT 84047
801-567-7200
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MIDVALE CITY COUNCIL STAFF REPORT 1-20-2026

SUBJECT

Consider Resolution 2026-R-07 approving change order work with Noland & Son Construction Co. Inc. for the 2025 Sewer Rehabilitation Project.

SUBMITTED BY

Branden Anderson, City Engineer

BACKGROUND AND OVERVIEW

The City entered a contract with Noland & Son Construction Co. Inc. for execution of the 2025 Sewer Rehabilitation Project on September 2, 2025.

During field preparation work on Wasatch Street (8000 S.) a problem was found with the sewer line; a blockage to the west of Pioneer St. that required fixing. The change order proposes the following:

- New items of work:
 - Remove and install new manhole
 - Remove and replace 8" sewer line
 - Fix lateral connection as needed
- Reasons to consider the Change Order:
 - Sewer problems are on Wasatch Street.
 - Spending money from Pioneer to Olympus would fix the known problem, but not the problem found to the west.
 - Weather window for paving and prompt fix of sewer.
 - Quick remobilization and minimal interruptions to the traveling public

This has been reviewed by City staff and the Design Engineer for the project and found to be acceptable and needed.

The proposed schedule will remain the same as the original contract (May 2026).

Total contract amount is as follows:

- Price
 - Original Price: \$2,616,247.00
 - Change Order additional amount: \$329,944.00
 - If approved, new amount: \$2,946,191.00

A suspension of the rules is requested for the Resolution.

FISCAL IMPACT

If approved, this will be paid out of bond proceeds set aside for the sewer rehabilitation project.

STAFF RECOMMENDATION

Approval of Resolution 2026-R-07, approving change order work with Noland & Son Construction Co. Inc. for the 2025 Sewer Rehabilitation Project

RECOMMENDED MOTION

I move that we suspend the rules and approve Resolution No. 2026-R-07, approving change order work with Noland & Son Construction Co. Inc. for the 2025 Sewer Rehabilitation Project.

ATTACHMENT

1. Resolution No. 2026-R-07

**MIDVALE CITY, UTAH
RESOLUTION NO. 2026-R-07**

**A RESOLUTION APPROVING CHANGE ORDER WORK WITH NOLAND & SONS
CONSTRUCTION CO. INC. FOR THE 2025 SEWER REHABILITATION PROJECT**

WHEREAS, Midvale City engaged Bowen & Collins and Associates to prepare a comprehensive sewer master plan; and

WHEREAS, City staff determined that a project should be developed to address deficiencies within the sewer system that were identified in the sewer master plan; and

WHEREAS, Bowen & Collins and Associates subsequently designed and assembled the project specifications for public advertisement in accordance with the study's findings; and

WHEREAS, Midvale City publicly advertised and solicited bid proposals for the 2025 Sewer Rehabilitation Project; and

WHEREAS, City staff determined that Noland & Son Construction Co. Inc. achieved the highest ranking based on established review criteria pertaining to this project; and

WHEREAS, a Contract for the execution of the 2025 Sewer Rehabilitation Project has been prepared and duly reviewed by City staff and City Council; and

WHEREAS, Midvale City Council adopted resolution #2025-R-45 and executed a contract for the 2025 Sewer Rehabilitation Project to Noland & Son Construction Co. Inc. in September 2025; and

WHEREAS, Noland & Son Construction Co. Inc. encountered issues in the field to complete the original contracted work and submitted a change order request to fix these issues; and

WHEREAS, City staff has reviewed and evaluated the change order work and recommends the City Council approve the change order.

NOW, THEREFORE, BE IT RESOLVED, the Midvale City Council hereby adopts this resolution approving change order work with Noland & Son Construction Co. Inc. for the 2025 Sewer Rehabilitation Project.

APPROVED AND ADOPTED this 20th day of January 2026.

Mayor Dustin Gettel

ATTEST:

Rori L. Andreason, MMC
City Recorder

Voting by the City Council	“Aye”	“Nay”
Bryant Brown	<hr/>	<hr/>
Paul Glover	<hr/>	<hr/>
Bonnie Billings	<hr/>	<hr/>
Heidi Robinson	<hr/>	<hr/>
Denece Mikolash	<hr/>	<hr/>